



LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON ESTIMATES 2009-2010

(Reference: Appropriation Bill 2009-2010)

Members:

MR Z SESELJA (The Chair)
MS C LE COUTEUR (The Deputy Chair)
MS A BRESNAN
MR B SMYTH
MS J BURCH

TRANSCRIPT OF EVIDENCE

CANBERRA

THURSDAY, 28 MAY 2009

Secretary to the committee:
Ms G Concannon (Ph: 6205 0129)

By authority of the Legislative Assembly for the Australian Capital Territory

Submissions, answers to questions on notice and other documents relevant to this inquiry that have been authorised for publication by the committee may be obtained from the Committee Office of the Legislative Assembly (Ph: 6205 0127).

APPEARANCES

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Amended 21 January 2009

The committee met at 9.17 am.

Appearances:

Stanhope, Mr Jon, Chief Minister, Minister for Transport, Minister for Territory and Municipal Services, Minister for Business and Economic Development, Minister for Indigenous Affairs and Minister for the Arts and Heritage

Department of Disability, Housing and Community Services

Hehir, Mr Martin, Chief Executive

Sheehan, Ms Maureen, Executive Director, Housing and Community Services, Indigenous Affairs

Chief Minister's Department

Dawes, Mr David, Deputy Chief Executive, Business and Projects

Tomlins, Mr George, Executive Director, Strategic Project Facilitation, Business and Projects

Land Development Agency

Robertson, Mr John, Chief Executive Officer

THE CHAIR: Welcome to the public hearing of the Select Committee on Estimates. This morning the committee is meeting with the Minister for Indigenous Affairs and departmental officials from the Department of Disability, Housing and Community Services. The committee is also meeting with the Chief Minister and departmental officials from the Chief Minister's Department and the Land Development Agency. Before we proceed to questions, minister, would you like to make an opening statement?

Mr Stanhope: Thank you. I do have an opening statement that I wish to make in relation to the Land Development Agency. I am happy to make that now or at the conclusion of evidence from the department of community services, whatever would suit the committee better.

THE CHAIR: I am happy for you to make it now.

Mr Stanhope: If that is the wish of the committee, certainly. Thank you for the opportunity to make this opening statement. I reiterate that this is a statement relevant to evidence that will be provided by and in relation to land development and the Land Development Agency, but I would like to take this opportunity to read into the record correspondence that I have received and which I promised to share with the committee in relation to the defamatory allegations that were made by the Liberal Party when I appeared with the Chief Minister's Department.

As you would recall, those allegations concerned the behaviour of unnamed builders who were partners with the Land Development Agency in the OwnPlace scheme. All five of the builders who are partners in this innovative and exceptionally popular scheme were understandably horrified to be implicated by the Liberal Party in an alleged practice of overcharging customers. The specific allegations made by the

Liberal Party were that the OwnPlace customers were paying up to \$60,000 more for a house purchased through OwnPlace than they could pay for the same house built outside the scheme. I will table the letters in their entirety shortly but would like the opportunity to highlight just some of the sentiments of the building companies so maligned and defamed by the Liberal Party in this place.

The following is an extract from the managing director for Renaissance Building and Design, one of the local builders partnering with the LDA on this wonderful scheme. Renaissance Building and Design said this:

I have no hesitation in offering yourself, the Estimates Committee, the ACT Government, the LDA and all current and prospective OwnPlace purchasers an unequivocal assurance that:

- Renaissance Homes is not, under any circumstances, embarking upon any actions or behaviour that could be construed as ‘price gouging’ within the OwnPlace program.
- Renaissance Homes are quite certain that no other OwnPlace panel builder is ‘price gouging’ within the program.

I was dismayed to learn that the Liberal Party had made what can only be described as an unwarranted and insulting attack on the integrity of the program. I can only assume that they have completely failed to properly inform and educate themselves on the program and the package being offered.

I stand with the other panel members—and 100 per cent by the LDA and their excellent administration of the program.

We are proud to be part of the OwnPlace program and would welcome the opportunity to submit our packages to any appropriate scrutiny deemed necessary to confirm our ‘best value for money’ approach.

Please let me know if there is anything further that I can do to help protect our reputation as well as the integrity of the scheme as a whole.

The following is an extract from the correspondence received from SM Precision Building, another of the panel builders:

We refer to your correspondence of 20th May, and on behalf of SM Precision Building, wish to express our disappointment of the allegations made against the OwnPlace scheme and, in particular, the builders involved in the scheme.

For our part, we have no hesitation in providing assurances to yourself and all other interested parties that SM Precision Building has not, and will not, engage in any form of “price gouging” or “profiteering” within the OwnPlace program.

SM Precision Building is proud to be a part of this innovative and popular scheme, and is fully committed to providing affordable housing to those people who qualify within the Program. We would welcome the opportunity to submit details of our packages to yourself, the Estimates Committee ... to unequivocally disprove the allegations that have been made.

From RAM Constructions, another of the panel builders:

It is indeed unfortunate that the OwnPlace Scheme, which we believe to be an outstanding affordable housing concept, continues to be attacked in the public forum at every opportunity ...

RAM Constructions currently builds exclusively within the OwnPlace Scheme and for the Department of Disability, Housing and Community Services. Our contracts with DHCS are awarded under a process of public tender and as such to be successful we must demonstrate that our product is price competitive. Our cost basis for OwnPlace homes is similar to DHCS houses.

I assure both yourself and the Estimates Committee that RAM Constructions is certainly not offering any Building Contract which reflects above current market value ...

... RAM Constructions would view any implication that it is involved in price gouging as a serious compromise of our hard earned reputation and would take every opportunity to seek redress.

And another, from GE Shaw and Associates:

G.E. Shaw & Associates is keen to preserve the high reputation of the OwnPlace program and shares your disappointment in regard to allegations of price gouging.

This company has worked very hard over a number of years to build a high professional reputation and to have this and our ethical standards questioned is disturbing ...

We strongly believe in this scheme and will continue to work hard to ensure its success.

And from the final panel builder, AV Jennings:

AV Jennings has been privileged to participate in this scheme and has taken this commitment very seriously to ensure the success of this innovative popular scheme ...

... all of the AV Jennings homes are designed to be well under similar houses offered through our normal retail market.

And then the letter goes to specifics.

The committee will recall that the allegation made by the Liberal Party in this place was that a home, identical in every way, could be bought for \$60,000 less if it was bought outside the OwnPlace scheme.

Let us see what AV Jennings have to say about their own standard product and how it differs from the product they deliver under OwnPlace. AV Jennings says that the standard houses advertised do not include any site costs and only a basic range of inclusions—no site costs; basic inclusions. By contrast, they say, the OwnPlace houses include the following: all site costs, all service connections, a five-star energy

rating, landscaping, flyscreens to all doors and windows, carpets, boundary fencing, window coverings, ducted gas heating, a clothesline with a concrete path, ceramic tiled flooring to the family, meals and hallway areas, down-lights in the kitchen, a doorbell, TransACT fibre to the home and any necessary bushfire requirements.

I will table the letters for the information of the committee. I might add that it is of course a matter of immense regret that the Liberal Party has, in pursuit of a bid of undergraduate politics, been so thoughtless as to drag the reputations of these five building companies through the mud. The Liberal Party may think that they are injuring the government; they are injuring others; and the peak bodies that represent these five builders are far from happy about it.

I would like also to provide the committee with a letter from the Housing Industry Association that describes the Liberal Party's gouging allegations not just as misinformed but absurd. The letter from the Housing Industry Association goes on:

I would challenge those that are responsible for these allegations to provide costings on how they could produce a significantly cheaper product while maintaining a viable business.

Indeed, far from pillorying this scheme and carelessly slandering the builders who are part of it, as the Liberal Party has done, the Housing Industry Association says that it would welcome an expansion of the OwnPlace scheme—an expansion, not a scrapping; an expansion. The Housing Industry Association goes on:

... the OwnPlace scheme is one of a suite of initiatives aimed at addressing house affordability in the ACT that is fully supported by HIA.

I would further like to provide advice and a letter from the Master Builders Association. It reads in part:

The Master Builders Association of the ACT is very supportive of initiatives undertaken via the affordable housing scheme introduced during the previous Assembly by your Government. We believe that OwnPlace is a demonstration of a successful joint venture between industry and the Land Development Agency to deliver on affordable housing.

From our own internal conversations with members involved in the projects and knowledge and information regarding building costs and other associated charges in delivering housing in this market, it is extremely difficult to attach any plausibility to the claims raised. On this basis, it is beholden on Estimates to make a clear statement to protect the integrity of the builders caught up in these allegations.

Despite views to the contrary in some quarters, the pricing of housing in the ACT is very competitive and builders are subject to a great deal of pressure through market forces. The probability of any one builder being able to deliver on affordable housing at any major variance from competitors would be absolutely minimal.

The Master Builders Association concludes:

We look forward to a continuation of the OwnPlace scheme and success in bringing new home buyers into the ACT housing market to achieve their ultimate dream—home ownership.

So there you have it: overwhelming industry support for OwnPlace. It is a pretty justifiable disgust for last week's attempts by the Liberals to score a few political points by attacking reputable local businesses.

But of course allegations are damaging, even unfounded ones. Every time the Liberal Party makes another one of its preposterous claims about the government's affordable housing initiatives, ordinary Canberrans, in possession of what John Miller from the Master Builders Association rightly calls the ultimate dream, are needlessly made anxious and needlessly alarmed.

If the Liberal Party is seriously suggesting that the government ought not strive to protect the reputations of slandered businesses and not do its utmost to assuage the alarm of misinformed readers of the *Canberra Times*, not work, over time, to correct the record in relation to a project involving millions of dollars of investment, not to take out an advertisement to correct blatant mistakes, I think the letters that I will table today show that it is not only the government that is heartily sick of the Liberal Party's active campaign to resist and reject initiatives that will help Canberrans on modest incomes into their own homes. Thank you, Mr Chair.

THE CHAIR: Chief Minister, that was a stunt. You have talked about price gouging. The only person who mentioned price gouging here was David Dawes. David Dawes mentioned price gouging. So you have manufactured the allegation which you have got them to respond to. So we thank you for that political statement. We will move to questions on Indigenous affairs.

MR SMYTH: On that issue, the Chief Minister might table, for the edification of the committee, the letters he actually wrote to those individuals so that we might see what he described.

Mr Stanhope: Most certainly. I would be more than happy to do that. And indeed, in the context of that being a stunt, Mr Chair, I think we need refer just to your most recent letter to Mr Dawes in which you repeat the claim that these builders were gouging the market and young first homebuyers to the tune of \$60,000 under estimates committee letterhead. I think there is a question as to whether or not a letter written under estimates committee letterhead repeating an allegation actually attracts parliamentary privilege that the outrageous claims made last week obviously do.

There is an issue for the committee. I do hope and trust that the estimates committee will, in private meeting, now give some consideration to whether or not the letter written by this committee to Mr Dawes, I think yesterday, repeating the allegation of gouging to the tune of \$60,000, attracts parliamentary privilege; whether or not all five members of the committee are comfortable with that allegation having been repeated by their Chair and disseminated perhaps under or without parliamentary privilege.

I might just say that one of the five builders has, in the letter which I will table today,

indicated that his company will, in order to protect their integrity, seek what redress is available, in other words, legal action. I think and fear that the defamation has been compounded by this committee.

THE CHAIR: Thank you, Chief Minister.

Mr Stanhope: And in the name of all five members of the committee by its chair.

THE CHAIR: We look forward to the response to that letter when we get to the Land Development Agency.

MS BURCH: I would not mind a copy of the letter sent from this committee.

THE CHAIR: Sure.

Mr Stanhope: Surely the committee approved it. The chair does not have the authority to write letters without the full approval of the committee, surely.

THE CHAIR: The committee did approve.

Mr Stanhope: Did approve?

THE CHAIR: Yes.

Mr Stanhope: Right.

MS BURCH: Sighted it?

MS BRESNAN: Can we discuss this later?

THE CHAIR: Yes.

MS LE COUTEUR: This is not for now.

MR SMYTH: That is right.

THE CHAIR: We will move to questions on Indigenous affairs. Ms Le Couteur?

MS LE COUTEUR: Thank you. Can I ask a question about Gugan Gulwan. Minister, why is the government no longer funding this important service?

Ms Sheehan: The government provides considerable funding to Gugan Gulwan from the Department of Disability, Housing and Community Services. There is funding for the support of at-risk young people. We also provide funding for housing outreach services and homelessness services.

MS LE COUTEUR: I am sorry, I should have been more specific. You will be ceasing to fund from 30 June, I believe, a number of projects—in particular, literacy and numeracy.

Ms Sheehan: I think you may be referring to a project that was funded under the community inclusion fund?

MS LE COUTEUR: Yes, but it was an Indigenous program. I assumed that the Minister for Indigenous Affairs would have a view on it, given that the target group was Indigenous.

Ms Sheehan: With respect to the community inclusion fund, the Community Inclusion Board made decisions about project funding for between one and three years for a range of projects across the community. That was always supposed to be defined in time. It was never supposed to be recurrent funding for programs. At the time that the program funding was coming to an end, individual departments which had partnered with community organisations for that funding had discussions with the organisations and in most cases those programs were funded on an ongoing basis by the department.

MS LE COUTEUR: Why wasn't this one?

Mr Stanhope: I would have to take some advice, perhaps from the Chief Minister's department and the relevant officers, Ms Le Couteur, but my understanding—and I will have to confirm this; I am more than happy to confirm this in detail to you—is that there are a number of Community Inclusion Board exploratory schemes that have been funded over the last four years. As Ms Sheehan has just said, initially all of the programs were partnerships between community organisations and ACT government departments and in some respects multiple partners across the community sector and with government. A number of those schemes continue. A number of those schemes or projects have terminated. A number of the schemes that involve the Indigenous community or Indigenous pilot projects were concluded or conclude at the end of this financial year. Another one that comes to mind is the Indigenous women's legal service position.

At the time the budget was concluded, ministers discussed the range of projects for which funding would end in this cycle or in this financial year and particular focus was given by ministers and by the cabinet to Indigenous-specific programs funded by the Community Inclusion Board. Commitments were made by ministers that agencies would use every endeavour to maintain and to continue through internal funding the capacity or opportunity of the Indigenous-specific programs because of their particular importance. In that regard, the Indigenous women's legal assistance capacity of the women's legal service will be maintained by JACS.

My understanding in relation to the Gugan Gulwan program is that discussions were to continue between Gugan Gulwan and relevant departments, but I do not have an update on those discussions. Specific budget funding for, I think, a significant majority of the Community Inclusion Board projects has terminated. Some have become ongoing. It was never intended that they be permanent programs or projects. That was always understood. They were funding arrangements of projects essentially designed to leverage community support, to test new ways of enhancing inclusion within the community, particularly by those least likely to be included in the community. That was the program structure. It was never intended that these programs or projects be funded beyond budget cycles or indeed beyond three years.

MS BRESNAN: I guessed that might be the case. A number of departments have come before us who have had an input in this. I think we originally asked the Chief Minister's Department and they told us to ask Community Services. When we asked Community Services they said we needed to talk to the education department about it. Then when I asked the education department, "Have you been having any discussions about this program?" I believe the minister said, "No, it had never been raised with us as an issue that this program should be re-funded."

I know you said that these are programs that were never to go beyond a particular time, but when Gugan Gulwan came to us too, we asked, "Were you given any assistance in terms of finding alternative funding?" They said, "No, we weren't." I know you said it was going to end at a particular time, but given this is about literacy and numeracy for Indigenous children—

Mr Stanhope: It was certainly—

MS BRESNAN: Sorry, if I can just finish.

Mr Stanhope: Yes. I understand that position.

MS BRESNAN: I guess as soon as you put a program in, obviously it fills a need, and this is particularly key for young Indigenous people.

Mr Hehir: We will obviously have to talk to the department of education about this. We wrote to them in October last year advising them that they needed to look at the funding for that project on an ongoing basis. I have just been advised that there was a meeting as recently as last week when the issue was discussed and officers from the Department of Education and Training identified that they were still in ongoing discussion with Gugan Gulwan. Obviously we need to clarify that.

MS BRESNAN: That would be good.

Mr Hehir: I am very happy to do that, but as of last week we were advised that the discussions were still going on with Gugan Gulwan in terms of that particular program.

MS BRESNAN: It would be good to get some clarity because obviously we are getting different views from different departments about what is happening there.

Mr Hehir: Sure.

Mr Stanhope: I think there were three continuing Community Inclusion Board programs that were in discussions between ministers this year. Whilst it was agreed that budget funding would not continue, there was an all-of-government intent that the best efforts and endeavours of the departments would be applied to ensure that three of those programs did not cease.

MS BRESNAN: It would be good to get one of those three.

MS LE COUTEUR: Was this one of those three?

Mr Stanhope: It was, yes.

MS BRESNAN: It would be good to get some clarity. I am sure Gugan Gulwan would appreciate some clarity about what is happening.

MS LE COUTEUR: Yes.

THE CHAIR: Thank you. Mr Hanson.

MR HANSON: Mr Chair, thank you. Chief Minister, a number of the election commitments of the Labor Party have been put into the budget but a number are yet to be put in. I acknowledge you have said that they will be put in during the electoral cycle. Can you advise the committee where we are at with the support for grandparents and Canberra grandchildren, the Ngunnawal genealogy project and the leadership training? When do you expect they will be implemented?

Mr Stanhope: Mr Hanson, thank you for your acknowledgement of the cycle and the nature of commitments. In an ideal world, of course, every government would like to have the capacity to fund all of the initiatives that it believes are worthwhile, particularly those that it makes commitments around. That is simply not realistic, particularly in the context of the budget situation we face—the recession and a massive deficit. We have done our best and it is our intention to meet all of the commitments we made in this cycle, and we will do that.

I will ask Mr Hehir for some detail in relation to these two issues, but I might just say that the genealogy project is important to the community. There are issues within the community as to some of the very difficult matters around the provision of custodianship and the recognition of traditional owners. Certainly the grandparents initiative is one that we particularly support. But I will ask Mr Hehir to comment on some of the detail.

Mr Hehir: Mr Hanson, can I just confirm that the three that I have got in here are support for the Indigenous grandparents, the genealogy program—

MR HANSON: Yes, the grandparents, the genealogy projects and the leadership training.

Mr Hehir: And the facilitator—

MR HANSON: They appear not to be in the budget papers.

Mr Hehir: It is leadership training.

MR HANSON: Yes, I have been able to find the others. I am assuming that they have been delayed or cancelled. I am just trying to get some sense, because I have had a lot of representations from the Indigenous community. They have been asking: “What’s happened to those election commitments? Are they being introduced or not?” I made a commitment that I would endeavour to find out through the estimates process.

Mr Hehir: The support for Indigenous grandparents has been rolled into the out-of-home care increase in funding in the Office for Children, Youth and Family Support. There is a significant base growth increase in that program, which will incorporate both the grandparents program and the Indigenous grandparents program. It has not been—

MR HANSON: So that is the \$120,000 for that?

Mr Hehir: I need to check the actual figure but, yes, that figure was rolled into it.

MR HANSON: Could you confirm that, because the commitments are \$120,000? I appreciate it is very difficult and a lot of initiatives are put through other departments, but I just want to make sure that that—

Mr Hehir: That is with our department, so I will check that.

MR HANSON: It is. If you could check that, please.

Mr Hehir: It is certainly incorporated into that program. I think we will be back this afternoon to talk about that. I will have the figures for you then, if that is okay?

MR HANSON: Yes, that would be great.

Mr Hehir: The genealogy program has not been funded in this budget. It is certainly something which we will continue to do work on where we can internally, but it is something that is going to take some time to bring to fruition. As the Chief Minister indicated, it is a particularly sensitive and difficult subject, made even more so given the experiences of many of the Ngunnawal people in the ACT. Certainly that was brought home to me in a recent meeting to discuss our own reconciliation action plan. Some members of the Ngunnawal community described some of the experiences of their ancestors—the interactions between the families and the conflict between some of the families. That is something that we are going to have to take some time on in working with the families. We will bring it forward in the next few budget processes with, hopefully, the full support of the community.

MR HANSON: Will it be next year or the year after? Do you have an intended date on that?

Mr Hehir: We would, I think, bring it forward for the government to consider as a department. The government will make the final decision. Certainly we will continue working on it in terms of developing that proposal.

MR HANSON: When do you anticipate bringing it before the government?

Mr Stanhope: I would expect it would be a submission made by the department in the context of developing next year's budget, Mr Hanson.

MR HANSON: Next year's budget?

Mr Stanhope: Yes. I cannot give a commitment at this stage, this far out, to funding or not funding any particular initiative, but certainly the government's intention is that this genealogical study will be commissioned and funded. I would signal that it is not particularly expensive and it is something that I would hope we would be able to find the capacity to do next year. But I am not going to commit to it.

As Mr Hehir says, and I do not want to labour the point here—I do not want to throw oil onto the fire essentially in relation to some of the very difficult issues which I think all governments and all communities face in relation to these sorts of issues within Indigenous communities; I do not want to exacerbate those—but suffice it to say that there is continuing discontent within the Indigenous community in the ACT around traditional custodianship, recognition of the traditional custodians and the identification of the traditional custodians of this land. The government's intention is to facilitate an easing of some of the tensions that exist from time to time. I must say that the community gets on as well, I think, now as it ever has. But I certainly do not want to exacerbate tensions. I want to facilitate reconciliation.

This project, at one level, has been designed to achieve that, but it also has the capacity—I think Mr Hehir was actually hitting with this—to exacerbate existing tensions in relation to the recognition or identification of the broader identity of the traditional custodians of this place. This is a fraught issue. It is a fraught issue that I have been dealing with closely and personally for 10 years now. It is an issue that we would like to see resolved in a spirit of real reconciliation within the Indigenous community.

MR HANSON: I am sure we all share that sentiment. If this is a step towards that then I suppose—

Mr Stanhope: We hope it is, yes. But it also has the potential to exacerbate some of the tensions, so we need to be very sensible, as Mr Hehir was saying. It is a sensitive issue and we need to be very sensitive in the way in which it is commissioned.

MR HANSON: The last one is the support for grandparents caring for grandchildren.

Mr Hehir: No; that was the first one, I think.

MR HANSON: Sorry. It is the institute of Indigenous leadership.

Mr Hehir: Leadership training? That is one that, again, we will have to bring forward at a later date.

MR HANSON: At a later date.

THE CHAIR: Ms Burch.

MS BURCH: There is a line in here on BP3 around a facilitator for the Indigenous elected body. I am just curious around how that body is coming together and functioning and what role the facilitator will bring to that.

Mr Stanhope: The Indigenous elected body is, I think, being very wise, with respect

to it, in its approach to its responsibilities and to its statutory responsibilities. I think it is fair to say that both government and the Indigenous elected body are, just through contact and experience, working out how we might best relate to each other. I have been, and I say this with utmost respect, very impressed with the chairmanship and the leadership shown by Terry Williams. I think it has been excellent. I have met with him regularly over this last six to seven months.

The cabinet has met as a cabinet with the full elected body. Each minister has committed to meeting with the designated spokesperson from amongst the Indigenous elected body. We are essentially still finding our way in relation to the nature of the relationship that needs to develop between the Indigenous elected representatives, ministers, the government as a whole, departmental heads and agencies.

The government intends to be very open and we intend to facilitate regular meetings. I have suggested to the Indigenous elected body, and these are issues for them, that they adopt an estimates-style approach to Indigenous issues. Our view, and the Indigenous elected body are working towards this themselves, is that the expectation is that Mr Hehir, Ms Sheehan and other colleagues, for instance, will be requested, required, to attend an estimates-type process in the lead-up to budgets and post budgets in the way that the Assembly does but perhaps with a greater degree of civility.

MS LE COUTEUR: This is probably a segue into my next question.

Mr Stanhope: I just conclude that the facilitator is essentially a recognition that this is a new body and that a dedicated resource to facilitate the work of the Indigenous elected body will enhance its capacity to have that level of engagement and interaction and to play a very useful role in providing advice to government on all issues that affect the Indigenous community in the ACT.

MS BURCH: It seems that it is still early days for them to have a clear set of priorities and a forward plan about what issues they will tackle first and then over time?

Mr Stanhope: I think they are just beginning to hit their straps. I met just last week with the chair and the deputy chair. There is a significant stock in the extent of engagement now with ministers and with senior officers and officers of departments. I think it is fair to say now that, through a period of working up the processes, the Indigenous elected body representatives are now at that stage where they are hitting their straps. I think we will have some interesting times and experiences. I have great hopes that the Indigenous elected body will fulfil the government's expectations around a greater degree of self-determination and a real engagement with the ACT government at a policy and project delivery level.

MS BRESNAN: Will the facilitator play a role in helping them develop a strategic direction or those sorts of issues?

Mr Hehir: Yes. My understanding is that that will be the case, but it will perform quite a wide role. There is a secretariat to the Indigenous elected body, but the facilitator is intended to work with them both within their portfolio responsibilities and across the entire Indigenous elected body—so working on their cohesiveness and

where things fit together, in a sense. Certainly, as the Chief Minister said, we are starting to see some real engagement with and identification of issues coming from members of the Indigenous elected body. I know that they are getting around to many of the agencies and having pretty detailed briefings; and they are taking up those briefings and responding well.

MS BRESNAN: So the facilitator will not just be there to actually facilitate in meetings? It will be about helping to draw together those sorts of briefings and meetings and putting together a strategic direction?

Mr Hehir: Certainly that is the intent. This is a very new body, and a body where many of the members have not had the experience of being in an elected forum beforehand—and also dealing with government in such a detailed way and dealing with ministers. It is certainly our hope that the facilitator will enable them to be as effective as possible as early as possible.

MS LE COUTEUR: I think we segued into this one, minister. Have you considered doing an aggregated Indigenous budget statement? We used to have the women's statement. It sounds like almost what the Indigenous elected body will end up with, but have you looked at doing this and publishing it for the rest of us?

Mr Stanhope: I must say, Ms Le Couteur, that it occurs to me in the context of the opening issue around which department is responsible—and this is one of the difficulties that the estimates committee finds in addressing in a detailed way Indigenous-specific issues across government—that I do not have day-to-day management of any of these issues in terms of my own line of responsibilities, but, to the extent that I am the Minister for Indigenous Affairs, it has to be acknowledged that I administer almost no Indigenous programs and I have very little responsibility for the mainstream, mainline programs that are of most importance to Indigenous people; they are, of course, issues around health and education.

As Minister for Indigenous Affairs, I seek to oversight and to drive. I show a great interest in these issues, but I do not administer them. I act as a point of reference for the Indigenous community on broader all-of-government issues. The point you make is a point well made. I think it would serve the government and the Indigenous community well if there were a single document or an aggregation of Indigenous-specific funding.

Having said that, I would not want to detract from the fact that the vast majority of support which we as a government and as a community provide is quality and access to our mainstream services. But, in addition to our mainstream services, we do, of course, look for Indigenous-specific interventions such as in relation to the Indigenous-specific drug rehabilitation facility. In this budget, and I would imagine you went to it in your meeting with Education, there is very important, targeted resourcing of the specific needs of Indigenous students, most specifically in the government system, where most Indigenous students are. Targeted assistance and an attitude and approach to the teaching of Indigenous children within our schools which is identifiable not necessarily through specific funding but through our structures is very much a part of—Indigenous students are a large cohort, with almost 700 Indigenous students in the ACT and in the government school sector. We do not

single them out particularly, but we manage, almost in an individual sense, the entire Indigenous cohort and look very closely at their educational needs and support needs.

MS BRESNAN: If there was going to be such a statement, direction would have to come from somewhere.

Mr Stanhope: Yes.

MS BRESNAN: Would it come from you, as the minister?

Mr Stanhope: Certainly I would be happy to respond. I think it will come through the work of the elected body. We have not sought to direct. We provide a legislative or statutory framework. In my meetings with the chair and the deputy chair, and indeed with the entire committee, I made the point that we expect that, whilst we will respond—and I have given instructions to every agency head in the ACT that they are to cooperate fully with the Indigenous elected body, that they are to make themselves available: they will make themselves available on a regular basis; they will subject themselves and their department to an estimates-type arrangement. These are my expectations, and that has been relayed clearly to every agency within the ACT government.

I intend this not to be just a sort of patronising exercise in quasi-consultation or determination: this is to be genuine and real. I am looking for results. I have no doubt that out of that process will come this sort of overarching understanding or documentation. But I do not hesitate, Ms Le Couteur, to say that I would support it. Perhaps we will even begin the process of working towards it.

THE CHAIR: Members, further questions?

MS BRESNAN: I have one other question, about the Indigenous traineeships—if we can get a little bit more information about that. In particular, I think there is funding for 15 positions. Is that over the four years or is that each year that there will be those 15 positions?

Mr Hehir: That will be 15 positions each year.

MS BRESNAN: When was that program first started?

Mr Hehir: We had a pilot program two years ago. That was a very successful program, with 11 of the 16 young Indigenous people becoming employed in the public service. We went to an evaluation and had a look at what we needed to do to adapt and change; that is now being funded on an ongoing basis.

MS BRESNAN: Thank you.

Mr Stanhope: Just in relation to that, I notice and acknowledge Mr Nic Manikis here today. I acknowledge the role that, as the head of the Indigenous unit, Mr Manikis played in the inauguration of the first intake two years ago. It is an outstanding success that 16 young Indigenous people without qualification were engaged as trainees. They were basically accepted into the traineeship on the understanding that

they would complete a certificate. The understanding was that if they completed a certificate they would be offered permanent employment in the ACT public service.

It is a stunning success that of 16 young Indigenous people without post-school qualifications, the majority—not necessarily all 16—11 remain but more actually completed the course, moved on and have now been gainfully employed. Some have been promoted already within our service. It is a fantastic success story, and I acknowledge the commitment of officers across the ACT public service to mentor and stand ready to mentor young Indigenous trainees. It is such a success that we are now looking to repeat the success every year, but under a slightly different model. We learnt a lot, but it has been stunningly successful for us.

MS BURCH: Just a question on support for Indigenous staff across the public service: can you tell us whether there is an Indigenous staff network or a support group?

Mr Hehir: There is an Indigenous staff network operating in the ACT. That is currently chaired by one of the staff members within the office of multicultural, Aboriginal and Torres Strait Islander affairs—sorry: apparently Oliver has moved to health now.

MS BURCH: Are there any trends or an increase given that you have got an entry-type program? Do you hope to see increasing participation?

Mr Stanhope: Yes. It is quite interesting, and I think at one level it is confronting. The engagement of those 11 trainees as permanent members of the ACT public service increased the number of ACT public servants that identify as Indigenous by 10 per cent. To put the traineeship program in context, through that particular initiative and intake we increased the number of Indigenous people that identify as Indigenous working within the ACT service by 10 per cent in one go. That indicates the importance and significance of a program such as this—as well as the importance in relation to the lives and the future of those 11 now-permanent public servants.

MS LE COUTEUR: Can I just ask you a question about Indigenous kids in care? I know that they are not in your department's care, but there are supposed to be Indigenous cultural plans, as I understand it—

Mr Stanhope: Mr Hehir is responsible for those issues.

MS LE COUTEUR: How are you ensuring that the Indigenous cultural plans happen and their success?

Mr Hehir: We are here this afternoon on that particular minister's subject matter. Certainly there is a requirement that where a young person or a child identifies as Indigenous a cultural care plan is undertaken. We would do that through the normal supervision processes.

THE CHAIR: Are there further questions on Indigenous issues, members? All right. Thank you very much, Mr Hehir, and officials.

We will now move on to the Land Development Agency and members of the Chief Minister's Department. We welcome Mr John Robertson from the LDA, Mr David Dawes and other officials. Minister, firstly, we might deal with the issue around OwnPlace that you have raised.

Mr Stanhope: You raised it, Mr Chairman, not me.

THE CHAIR: You raised it this morning, so we might start off there. Minister, we had some questioning around when you and your office and the department first became aware of the concerns being raised. It was put to Mr Dawes as to whether the department knew—Mr Dawes, I have written you a letter in relation to this—and you said that you were not aware of it, but we understand that there was an email sent from the *Canberra Times* which was forwarded on raising these concerns. Are you able to give us some further information on that?

Mr Dawes: Certainly, Mr Seselja. It is correct that Ian De Landelles forwarded a question to me from the *Canberra Times* on 10 March which included the allegations that house packages were pricier through the OwnPlace scheme. I was not in my office on that particular day; I was on leave. My executive assistant realised the question should be properly directed to the Land Development Agency and it was dispatched forthwith to the Land Development Agency. I did not see the request at all. Therefore, I was correct in saying that I was not aware of it. Obviously, as a follow-up to that, I understand Mr Robertson dealt with that particular matter and also met with the reporter of the *Canberra Times*. He can give you some more information on that, but that was the end of it.

THE CHAIR: Thank you. Mr Robertson.

Mr Robertson: As Mr Dawes has just commented, the issue had been raised in March. It was dealt with by the LDA. There were some discussions, I think, with one of my staff and the reporter from the *Canberra Times*, and then subsequently there was a meeting between the reporter from the *Canberra Times*, Mr De Landelles, me and a couple of other LDA officers who were involved in the OwnPlace scheme, on similar matters that were touched on in the letters the Chief Minister read this morning.

I think there had been an accusation made to the *Canberra Times* reporter and the word "gouging" had been used. What happened then was when we gave the detailed briefing we provided access to a quantity surveyor's reports, details of the OwnPlace inclusions list. We put her in contact with one of the builders who took her through the quantity surveyor's report. My understanding at the time was that the reporter must have been satisfied that there was no substance to the allegations because no article appeared in the *Canberra Times* in relation to that matter.

THE CHAIR: Given these were brought to the attention of the Chief Minister's office and then the Land Development Agency, who was tasked with looking into the claims?

Mr Robertson: My understanding was in the first instance the reporter spoke to Shane Radnell, who is the director of communications and marketing. Mr Radnell

would normally come here but at the moment he is in Hawaii, due back in Australia on the weekend. He is on a family holiday. With the swine flu issue we are actually contemplating not letting him come in next week just as a precaution.

MR SMYTH: Is he coming by boat?

Mr Robertson: I do not think he is coming by boat.

MR SMYTH: Good.

Mr Robertson: He is flying back. I have not been able to speak to Mr Radnell since this issue came up last week, but certainly the issue was raised with me as well. I think when it came up prior to the briefing with the journalist I went back and checked through the records. There was an email from Mr De Landelles to me, but that had not been copied to anyone. It was the day after that email when we had the meeting in the LDA's offices. Mr Dawes was not involved in that. I had a large range of communication with Mr Dawes because he has the portfolio responsibilities for these matters. This is not one that I have got any recollection of having discussed with him, certainly at the time. We did have some discussions after it came up here last week, of course.

THE CHAIR: Just getting to the substance of it: it was put in March by the reporter—

Mr Robertson: Yes, the reporter's questions and things were included, I think, in the material that was provided to you under the FOI.

THE CHAIR: Yes, indeed. So it was put in 10 March, from recollection, or thereabouts. There were these questions put. I think at first instance it came from Mr De Landelles to you. It went to the Chief Minister's office and then it went to the LDA. Who was tasked with actually looking into whether or not there was any substance to the claims that were made?

Mr Robertson: We have a two-person group that is engaged in administering the OwnPlace program and the development and the liaison with the builders. They were certainly involved in that discussion. The general manager of that area was involved in the discussion. The issue had come up a bit later because the journalist, I think, had gone back to the person who had made the complaint to them and they were still pretty convinced—they still thought the gouging was real. In the last couple of days I have subsequently been advised that there was correspondence between the particular builder and an individual where that individual had written back. This was all in March or early April, I think. At the time they were satisfied. They had been told there were all these other matters. The person said "Thank you" and they had not been heard from.

THE CHAIR: So in terms of what the LDA or the government did generally, what happened in terms of investigating these claims? Was it just left to the journalist and the individuals to work it out with the builder or did you actually look—

Mr Robertson: No. I think at the time we spoke to the builders to confirm. We do

have a process. It is not just a matter where someone gets to use their logo in the OwnPlace scheme and that is the last we hear of them. Before any of the contracts are put in place there is a process where we ensure that they are getting the minimum requirements that we require under the scheme. This was partly why we were very keen to protect the program itself and make sure that we did not say to the journalist, “Well, it’s not an issue; we’re not bothered about it.” We invited her in and we took her through to the presentation. For probably an hour or an hour and a half or so we explained the details of the program. I participated in that because I recognised the importance of the reputation of the scheme.

In terms of the amount of effort that had been invested, a range of builders had gone through a competitive tender process where they had put indicative prices for a basic component. We wanted to make sure that the builders that were in the scheme were reputable, that they were offering quality products and that they were capable of delivering what we wanted. You may recall—and I think I discussed this at the annual report hearings earlier this year—that the OwnPlace program arose because under the affordable housing action plan the government challenged the LDA in conjunction with businesses to develop an affordable housing product. That product is the OwnPlace scheme. Certainly, from my perspective, it has been very successful.

We have 250 blocks that have been allocated in LDA estates, Franklin and Bonner, for this scheme. I think it was the end of the week before last and during the last week that the first three families moved into the first of the houses that have been completed in Franklin. I think there are about 24 houses that are still under construction. There are 36 contracts where the house and land—there is the land contract component—is settled. The advice I have been given is that the construction of 39 more houses starts during June.

The scheme itself—not all members of the committee may be aware of it—is constrained in the sense that people have to have a family income of below \$120,000 to be eligible at this stage to participate in the scheme. We use the same process, in fact, that the Revenue Office uses for those assessments because that is the threshold for some of the other concessions run by the Revenue Office.

THE CHAIR: So just to clarify: you looked into the allegations and you were satisfied after an investigation that there was no substance to them?

Mr Robertson: Yes.

THE CHAIR: What was the process? Is there a documentary trail? Were letters or emails exchanged between the LDA and the particular builder or was it done over the phone? How was it conducted?

Mr Robertson: I would have to check to see exactly what records we hold, but in terms of my involvement in it, when I became aware of it I discussed it with the staff that were involved and the general manager and requested advice on it. Because of the earlier conversation that I had with Mr Radnell, I knew that in that particular case there was basically a box on a website saying, “This is the sort of house that you can get.” Because of my involvement in the scheme and also general LDA activities, I know it is one thing to say, “Okay, that is what the box is.” But if you build a house

on a sloping block you might need extra courses of bricks and there will be a cost change.

Having been involved in the industry now for quite a while, I am also conscious that when you see shells they usually start from a particular price—that is the basic that you get. With the OwnPlace scheme we have actually put effort into it. We did not want a situation where concessional buyers were getting access to blocks that were part of the scheme and then putting all sorts of houses on them. We had comments about McMansions and other things. We wanted to make sure these were affordable houses. That is why part of the development of the scheme was really to establish what you actually needed so you could walk into your house.

The OwnPlace scheme is really a turn-key solution. When you go in there you do not have to get one of your sets of sheets and put them on the windows because you cannot yet afford the curtains. You do not have to shiver through your first winter. Quite a number of people—certainly my generation did—go into their first home and cannot afford ducted heating and so on. I think from the letter the Chief Minister read, those were some of the components. We did not want a system whereby—

THE CHAIR: So what was referred to in the shell, as you call it, which was advertised on the website did not include window coverings and the like?

Mr Robertson: That is the advice that has been confirmed in the letter from AV Jennings. That is certainly why we put that the minimum we needed was the connection to services. There was mention of the TransACT connections as well. There is a whole range of things. People basically walk into a modern, but modest, home that meets that need—rather than moving into a house, having mortgaged themselves up to the level they can afford to get the house, and suddenly finding that they need to spend additional money on driveways, landscaping, clotheslines and all sorts of other things. These things are all there. That is the way we have administered the scheme.

My recollection is that when the LDA's annual reports hearings were held at the end of February or early March, there were questions about OwnPlace. At that stage we provided to the committee a sample list of the inclusions, the things that were covered in the scheme. I am happy to provide that again because I think the membership of this committee is slightly different from that earlier committee.

THE CHAIR: Sure.

Mr Robertson: We can provide that list. It is quite extensive. There are a number of pages. I have a copy here. I could dig it out of the papers and give it to the committee secretary at morning tea, if you would like.

THE CHAIR: Great. Just to finish on this: could you provide us with the documentation in relation to that investigation? Presumably, once that was completed, you then provided advice to the Chief Minister?

Mr Robertson: My recollection would have been that we would have spoken to Mr De Landelles. I do not actually recall—it was a couple of months ago and I would

have to see whether we sent a brief to the Chief Minister or whether it was email communication with his office. As part of the conversation with Mr De Landelles, I certainly did not ask whether the Chief Minister was told about it. I would have to go back and have a look. As part of the OwnPlace program, this would be covered, given the time frame, by the freedom of information request that you have provided or that you have put in relation to OwnPlace.

I think that particular request—and I apologise—is overdue because of the volume of the material that is there. I think originally something like 44,000 folios were covered by that request. After we spoke to your office—or one of my staff, Mr Mitchell, spoke to your office—there was a list of general areas and a volume of paper in those. I think at the moment we are working our way through. I do not have the exact figure, but it is somewhere between 17,000 and 20,000 folios.

THE CHAIR: We understand. Mr Smyth.

MR SMYTH: Yes. Just on that, you just said, Mr Robertson, that you thought you had responded to Mr De Landelles?

Mr Robertson: No, actually Mr De Landelles was in the meeting, so he was there when that was happening. Subsequently I asked Mr De Landelles—and I have a recollection of this—because no article had appeared, whether he had heard anything more and he advised me that he had not heard any more on that matter. We have a lot of communications with a lot of people.

MR SMYTH: Sure, but in closing the loop, if you get a request—Mr Dawes has said he was away—

Mr Robertson: Yes.

MR SMYTH: Mr Dawes's office sent you some requests. They went to Mr Tomlins, Mr Ahmed, Mr Robertson and Mr De Landelles. Normally one would email back saying, "We've covered this," or ring and say, "We've covered this." Why was no information sent back through Mr Dawes's office in regard to his request?

Mr Robertson: Mr Dawes did not actually request those. As has already been asked, it was actually Mr De Landelles that had raised the issue. I am not sure that Mr Dawes would appreciate it if every issue that I have dealt with I was sort of talking to him about, because this land release policy and things are from my perspective a very significant part, but they are only a part of Mr Dawes's responsibilities.

MR SMYTH: But it is a very serious allegation the *Canberra Times* had raised with the Chief Minister's office.

Mr Robertson: I think if that allegation had been in the paper at the time, yes, the course of action that you are talking about would have been. But, effectively, it was something that had gone to the office; it had not been aired anywhere else. I and the LDA provided information to Mr De Landelles both by phone, and he actually effectively sat through that detailed briefing, so I did not need to write to Mr De Landelles and tell him that there was no substance to it because I think he was

satisfied himself, as I assume the journalist was, because, as I say, no article appeared.

THE CHAIR: So what advice, minister, did you get on the matter?

Mr Stanhope: I am not aware that I received any, Mr Seselja. I have no recollection of the matter. You asked me this last week and I took the question on notice and I will respond.

THE CHAIR: We did, so you have now checked.

Mr Stanhope: No, I have not. We are checking.

THE CHAIR: You are still checking? Okay. So you do not have any recollection?

Mr Stanhope: But I have no—

MR SMYTH: The office is that big it takes a lot of time to check?

Mr Stanhope: There are a few other little issues on at the moment, Mr Smyth. I regard this outrageous, slanderous suggestion as the least of the issues concerning me. I have spent hours just—

MR SMYTH: You seemed to have spent a lot of time preparing for your little stunt there this morning.

Mr Stanhope: I did not. I did not prepare for it, Mr Smyth. I picked it up this morning and it was an excellent opening statement. But there are some other sort of significant matters of state that attract my attention at the moment, like swine flu.

MR SMYTH: There always is.

Mr Stanhope: Pardon?

MR SMYTH: There always is a multitude of issues.

Mr Stanhope: There is always a multitude of issues and I have probably 100 issues I am currently dealing with that are more important than responding to slanderous and defamatory comments that have been—

MR SMYTH: You are the one that is characterising them as that.

Mr Stanhope: They are. They are slanderous.

MR SMYTH: Did you tell them at the *Canberra Times* it was slanderous and defamatory to ask the question?

Mr Stanhope: No, but it is not slanderous to ask a question. It is the attitude—

MR SMYTH: Okay, so—

Mr Stanhope: It is slanderous. You have slandered five reputable businesses so—

MR SMYTH: No, no. You point to the record where five people were slandered?

Mr Stanhope: An allegation, an unfounded allegation, that gouging is a—

MR SMYTH: I am sure you can quote it from the *Hansard*. Point to the record where they were slandered.

Mr Stanhope: It is a slander.

MR SMYTH: So will you be taking action against the journalist?

THE CHAIR: Just to close it off, Chief Minister, as far as you recollect this came to your office, this concern, it was dealt with by your office but you never asked for or received a brief in relation to the matter?

Mr Stanhope: I would not have asked for a brief on a subject I did not know about, Mr Seselja.

THE CHAIR: So it was never brought to your attention?

Mr Stanhope: That is what I said: I have no recollection of it, but we are checking. That is why I took it on notice. I repeat what I said the other day, Mr Seselja, when you first raised these allegations: I have no recollection. I will take the question on notice and I will confirm—

THE CHAIR: It has been a week. Even in estimates—

Mr Stanhope: Yes. It is a week on an issue of absolutely no substance or—

THE CHAIR: In estimates generally the turnaround is five working days, so we are about there. You have not been able to check this basic fact?

Mr Stanhope: My office is. But I give you my response now. Certainly a member of my staff, just as was a member of Mr Dawes's staff, was involved in a chain. My office would deal with a dozen media requests a day that do not come to me. We facilitate. We provide information. In this particular instance, a member of my staff received a request from a journalist, "I would like information on this subject." My staff then approached Mr Dawes, or his office, as the first point of contact in relation to this issue. Mr Dawes's office, without reference to Mr Dawes—and my staff do not come to me and say: "Look, I have got a request from a journalist, Chief Minister. What should I do?" I expect them to do what they do, what they are paid to do. My media adviser, having received a request for advice from a journalist, referred the matter to the relevant department, the first point of contact, Mr Dawes's office.

Then, interestingly, in Mr Dawes's office his personal assistant adopted exactly the same attitude as my member of staff and said: "Here is an issue. Mr Dawes is on leave, I won't ring him up to say 'Mr Dawes, I've got this request from the Chief Minister's office.'" She did what she is paid to do. She referred it in the first instance to a

Treasury officer, as I understand it, and to the LDA.

The LDA picked it up and said: “We run OwnPlace. This is our issue.” OwnPlace is administered by the LDA. Mr Robertson then got in touch with his officers and said, “We’ve got a request for advice; what’s the advice?” They have come back and said: “It’s bunkum. The allegation is without foundation, and we can show the journalist.” Mr Robertson has just indicated that he then arranged a meeting. A member of my staff, it appears—I did not know this—was invited to that meeting. Mr Robertson and his staff were able to show, to the journalist’s satisfaction, that the allegation was without foundation. The journalist left the meeting, Mr Robertson has just advised us, satisfied that the allegation was without foundation. The matter was over. The dogs barked; the caravan moved on. This happens a dozen times a day.

THE CHAIR: A dozen times a day we get allegations like that? Okay.

Mr Stanhope: A dozen times a day we get requests for information and we facilitate, through our agencies, responses. We get a dozen requests a day for information. My officers handle those requests for information without reference to me. They go to departments, and officers answer the questions, sometimes in consultation with my office, often without reference back to my office.

THE CHAIR: And so—

Mr Stanhope: And this may be one such case. But, in order to be certain, I have asked my office to check what may or may not have come to me. Because we are very respectful of estimates and we want to ensure that you have full and complete answers, I have asked my office for a full and complete check of all briefs and correspondence that may have come to me on this subject because I cannot remember receiving any—but I want to check.

MR SMYTH: You were probably just too busy making phone calls and getting ads in the paper. But there is a question, Mr Robertson, in the original email from the *Canberra Times*. Part of what was reported was that the couple involved took their complaint to Fair Trading but were advised they should just quit the program. Why would ACT Fair Trading be telling people to quit a fair program.

Mr Stanhope: That is a question for another department, Mr Smyth.

MR SMYTH: The question is: did you investigate the claim that Fair Trading were advising that people should just quit this program?

Mr Robertson: I did not, and I do not particularly recall that aspect of it. But the situation too with OwnPlace is that it is a scheme that is there; no-one is forced to be involved in the scheme. We hope people want to. We hope everyone that has got an interest in it and wants to get a house through it is actually able to get a house. We are looking in terms of our next releases with the land release program—suburbs like Harrison 4, for example. We have been having some internal discussions about pushing well beyond. Because of its relatively central location, we do not want to have our OwnPlace product only further out towards the fringes. We are actually looking at making a greater proportion of the dwellings in Harrison 4 in the OwnPlace

scheme. We are actually looking at 20 per cent because there is a lot of unmet demand. I understand it is averaging between 80 and 100, depending on the builders, people on the waiting list for OwnPlace blocks. There are only—

MR SMYTH: But would you be concerned that another government department is telling people to quit the program?

Mr Robertson: I do not know that they were telling people to quit the program. From the little bit I gleaned from what you read, if the people were not happy they did not have to deal with it. That was what I took from the bit you read.

MR SMYTH: Are you aware a couple have asked for their money back after allegations of price gouging in the OwnPlace program? They claim somebody was offering homes \$60,000 dearer through the OwnPlace program than if they had wanted to build that exact home in another suburb. They took their complaint to Fair Trading but were advised they should just quit the program.

Mr Robertson: I do not know whether anyone in the LDA has pursued that. I certainly have not.

MR SMYTH: Okay. Are you concerned that another part of the government is telling people to quit the OwnPlace program?

Mr Robertson: I would be if it was not soundly based, and I do not believe it is soundly based, so we will certainly be pursuing that now to find out what the circumstances were. Not everyone is necessarily satisfied when they are involved in things.

MR SMYTH: No, sure.

Mr Robertson: Probably the essence of the message was that people were not being forced to deal with it. I sort of say this a bit carefully because I know that ActewAGL has got a very good service record. But if you are having problems with a utility or an essential service provider where you have got no choice to go anywhere else, that sort of advice would come from Fair Trading. We are actually competing in the market. I think we are having a very good competitive impact, but if people do not want to buy an OwnPlace home they can go to builders and buy other sorts of homes. But—

MR SMYTH: So you will take it up with Fair Trading?

Mr Robertson: We will. But it may be that someone else already has taken it up with Fair Trading, within the LDA.

THE CHAIR: All right. Thank you, Mr Robertson. Ms Burch.

MS BURCH: Thank you. Budget paper 4, page 495, under “priorities”, residential land release program, I would be interested to know how this compares with recent and previous land release programs, what is in it and how will the program be met?

Mr Dawes: The land release program is the Chief Minister’s Department’s

responsibility and I think one of the key action items under affordable housing was to increase supply of land, which we have done. In the 2007-08 year, I think it has been recorded, we released some 3,400-odd blocks, which was the highest since self-government. This year, 2008-09, the total was 4,208 blocks and we are on target to achieve that this year.

We looked at the program moving forward; that was one of the things that was also committed—and the Chief Minister gave that commitment as well to industry, so that industry could plan and know what was going to be happening in the forward years. We have now produced a five-year land release program, which quite clearly states the goals and objectives that we wish to achieve in the outyears. In the year 2009-10 we are releasing just over 3,000 blocks. Part and parcel of doing that is that we work closely with the industry to monitor what is happening in the marketplace and we are also, as part and parcel of that, endeavouring to get what we call release-ready blocks, ready to increase that supply if and when it is required.

As you are aware, there are a number of development fronts at the present time and we look forward to being on a new development front in the 2009-10 financial year, which will be Molonglo, which will provide even greater choice for the Canberra community.

THE CHAIR: There are some supps around land release.

Mr Robertson: Sorry, Mr Seselja, just before we go on to that, could I ask Mr Smyth to tell me what the date of that email was where he talked about the reference to the—

MR SMYTH: The date was 10 March 2009 at 2.59 pm, to the Chief Minister's press secretary.

Mr Robertson: Right. And the email? You said it was sent through to me or one of my staff. Is that the same one? Just the time because I—

MR SMYTH: Mr De Landelles then sent it on to you and David Dawes at 3.30 and—

Mr Robertson: That is fine. That is all I need to actually find that in the—

MR SMYTH: Mr Dawes's assistant sent it on at 3.43.

THE CHAIR: Ms Burch, you have a supplementary on land release?

MS BURCH: I want to ask one of those obvious questions about release ready. What is that and what do you need to do to get something release ready to fit into the program?

Mr Dawes: To fit into the program, what we are required to do is run through all of the environmental issues, through all the planning constraints through ACTPLA. We actually meet on a very regular basis. We have quite a lot of cooperation amongst agencies. It is one of the committees that I do chair where we look at what land we can possibly bring forward. For example, we were very fortunate this year that we were able to have some blocks ready to fill the gap.

As you were aware, Molonglo was on the indicative land release for 2008-09 and we were able to bring forward some land because the various planning studies had been done and other issues had been sorted out to bring on west Macgregor, Casey and increase the Forde joint venture. By that I mean that, if, for example, there is an unfortunate circumstance in that particular release, we are now able to bring other land on to plug that particular gap.

MS BURCH: And industry is comfortable with the level of land release—4,000-odd blocks in 2008-09 and 3,000-plus in 2009-10?

Mr Dawes: Certainly. One of the things that we also look at as well is what is happening in the broader region and we do know that there are potentially other development fronts coming up in New South Wales. One of the things that we need to do is ensure that we actually can compete and compete very well with what is happening across the border, but we also need to take into account what is happening across there because at the end of the day the market can only absorb so many blocks. When you look at the last two financial years, we have increased the supply by close to 8,000.

THE CHAIR: Ms Le Couteur with some follow-ups on this.

Mr Robertson: Sorry, could I supplement that as well? I think the other issue with the land release and the volume of land that is coming forward, as noted in the LDA's statement of intent, is that we are actually working towards having a sizeable number of blocks available on the ground so that, if you decided at lunchtime that you actually wanted to go and buy a block of land to build a house, you would be able to come out and there would be a range of blocks available for you to choose to build on now. At the moment, there are some blocks you can come out to the LDA offices and pick over the counter but not a significant number, and they are relatively constrained in location. So we would be looking—

MS BURCH: Because they come out in large blocs?

Mr Robertson: Yes. There will be individual dwelling sites in different parts of Canberra and different price ranges, different sizes. We have been releasing a lot of blocks in different sized parcels in different locations but we hope to have more choice there for homebuyers.

Mr Dawes: I think that is an important thing as well, and that is something that has been desired by the industry, to ensure that blocks are kerbed and guttered and people can physically walk on them when they purchase them. And that is certainly the goal and objective in our land release program, to get to that point. When we look at land we are selling, even the developers that are developing Casey or even west Macgregor, people are buying land off the plans still and choosing houses off plans; so we want to get to a point of completed product or finished product so that they can choose what builder, potentially, and put the house that they desire on that particular block. We are some way away from that at this point in time, with the demand that has been created by the first home owners grant.

THE CHAIR: Ms Le Couteur ?

MS LE COUTEUR: Thank you. I have got a general question about land release. In weathering the change, action 24 was pursuing triple-bottom-line tendering for land release. It said that we are committed to developing a system for land to be released for a triple-bottom-line assessed tender process rather than auction process. Can you tell me how are you progressing on that?

Mr Robertson: I think, just in terms of that comment about the approaches, there are a range of ways that we do deliver land. Some of it is individual blocks over the counter; some is englobo parcels. The first lots that I mentioned are lots in our own estates but also then when we establish the joint ventures. A lot of these sustainability issues are very important in the establishment of joint ventures in both Crace and Forde. In Forde you will see a lot of water-sensitive designs being incorporated.

With the tendering process, at the moment there is some land that we are getting ready to take out for sale by tender as opposed to by auction. But given what has been happening with the accelerated land release, the emphasis has been on auctioning of the land, as I mentioned before, in different sized parcels. We have probably not made the progress we would have liked but we are making more progress on that. We are working with DECCEW. To my understanding, there have been some discussions with the Procurement Solutions people as well.

MS LE COUTEUR: You can presumably have triple-bottom-line in auction as well as in tendering. My issue is not whether it is tendered or auctioned. My issue is involving triple-bottom-line in your land release program.

Mr Robertson: When you look at the different components of triple-bottom-line—we discussed the social elements a lot this morning with the affordable housing, the 15 per cent; and in terms of the design of the suburb so that they are convenient for public transport, access to facilities, we have been looking at high density on Flemington Road—in working and developing both at the ACTPLA level with the concept plans and then when we are doing our estate development plans, we are certainly taking those social factors into account in the designs.

Similarly, with the environment, on Tuesday morning we had government land organisations from around the country—their meetings had been lined up with Minister Plibersek later on Tuesday—and we had what was exactly like a meeting of commonwealth and state officials. We actually took them around and showed them the things that we had been doing in sustainability and OwnPlace and other elements.

I have not actually raised this with the Chief Minister or Mr Dawes but we would be quite happy, at some point, to organise a more detailed briefing, subject to the Chief Minister's agreement, and a tour to show some of things that we are doing at Franklin and Kingston Foreshore on those triple-bottom-line elements.

Another element on the economic side, of course, is that we are charged with operating commercially and getting a good return for the taxpayer on its money but there is always a balance there because, with the volume of land release that we are doing and with the housing affordability objectives, we have been working very hard

to actually constrain the growth in the underlying raw land price. I think it would be hard to argue we have not been successful in that over the last 18 months or so.

THE CHAIR: Ms Bresnan had a follow-up on that particular subject.

MS BRESNAN: You just talked about some of the new suburbs. The current DA for Bonner in terms of solar and air orientation is particularly bad. You mentioned Kingston Foreshore and one other area—I cannot remember what you mentioned—but what is the LDA doing with some of these new suburbs in terms of making solar orientation capability better?

Mr Robertson: We are certainly very conscious of the parliamentary agreement and the intent there. Certainly when I ask my officers, who are involved in the estate designs and layouts, about this, I believe we are actually working towards maximising the efficient solar orientation to the extent that is possible, given the topography and some of the street layouts and things. I think you said, particularly—

MS LE COUTEUR: Bonner.

Mr Robertson: I heard the Bonner. Are you just saying it as a general—

MS BRESNAN: No, just Bonner as an example. We have been talking about the triple-bottom-line and what you are doing with new suburbs. I guess that is what I am asking.

Mr Robertson: What particular bit do you think is—

MS LE COUTEUR: I looked at the current DA for Bonner and I have had a couple of colleagues who are architects look at it. Basically it is all lined up so that they are rectangle blocks and their narrow side faces north; so nobody has a long orientation facing north. It would be very hard to do a good passive solar design when you have got long, skinny blocks with the skinny part facing north. With the way the roads are laid out, quite a few of them will end up having the garage being the place with the best north orientation.

Mr Robertson: I would have to look at the particular sections that you are talking about because it might be that that is where the roads have to go because that is where the slope of the land is. But I am happy—

Mr Dawes: Can I just add to that? I think we should take that on notice and have a real look at that. But one of the things that happen when estate development plans are being prepared is that they are submitted to ACTPLA for approval, and that is one of the criteria that ACTPLA will be looking at. The only conclusion I can come to is that it must be the topography of the land as well, because quite often not all of them can. So we probably need to take that on notice. As I said, ACTPLA do have a strong role in that approval process.

MS LE COUTEUR: I do not think it is purely the topography of this land. I would have to say, since I have got this job, I have looked at a few of these. This has actually become a fairly typical layout of the compact blocks. They are making them long and

skinny and the skinny side is facing north. It is not just Bonner. Bonner happens to be the one I looked at this weekend. But there would be half a dozen that are similar. It is not just the topography. It is how you are doing the compact affordable blocks.

MS BRESNAN: At page 496, it does actually state for Bonner “showcasing innovative approaches to sustainable communities”. I am wondering what that actually means in relation to what Ms Le Couteur has just brought up.

Mr Robertson: You may not be aware of what we are doing in Bonner. When people buy a block of land, what they are actually getting is solar hot water or renewable energy/hot water access. So there are a few things that we are doing there. You mentioned some other places. Probably what I should have mentioned is that some of the older estates obviously, from my perspective, will not be as good as the ones that we are now rolling out.

With Crace, which is the joint venture the LDA has with a couple of private sector organisations, in its initial development—and we are looking at that being carbon neutral—certainly, as part of the assessment to pick the contributors or the partners in that process, we went through a very exhaustive tender process to ensure that the people that would be our partners in that had both the track record, to the extent that people do have track records in this area, and the strong desire to work with us to get much better outcomes. So that carbon neutrality is in that first part, certainly, of the physical construction of a suburb. There are different solutions in different areas but we are looking at a combination of what works and what does not.

Mr Dawes: And I think we are all aware that we are moving to six stars, and that is something that—

Mr Robertson: With houses.

Mr Dawes: With housing as well. I think the LDA and the industry are moving to ensure that there are higher sustainability measures and higher energy efficiency gains in homes. So that is something that we are working towards. Obviously we are looking at that being implemented and we are working with ACTPLA to do that and to educate the industry. That is something that I think all the state and territory governments have signed off to. That comes in later in the year; so we are moving towards that. A lot of that will be picked up as we move forward as well.

Mr Robertson: I think the other thing is that, in relation to the brief extract that you quoted from, from the budget papers, there is actually more detail on this matter on page 13 of our statement of intent, where there is a bit more on what we are seeking to do in Bonner, for example.

MS LE COUTEUR: Yes, we have got your statement of intent. It is really just depressing these days to not orientate houses so that you can get a long side facing north. Given that you know all the stuff about climate change and energy efficiency, not to do the block layout to make it easier is—

Mr Robertson: The professionals that are working on this within the LDA are very keen to be able to deliver these greater environmental outcomes where they can. So

they are actually looking at trying to maximise it. I think there is also that balance between sustainability and other things. You could ultimately, or theoretically, have a suburb and it would not matter what the hills were like or anything else, where the homes that were put in there all had perfect solar orientation.

But if you go down that path, the dwelling yield will be quite significantly less than it would be with the balance that we strike in our estates now. And with reduced yield, where you have got a lot of the same lead-in costs—you have got the roads and everything else you have to put in place—where you end up there is that the affordability goes completely out the window, not just for the lower income people; you would be pricing people out of the market. You would have to be moving further and further afield with the greenfield estates. We are trying to strike that balance.

MS BRESNAN: But there are significant affordability benefits that come through solar orientation—

Mr Robertson: Indeed.

MS BRESNAN: and having good public transport links and links to social service and all those sorts of things.

Mr Robertson: Yes.

MS BRESNAN: I understand what you are saying, but there are also a lot of benefits that offset that.

Mr Robertson: There are.

MS BRESNAN: I am just not sure if that is an accurate statement.

Mr Robertson: I think the dilemma that we all share in terms of educating the broader community, potential homebuyers and people in the existing houses is that not a lot of people understand the benefit that with a bit more capital up front you can reduce your operating costs over the long term, and for some of these things there might be short or medium-term payback periods. It is certainly through some of the things we are doing: the work that we were doing with our OwnPlace builders, the discussions that we have been having with the Institute of Architects and others, about what we do between us—because it is not just something for the LDA to put its hand up and say, “Well this is the way it has to be done.” Clearly we can contribute to a process of informing the broader community about those whole-of-life issues.

THE CHAIR: We might leave it there.

Mr Stanhope: Before concluding, in the context of our commitment to sustainability and addressing the issues, I was just going to say that we do have a genuine commitment. ACTPLA and the LDA have worked quite strenuously to adopt best practice in relation to particularly sustainability and environmental advance in housing within the ACT. I would be more than happy to propose, if you identify—you have nominated Bonner in particular.

As Mr Robertson says, the LDA is taking a number of factors into account around yield and in the context of a triple-bottom-line approach, matching social, economic, and environmental issues. It is a difficult exercise at times—the social outcomes, namely affordable housing; the economic outcomes, namely a reasonable return to the people of Canberra for an eminent asset; and the environmental outcomes. There is give and take. The LDA prepare an estate development plan that seeks to balance those issues around its need for a return, its need to provide some affordable blocks, its need to deal with environmental issues. The LDA then essentially reviews those plans before agreeing to approve them. And the LDA goes through the same process and looks at what is a reasonable planning outcome, takes into account the need for an economic return—but is also committed to six-star ratings for all residences in the ACT. We started that process with the stimulus money, and we have committed to continuing it now with all housing.

I would be more than happy—it would be an interesting exercise—for a significant bloc of housing, if you wish to nominate Bonner—to participate with you in an exercise involving ACTPLA, the LDA, architects and builders at a roundtable to actually go through those issues around the implications, for instance, of reducing yield by, say, a third, to ensure that every house has solar orientation and then to try to match or count the environmental cost of a further spread of greenfields to make up the slack et cetera.

MS LE COUTEUR: That would be really great. I was planning—and I will anyway—to put in a submission on the DA on Bonner, but I do not think the trade-off is as simple as, say, reducing yield. One of the things which make a huge—

Mr Stanhope: No, it is a multitude of issues, but it is incredibly complex.

MS LE COUTEUR: It is incredibly complex. One of the things that make a huge difference is changing how you do your car provision. What is driving the layouts at present is the idea that everyone wants a car at the front of their house.

Mr Stanhope: Yes, or maybe two.

MS LE COUTEUR: Or maybe two. Some slight changes there could make quite a difference to how you can lay things out.

Mr Robertson: Just on that, though, a lot of the blocks that we have been putting into the different estates—the rear access blocks. There is that mix of that type. Because of the traffic requirements and things, a lot of the blocks do not necessarily have the car in the front, because you cannot actually drive into the road that comes in front of you in some of these newer estates because of the traffic standards.

Another point that is probably worth mentioning—I always assume that people know some of these things—is that certainly in its own estates the LDA have not adopted an approach where—it is a bit hard to see from that distance, but that is actually a map of Franklin. It would be fairly easy, maybe, if you did not want to have an impact of salt-and-peppering, to just pick some point and say, “That’s where we’ll put all the OwnPlace houses.” From there you may be able to see red dots. They are scattered relatively evenly throughout the suburb.

There are the red dots. They are the OwnPlace blocks that are actually in Franklin, for example, so we have got them scattered around. You talked about the compact blocks. Compact blocks are important in terms of their affordability, but we have tried to get away from having a corner of the suburb being the more compact, more affordable blocks. We have tried to fit them in throughout, through this salt-and-peppering.

That was the other important element about OwnPlace and the work we have done with the builders. I have got some sketches of fronts and things. People could no doubt drive around, probably even using that map, and see where the OwnPlace homes have actually been constructed and are being constructed in Franklin. We put a lot of work in—I did not personally, but others put a lot of work in—with those building firms and others in discussion and looking at their designs so that, as you are driving through a suburb, you would not be able to say, “That looks like it is not as expensive as some of the others; that is an OwnPlace home there. That’s a rich person’s house. They are other people’s houses.” So we tried, and that is part of that social sustainability as well—

MS LE COUTEUR: Absolutely, yes.

Mr Robertson: There are a whole lot of things that we are actually trying to do. At times, because of the range of them, we start to take them for granted. So when you ask a question about what we are doing on the triple bottom line, you think, “What are we doing?” There are lots and lots of things incrementally that will contribute.

THE CHAIR: We might wrap it up there.

Mr Dawes: Can I just make one final comment, Mr Chair?

THE CHAIR: Yes, quickly, Mr Dawes.

Mr Dawes: It is in regard to the triple bottom line. That is something that is a work in progress. We are working towards a conclusion on that. We will be engaging not only with the agencies but also with the broader community as we come to a conclusion. We hope to try and have something wrapped up. It has been on the agenda for some time, but there have been other competing interests that have delayed it. We are working on it and bringing it to a conclusion.

Meeting adjourned from to 10.53 to 11.10 am.

THE CHAIR: I understand that Mr Smyth has some questions around land rent, as do I. I will go to Mr Smyth; then I will come to you, Ms Burch.

MR SMYTH: Chief Minister, the land rent scheme is based on finding somebody to provide the money for the mortgages. Can you update the committee on whether or not somebody has been found to provide funds for this scheme?

Mr Stanhope: As I have previously indicated, the land rent scheme is predicated on the ACT providing land on a rental basis rather than sale. Certainly in the context of the desire of anybody to access the scheme and to build a house, it is understood,

having regard most particularly to the first tranche of the building, that is the two per cent land rent component of the land rent scheme, that there certainly is an eligibility requirement and an income limit in order to attract land rent at two per cent. It is understood that the majority of those people have household incomes of less than 70,000.

The expectation is that they would certainly need a loan or a mortgage. In that regard, land rent is no different from any other housing arrangement or scheme. Whether one sells land or rents the land, there is a need for those wishing to buy to be able to access finance. The government's hope and expectation is, in the main, that people seeking to access land rent ought to take the opportunity of homeownership through rental of the land rather than its purchase—that they will be able to acquire loans.

MR SMYTH: So, to go back to my question, who is the provider?

Mr Stanhope: The entire financial sector would be potential—

MR SMYTH: So everybody is lending now?

Mr Stanhope: No, but they are the lenders—the banks and the financial institutions. To the extent that individual land rent aspirants have been able to access finance, I am aware, as are each of you, that most of the existing lenders, or acknowledged lenders, are not offering a product at this stage for those wishing to enter the homeownership market through land rent. The ACT government, in an effort to facilitate and assist these first homebuyers, these aspiring homebuyers, is in negotiation with one and certainly has in the past been in negotiation with many others. We remain hopeful, but it is an issue beyond our control.

We are not lenders; we are not a financial institution; we do not lend money for the purchase or construction of houses. But as a government we have some capacity to facilitate. We have worked hard and vigorously to identify a loan product for those families desperate to own their own homes, and we will continue to do that. At this stage it has not been finally resolved, but the government remains hopeful.

THE CHAIR: I want to take you to a couple of your statements that you made prior to the last election in relation the scheme and then just explore some of what was going on.

Mr Stanhope: Which budget item is this, by the way? Which line in the budget are we relating to?

THE CHAIR: It is in the LDA area, where it talks about contributing to the affordable housing strategy. We will get to the particular LDA bits. You said on 26 June that at no stage has any financial institution indicated that the nature of the Land Rent Scheme would provide an impediment to lending, You also said on 28 August last year that you had:

... no reason to believe that the relationships that we have—

with them—

the undertakings we have from financial institutions, are other than they will support land rent.

I wanted to take you to an email from Ms Jasmina Jonceski, from your office, to Elizabeth Judd and George Tomlins, on 27 August, so the day before you made that statement. It said: “ABC news claimed that the LDA met with lenders today to discuss the land rent scheme and based on concerns raised at the meeting they will be recommending that the Chief Minister change the scheme, which is unworkable in its current form.” First—I suppose it is a question for both—was that quote accurate? It was obviously coming from a news outlet to an adviser and then passed on. Mr Robertson, was that accurate? Were the LDA looking to advise that they recommend changing the scheme? If so, in what form?

Mr Robertson: I think what you quoted there was that—it said something about LDA people meeting with the financiers?

THE CHAIR: Yes.

Mr Robertson: I certainly have not had any meetings with any financiers in relation to land rent, because it is not something that is the LDA’s responsibility. The policy aspects, the scheme itself, are the responsibility of others. As to the sort of second-hand reports that you have got on what people may or may not have said, I am not in a position to comment, because I certainly have not said that myself there and I am certainly not aware who might have, if it was an LDA person. I am happy to make some inquiries. That was in August?

THE CHAIR: It was 27 August, yes. Chief Minister, did that then come to you subsequent to that? There is the email from your adviser talking about this ABC news claim about concerns raised at the meeting and a recommendation coming to you “to change the scheme, which is unworkable in its current form”. That is the wording in the email. Did that advice then come to you at any stage?

Mr Stanhope: I have no memory of it. I would have to check. I cannot remember an email that was sent to somebody else—what was it?—10 months ago. I would be more than happy to check my records and the records within my office, Mr Seselja, but I have absolutely no memory or recollection of an email from a member of my staff to the LDA eight or 10 months ago or whenever it is.

THE CHAIR: But you went out the next day and assured the community that there were no problems, that you had no reason to believe anything other than that financial institutions would support land rent. It was pretty important at the time. It presumably would have been brought to your attention. You then did not get any advice at any stage recommending, subsequent to that, that the land rent scheme be amended to make it workable?

Mr Stanhope: At different times, there has been a range of—

THE CHAIR: I am talking about post 27 August last year.

Mr Stanhope: I think there have been a number of moves and continuing discussions and negotiations since then, to today, and they continue. As recently as in the last few weeks, officers within the Chief Minister's Department and Treasury, continuing negotiations with the sector, would be talking about adjustments and arrangements in relation to the scheme. Nothing is static. I would have thought that over that time, if one was to do a complete study or search and ask every officer involved whether or not certain aspects of the scheme might have been changed, adjusted or reconsidered, that would certainly be the case.

In the context of the scheme as a whole, philosophically, and in relation to its underpinning nature, I have been firm and consistent in my pursuit and belief that the land rent scheme, as constructed—accepting, of course, that we will adjust and amend in order to ensure the success of the scheme. So certainly adjustments and tweaking here and there, but in the context of the scheme and its base features, I have never wavered in my determination that the land rent scheme, as originally proposed and as implemented at the beginning of this financial year, will succeed and that we will maintain our commitment and faith in it.

THE CHAIR: I am interested in the timing there. You claim to have no recollection of this, but it was very interesting timing that we had this statement in an email from your adviser about needing to fix the land rent scheme because it was unworkable. You say at this stage that you have no recollection, but the next day you were out there, presumably after being briefed because there were concerns raised, saying that there were no concerns. So at no stage between the time of this email and when you made those statements on 28 August were you then briefed about any of these concerns. Is that what you are saying to the committee?

Mr Stanhope: No, I am not saying that, Mr Seselja. All I said is that I would have to check the record. That is what I said. Mr Seselja, which briefings did you receive on 28 August last year? Come on. Quick; tell us.

THE CHAIR: I think I got—

Mr Stanhope: What emails were provided to you on 28 August, Mr Seselja? Mr Seselja, just—

THE CHAIR: Mr Stanhope, if I had gone out and made misleading statements—

Mr Stanhope: give me a rundown.

THE CHAIR: I would have definitely checked what briefings I had.

Mr Stanhope: Mr Seselja, give me a little rundown—

THE CHAIR: I would have definitely checked.

Mr Stanhope: Mr Seselja, you have asked—

THE CHAIR: But you have not bothered, have you?

MR SMYTH: They are in your folder.

Mr Stanhope: Mr Seselja, you asked me today to give details of emails or conversations—

MR SMYTH: L for land rent; they are under L for land rent.

THE CHAIR: This has been put to you in the Assembly.

Mr Stanhope: No, no. Let me answer this. Let us put this question in some—

MR SMYTH: Yes; do answer it. Which financial institutions are going to support this? Your statements are that we have undertakings—undertakings—from the financial institutions that they will support land rent. Which ones are supporting land rent?

Mr Stanhope: Do I answer Mr Seselja's question or Mr Smyth's? Are you in charge of this hearing, Mr Seselja?

THE CHAIR: You can answer mine; then you can answer Mr Smyth's.

Mr Stanhope: Mr Seselja, you have asked me just now to detail emails and conversations that I had on 28 August last year, without notice. I am saying that I have no idea what conversations or information I was provided with on 28 August of last year—absolutely none. I am more than happy to check my records. I am more than happy to check with my office. But I cannot be of any use or assistance to you today in relation to what I saw, read, was advised of or informed of on 28 August last year. And you are able to tell me now what you did on 28 August last year—what emails you received, what conversations you had?

THE CHAIR: You have had plenty of time to check the record on this, because it has been raised in the Assembly—that very statement.

Mr Stanhope: I have not checked the record on this.

THE CHAIR: Sorry?

Mr Stanhope: Not once—look, Mr Seselja—

THE CHAIR: You have not bothered to check.

Mr Stanhope: if you had given me some notice today that you were going to ask me—

THE CHAIR: We discussed it in the Assembly—your statement on 28 August.

Mr Stanhope: Mr Seselja—

THE CHAIR: Do you not remember that debate?

Mr Stanhope: Show some maturity.

MR SMYTH: Well, in fact, we discussed it last week.

Mr Stanhope: Show some maturity, Mr Seselja.

MR SMYTH: And he said he would brief you today.

Mr Stanhope: If you tell me now, and are prepared to table after you tell me, the emails that you received, their content, what they said, how you responded to them and the conversations you had on 28 August, then I would give some credibility to your question.

THE CHAIR: I will do you a deal. If I make a misleading statement that you can point to, I will check the records and I will be happy to table any briefings.

Mr Stanhope: No; tell me which emails you received, Mr Seselja, on 28 August.

THE CHAIR: Mr Robertson, the LDA—

Mr Stanhope: Yes; I would abandon that line of questioning, too, if I was you.

MR SMYTH: No, no.

Mr Dawes: Mr Seselja, can I just—

Mr Stanhope: I have taken the question on notice, Mr Seselja.

Mr Dawes: Can I just add—

THE CHAIR: Sure.

Mr Dawes: Mr Seselja, can I just have a point of clarification. I think we need to. I think the Chief Minister has already said that he would take that particular question on notice. I think what we need to have a look at is in the context—whether that was a meeting around OwnPlace or land rent. I think you will find that any meetings that would have occurred between financiers are a CMD responsibility. I think that will be the question, and I think we need to take that on notice and clarify that particular email.

THE CHAIR: You will. You need to check whether or not that email is misleading, because that is what you appear to be suggesting. The email talks about land rent—talks about LDA meeting with lenders to discuss the land rent scheme and that based on concerns raised at the meeting they will be recommending the Chief Minister change the scheme which is unworkable in its current form. I am very happy for you to check that—as to whether that email is mis-describing the situation—because it may well clarify. Mr Robertson, what is the LDA's view of the land rent scheme? There seems to be some ambivalence towards the scheme from the Land Development Agency?

Mr Robertson: In terms of the land, I think it is worth noting what our role is in the land rent scheme: it is to provide land. When people come in and walk up to our counters, they can either choose to take the land rent contract or take the purchase contract.

At the moment there are about 120 blocks that are what we would describe as land rent blocks, because they are ones that are involved in the scheme in some fashion or another. Of those 120, one of them, quite some time ago, has settled. I have not spoken to the person who is the land rent lessee, if that is the right description for the person. My only assumption would be that they have got their finance organised, because they have settled on the block. There are another 32 blocks which are actually exchanged, and there are another 87 which are on hold. That is the composition of the 120.

In terms of what the land rent is, obviously it is an option that a lot of people are choosing to take. There is a mix of builders and other members of the community who are involved in the land rent scheme. On the blocks that we have released in the period, like the LDA's own estates, it is probably—I would have to check the calculation, but it is of the order of 10 per cent of blocks people are—with that 120 over what we have released in our own estates since the middle of last year. So it is about 10 per cent of the blocks.

THE CHAIR: Indeed. But just on the issue of the LDA's view, Libby Oakes-Ash was the contact person for the LDA for the land rent scheme, I understand, until, I think, she left the LDA. I have got an email from her on 21 August 2008 to Scott Bolton from Wizard, saying: "As discussed yesterday, I personally do not believe that land rent is the way to go with the OwnPlace packages under \$300,000 as the land will very quickly be valued at much more than the purchase price." She seemed to be expressing concerns with the land rent scheme. Is that the first that you are aware of those kinds of concerns in the agency?

Mr Robertson: In terms of the former staff member that you named, I think it was about that time that she moved to Western Australia and ceased working with the LDA. It is not a matter that she raised with me. She was working in our sales area; I do not know whether she raised it with people in that other area. I certainly was not party to any conversations with Wizard.

THE CHAIR: Sure.

Mr Robertson: For a relatively brief period, the role she had in the scheme was that she was the first point of contact, because people would come into the LDA and ask for information on the scheme. She was also involved, I think, with the CIT and the training courses which were a compulsory part of the scheme, because we wanted people who were involved in the land rent scheme to understand the details of the scheme and its different elements. My recollection is that she was an ASO5 acting as an ASO6. That was her role. She has put in, as I think you read out, a personal opinion. It is certainly not the LDA's position.

MR SMYTH: It is hardly a personal opinion when it is sent to—

Mr Robertson: Sorry?

THE CHAIR: She was the contact person for the LDA, though, when she made that statement liaising with—

Mr Robertson: She was the liaison person when people would come up to the front desk, in terms of making sure that they were aware of what was happening about—that there was a requirement about the training scheme given—

THE CHAIR: I think she was named as the contact person in some of the documentation—

Mr Robertson: Yes.

THE CHAIR: and she was liaising with the financial institutions. So she was putting the view to at least one financial institution that there were concerns about the land rent scheme.

Mr Robertson: Yes. I think—I realise that we have got to be careful about the way some of the words are actually used—that, when you say “liaising with it”—clearly she has had some communication with someone in Wizard. I do not know whether that was—you have got the email there. Was it a personal communication or was it a work one? But we do not have a role in terms—

THE CHAIR: It was all work emails. We would not have personal emails of—

Mr Robertson: Certainly you would not normally expect—

THE CHAIR: what staff do in their own time.

Mr Robertson: But we do not—the LDA has no role in organising finance for individual people that might want to be involved in the land rent scheme. I am not sure in what capacity she was actually talking to the person from Wizard.

THE CHAIR: From the evidence, it seems that she was liaising with members of Chief Minister’s and there was a discussion about the concern over there not being lenders, there was a lot of communication around that issue and this is one aspect of that communication where she has communicated directly. I think she did seem to have some reasonable role in liaising with lenders along with representatives of the Chief Minister’s Department. It does seem a concern, though, that members of the LDA were expressing concern about the scheme which was then going to lenders rather than coming from somewhere else.

MR SMYTH: Just on that, though, she does communicate with more senior officers. These are not personal communications. She is responding to lenders and she is keeping other people informed.

Mr Robertson: I do not have the email in front of me that you have got there, Mr Smyth. But certainly the LDA does not have a role in organising finance for it. In terms of the discussions Mr Dawes referred to a few minutes ago, from my view, that

has always been a matter for Chief Minister's Department. I think Mr Seselja said about members—yes, at the time she was a member of the staff. But certainly I have not seen anything coming out of members of the LDA board. I certainly have not, and my other staff—we do not comment on government policy. We are there to implement the policy.

MR SMYTH: If nobody will lend people money to build a house, can the land rent scheme work?

Mr Robertson: I think that in the fact that there is this one person who has actually already settled, so they are off and doing things; I will check—

MR SMYTH: Where did they get their finance from?

Mr Robertson: I do not know. They have obviously either had their own sources of finance or arranged finance from somebody else. I am not aware of their personal affairs.

THE CHAIR: Is that who the land rent scheme is targeted at—people who can arrange private finance?

Mr Robertson: In terms of the person, they must have met the criteria.

THE CHAIR: People who can borrow money from their parents; that is—

Mr Robertson: But there would be statutory criteria which they have met, because that would have been in the times of the concessional rent. But also the land rent scheme itself, I think, in around December was actually opened up. So you got two options under the land rent scheme. There is the concessional two per cent and there is the four per cent which is open to others. My understanding is that the builders who—that is part of that 32 blocks that have been exchanged under the land rent scheme. The people that have done those exchanges—on my understanding, that includes private people as well as builders—obviously believed the land rent scheme could work, or they would not have exchanged the contract.

MR SMYTH: Would you categorise one block exchanged in 11 months as a success?

Mr Robertson: No. There were 33 blocks exchanged.

MR SMYTH: All right. Would you categorise one block settled in 11 months as a success?

Mr Robertson: Well, something is obviously happening under the scheme, Mr Smyth.

MR SMYTH: You do? You think one in 11 months is a success?

Mr Stanhope: It is. The scheme is established. It is beginning to work, and I believe in the context of a recession and a global financial crisis—

MR SMYTH: So in the next decade you will have nine people having homes under

land rent?

Mr Stanhope: I think we are slightly more optimistic than that, but certainly nobody denies that it is a matter of enormous frustration that the global financial crisis actually impacted the start of an innovating and—

MR SMYTH: Well, no. This all predates the financial crisis.

Mr Stanhope: No, it did not—new opportunity for a group of potential home buyers.

MR SMYTH: No. You did not accept there was a financial crisis before the election.

Mr Stanhope: This is part of a suite of 60 measures that we introduced. The affordability issues that we faced three years ago have been addressed very significantly through a suite of measures that we put in place, whether it is enhanced and accelerated land release, the OwnPlace scheme, the CHC affordable housing or the 15 per cent designation of all greenfield estates for an affordable product, which has been massively exceeded.

I think if you look at some of the national affordability indicators in the index and the level of building that is occurring in the ACT, you will see that the suite of measures has had a very significant impact. It may be that the success of OwnPlace, the growing success of CHC affordable housing or the success of the mandating of 15 per cent of affordable products in greenfields has made, in the eyes of many, the potential to access housing far easier than it would have been or they would have anticipated a year ago, with the cohort of those that we had originally imagined would wish to access land rent reducing, and that would be a great thing.

We need to look at the successes of Village Building Company at west Macgregor in relation to the affordable product that they have brought to the market in the last 18 months. I think 500—

MR SMYTH: That is fine, Chief Minister, but the question is about land rent.

Mr Stanhope: Five hundred house and land packages—

THE CHAIR: We are talking about the land-rent scheme here in your particular statements.

MR SMYTH: No, no. It is about land rent. It is not about supported housing.

Mr Stanhope: Well, I am and I am putting the land-rent scheme in context. The land-rent scheme in context is that 15 per cent—

THE CHAIR: So it is okay that it is a failure because other things may or may not be working?

Mr Stanhope: Well, no. We need to understand some of the context. We need to understand the impact and the implication of the global financial crisis. We need to understand the success of other initiatives that have been pursued through the

affordable housing plan, and the significant part of that is the fact that builders like Bob Winnell and the Village Building Company have in the last 18 months brought to the market somewhere, I believe, in excess of 500 houses within the affordable range.

MR SMYTH: And how many of those were through the land-rent scheme?

Mr Stanhope: Of course, that has made a significant impact on the cohort of first home buyers and those that would have sought to access—

MR SMYTH: So how many of those are under the land-rent scheme?

Mr Stanhope: Then, of course, you look at CHC. I believe it has delivered 56 affordable—

MR SMYTH: And that was not land-rent scheme either.

Mr Stanhope: homes in this financial year and is on target, I think, to deliver somewhere in the order of 200 next financial year.

MR SMYTH: But that is not the land-rent scheme, Chief Minister.

THE CHAIR: We have heard a lot about other schemes.

Mr Stanhope: And then, of course, we go to OwnPlace and—

THE CHAIR: We are talking about land rent here.

Mr Stanhope: and Mr Robertson has indicated earlier today that under the OwnPlace scheme the LDA is delivering—

THE CHAIR: So you do not want to answer the questions about land rent?

Mr Stanhope: 250 affordable house and land packages. So there has been such a massive level of activity in the affordable sector of the market that some of the pressure is probably off land rent. It is frustrating, but I think it needs to be understood that the government is not going to give up. The government will not be diverted. The government is happy to respond to your concerns and your questions about the scheme, which really are quite appropriate—

MR SMYTH: They are.

Mr Stanhope: but really very negative.

THE CHAIR: But appropriate? Good.

Mr Stanhope: We welcome any questioning of any scheme. The government is committed to this. The government will not give up. We will continue to work, and we will continue to work positively and proactively with the sector and with those young Canberra families who know that, but for something like land rent, they will not own a home in the near future. I am not going to give up on them. I am not going

to abandon them.

MR SMYTH: Well, because of land rent, only one looks like they are in a position to own their own home.

Mr Stanhope: I am not going to stand by and allow land rent to be trashed and potentially destroyed as a result of a concerted political campaign by my political opponents to undermine it, to trash it—

THE CHAIR: All right. But these concerns—

Mr Stanhope: and to actually remove this opportunity that these young home buyers have for home ownership.

THE CHAIR: Okay, we have got that. But these concerns were raised with you well before the global financial crisis and well before certainly we were probably even talking about it. You had a paper briefing to you by Professor Brian Roberts—I think it was in February 2008 that you received it—in which he states that home owners are not likely to experience the same rise in the value of their housing as the asset will depreciate over time. That backs up the argument we have been putting and you have been disputing. He goes on further—this is from a minute to you that notes what is in the brief—and says that both reviewers have suggested further consultation with the financial institutions to ensure that they do not treat loans to households building on rental land as sub-prime lending.

MR SMYTH: Sub-prime!

THE CHAIR: Now, given these concerns were raised with you in February and given you have said it was just us talking it down, how did you respond to these concerns in the brief from Professor Roberts?

Mr Stanhope: I think what we did post those concerns was what you would expect us to do. We went to those experts within the ACT government—namely, the Treasury—and asked the Treasury to do a detailed assessment of the concerns and to advise the government. I believe Mr Tomlins can actually give you the detail of precisely what we did and exactly what the Treasury found. It is information that I have previously provided to you, but you—

THE CHAIR: But this information had not been provided publicly.

Mr Stanhope: Yes, we have. The issue around the—

THE CHAIR: No, but the brief had not been provided publicly.

Mr Stanhope: Well, no, but you have been given detail, chapter and verse, of the Treasury review in relation to depreciation.

THE CHAIR: But Treasury commissioned this advice and so then you got them to just sort of—

Mr Stanhope: Yes, and then they did their own assessment. I think Mr Tomlins can actually give you the detail of the outcomes of their assessment.

Mr Tomlins: When the land rent policy was being developed, as has been said before, we went out and spoke to a number of institutions. We also got two independent reviews—one from the Australian Housing and Urban Research Institute and one from Professor Brian Roberts. These reviews were, in fact, to look at the project overall and also to look at the details. So we were asking them to go into the details and raise a number of concerns, and obviously that is what they did. What happened was that Treasury then looked at their recommendations and supported more of their comments than they rejected.

The comment that Professor Roberts made comes under his overall comment that the scheme has merit in enabling lower income groups to enter the housing market. The scheme is likely to be appealing to the low income group, which will benefit from rental discount offered. It is likely to be less appealing to medium-income groups. Overall, the direction and scope of the draft report provides a sound basis for the government to develop and implement a land rental scheme. He—

Mr Stanhope: Just repeat that, Mr Tomlins. I did not quite catch it.

Mr Tomlins: Overall, the direction and scope of the draft report provides a sound basis for the government to develop and implement a land rental scheme. Then he goes on to specific comments about the scheme. He talks about such things as the national competition policy, the targeted income group, perpetuity of land, lease to buy options, the different discount rates, the different risk assessments and those sorts of things.

Then all of that was taken to Treasury. I cannot go through the Treasury analysis in as much detail as the Treasury people could, but in terms of the issue of negative equity, as has been discussed before, Treasury did research on whether housing prices, in fact, in the ACT did go through negative equity and produced that paper—which I think has been released under FOI—about whether building prices do, in fact, fall. That document effectively showed that, while the house value does not go up by as much—for example, when the land value went up by 20 per cent, the house value went up by 12 per cent. The next case was 11 per cent and 12 per cent; 27 per cent and six per cent; 26 per cent and eight per cent. In all instances, with an average of the land going up by 16 per cent, the house value went up by 10 per cent.

I have recently had my staff look at medium density. In detached housing the land is a much larger component. In medium density the price of the land is around about 20 per cent, but in the instances that we have looked at, the building price in medium density has also gone up in all instances. I can go through the tables that show that. Brian Roberts raised a number of issues, as did Viv Milligan and Professor Phipps from AHURI, and they were used to improve the scheme. For example, one of the suggestions they made was that there should be a cap on the annual increase, so if land prices escalate suddenly the land rent will only go up by a maximum of average wages increase. So it was a very forensic approach.

MS BRESNAN: Chair, I have got an affordable housing question.

THE CHAIR: Sure. We will wrap this up. Finally, then, Chief Minister, we had—

Mr Stanhope: Well, just to complete the answer to the question that you asked: what did we do?

THE CHAIR: Well, it was long, so—

Mr Stanhope: Well, you have just asked. Mr Seselja, I think it is very important. There is obviously a dearth of understanding by you and your Liberal Party colleagues about the importance of land rent. I want you to leave here—

MR SMYTH: I understand about sub-prime. I think we all understand sub-prime.

Mr Stanhope: I want you to leave here understanding the work and the effort the government did.

MR SMYTH: So you approved a scheme described as sub-prime?

Mr Stanhope: You asked a question: what did we do when we do when we received information or a suggestion from Professor Roberts in relation to issues around depreciation?

MR SMYTH: You said charge on—charge ahead.

Mr Stanhope: It needs to be understood that, as Mr Tomlins has just outlined, we undertook rigorous research and analysis through the Treasury. The concerns and issues that were raised by Professor Roberts were addressed by the Treasury and taken into account in the construction of the scheme. We were very aware of the issues and the importance of the issues that were raised and we responded fully with all the resources of the ACT government through the Treasury—

MR SMYTH: Just charge ahead.

Mr Stanhope: in actually addressing the issues that were raised, and as a result of that and as a result of the rigour of the process we came out with a very good arrangement and product that will assist young Canberra families into the future.

MS BURCH: Chair—

THE CHAIR: Just finally, Chief Minister, you said it is supported everywhere across the board. At no stage has any financial institution indicated the nature of the land-rent scheme would provide an impediment to lending and that you had had advice going right back to 2004 where those very concerns were raised, yet you chose not to mention that when you made those bald assertions time and time and time again.

Mr Stanhope: Well, because we have responded to them. Just now, you have raised, and this is a great example, the one that you have raised.

THE CHAIR: Well, you claim in some of your statements that they have not even

indicated that the nature of the land-rent scheme would provide an impediment when, clearly, going right through—

Mr Stanhope: No, no, no. Well, we are looking at the scheme, as launched, and it goes very much to the issue that you have just raised—

MS BURCH: Mr Chair, haven't we been through this line of questioning?

THE CHAIR: Well, we are having just this final one.

Mr Stanhope: We are not static. We respond, we reassess, we do research, we analyse and, at the end of the day, we produced a product that received broad support from all the major banks and all the financial institutions—

MR SMYTH: Well, except none of them are backing it.

Mr Stanhope: and then the world changed—

MR SMYTH: None of them are lending against it.

Mr Stanhope: as a result of the global financial crisis.

MR SMYTH: Well, it brings me back to my initial question, chair, and perhaps the Chief Minister—

MS BURCH: Chair, we have been asking for 15 minutes to move on.

MR SMYTH: would answer which financial institution is going to lend on land rent?

THE CHAIR: Sure. We have half an hour just before the break on another issue. We will move on.

MS BURCH: I did not realise that we were rationing.

MR SMYTH: But he has not answered the original question. Which institution, Chief Minister, will lend on land rent?

THE CHAIR: We do not choose which issues you like us asking, Ms Burch. I am sorry, I missed the question.

MS BURCH: No, no, but—

MR SMYTH: He still has not answered the original question when this started half an hour ago. Which institution will lend on land rent?

THE CHAIR: I do not think he has an answer to that.

MR SMYTH: The proof of the pudding is in the eating, Chief Minister. Which institution?

MS BURCH: He is not going to answer that.

MS LE COUTEUR: Yes. There is no answer—

THE CHAIR: I think it is clear he has no answer to that. I think we all agree. Ms Burch?

MS BURCH: I am quite happy for Ms Le Couteur and Ms Bresnan, and I will then go—

THE CHAIR: Well, you seemed to be seeking the call, so I gave it to you. I am happy to give it to someone else if you do not want it.

MS BURCH: No. I am quite happy.

MR SMYTH: Well, I have got another question.

THE CHAIR: Ms Burch, do you want the call?

MS BURCH: I do.

THE CHAIR: Well, I give you the call.

MS BURCH: On page 495, the last dot point around Community Housing Canberra, there is a land release for Community Housing. Can you tell us a bit about that?

Mr Robertson: Yes. There is an agreement that we have with Community Housing Canberra that will make sites for 120 dwellings available to them each year as part of the portfolio they are developing. Certainly, we have done that; in fact, we have also identified the site for next year so it is not a matter where we wait until late in the financial year to do the current year's work.

One of the sites is actually on Flemington Road near the Gungaharra Homestead, on the right-hand side as you head up Flemington Road towards the Gungahlin town centre. We have been looking at our work with CHC. CHC is also involved. It has a role in our Crace joint venture, where we are also supplying additional land for Community Housing. But is beyond that, that is over and above that 120.

MS BURCH: Okay. So you build stock up for Community Housing over the years?

Mr Robertson: We are not directly involved in the provision of community housing; we provide land.

MS BURCH: The land?

Mr Robertson: Land for Community Housing. Also, I think, over the last 12 months Community Housing also bought some land from us, I think in Dunlop, and I think there was also a site in Franklin.

Mr Stanhope: I can perhaps assist with some more information in relation to

Community Housing Canberra Affordable Housing. As Mr Robertson has just said, there are a number of partnerships. One of the partnerships of course is between Community Housing Canberra, chaired now by Ross Barrett, and the LDA as well as others within the housing sector. Indeed Community Housing Canberra Affordable Housing is one of the joint venture partners at Crace, along with the LDA and CIC. They are being very innovative in their approach to meeting the government's request of them that over the next 10 years, with the revolving financial assistance, they deliver 1,000 houses, 500 for affordable rental and 500 for sale at affordable rates.

I know Mr Barrett—and I must say I think he has done an absolutely sterling job since taking over as chair of CHC affordable housing—has worked very hard with his board and with his chief executive to develop a business plan and model that will achieve the government's request of them. They have had a reasonably slow build-up. I understand that they will deliver 56 units, some for rental and some for sale, in this financial year, which is their first real year of operation. But in terms of the ramping up of the effort that CHC Affordable Housing have done, they are in a position to deliver 200 units of affordable rental and housing for sale. I am not quite sure of the mix in that but I will be happy to find that and provide that to members.

But the example of the land that the LDA had identified for CHC Housing for their most significant project to date is at Franklin, on Flemington Road. It is 104 units, all at affordable prices. I think the majority are under \$300,000 and I think, as a sign perhaps of the attractiveness of the first home buyers grant and this incredibly affordable attractive product, of the 104 units, 94 sold off the plan within a day or two. So it is a stunning outcome for CHC Affordable Housing.

As I was mentioning before, CHC Affordable Housing are an integral part of the suite of measures that the government has introduced and facilitated to take the pressure off the market and to deal with issues of affordability. The outcomes really are beginning to be seen quite significantly, with OwnPlace delivering 250 places at the moment; CHC Affordable Housing, with 250 places constructed or in train; and in the greenfields 15 per cent, delivering, I think, across the board, well in excess of 1,000 affordable premises.

Mr Robertson: Just before you go on to anything else. I have just been reminded, and I thought it was important to correct the record immediately—I had mentioned CHC and the areas from which they have obtained land from the LDA; I mentioned Dunlop—we did offer a site in Dunlop in the last 12 months to CHC and after a fair bit of consideration they decided not to actually proceed with the purchase of that land; so I apologise for briefly misleading the committee.

THE CHAIR: Thank you, Mr Robertson. Ms Bresnan?

MS BRESNAN: Thank you. Does the LDA receive any direction in terms of where their dwellings are located or is it just a matter of process?

Mr Robertson: From CHC?

MS BRESNAN: Yes.

Mr Robertson: No. What we try to do is identify sites in different locations. And then CHC makes its portfolio decisions. I think that matter I just referred to in relation to Dunlop was an example of that. We were conscious that we needed to make land available that was ready for them to build on as soon as possible. We had some land in Dunlop which, when the CHC chose not to take it, we subsequently sold to others. I presume construction is underway. But that was a case where I assume that they made a decision they already had adequate stock in that area. We try to give them a range of choices. We have discussions and I think we have already identified the site that they will be offered—

MS BRESNAN: So it is basically where there is availability they make their decision from that?

Mr Robertson: There is availability and, at the moment, we have got a situation where we are working very hard with quite a number of construction companies to develop land. The Chief Minister mentioned the 250 OwnPlace blocks. I think I mentioned earlier this morning another 39, I think it is, are going to start construction next month. That is because we are completing land in Franklin and Bonner where there are OwnPlace blocks. On quite a number of the other blocks in the OwnPlace scheme, where individuals are determining the nature of the house and signing those contracts, settlements have not happened because we are still constructing the land.

Similarly with CHC, the need for affordable housing is now, as well as in the future; so we try to give them that. Similarly with DHCS, where we have been offering land for their public housing, they want to get on with it and build houses.

THE CHAIR: Ms Le Couteur and then Mr Smyth.

MS LE COUTEUR: Thank you. I have got a question about direct sales. What are the LDA's criteria for a direct sale?

Mr Robertson: The LDA applies the criteria that are actually under the Planning and Development Act 2007. There are public benefit issues there. But when you say what are the LDA's criteria, the LDA does not actually have criteria of our own.

MS LE COUTEUR: But you administer the criteria on your own.

Mr Robertson: We administer part of the scheme. In terms of the current processes, advice on the eligibility for a direct grant is actually provided to the government by a group that is administered by Chief Minister's Department, with representatives from—I think the LDA sits on it—other departments. So if someone came along and wanted a direct grant of land for a particular community purpose, the department that had portfolio responsibility for that particular matter, whether it was education or DHCS, would be part of that consideration. One of the key issues under the statutory provisions about direct sales is that a public benefit needs to be established before there is any scope for the direct sale progressing.

MS LE COUTEUR: Possibly I am asking at the wrong place and I should have asked the CMD, but how do you actually evaluate public benefit?

Mr Dawes: If I could give you a bit of an idea of the procedure. Under the new arrangements that came in from 1 July last year, the direct sales are now conducted within the Chief Minister's Department, in my particular area. One of the things, as Mr Robertson has already pointed out, is that we each chair a cross-government committee that looks at each and every direct sale application to ensure that it fits with the criteria that are set out in the planning and land act and ensure that there is a public benefit that cannot be achieved by either an expression of interest or an auction.

One of the things that we have looked at and one of the areas that we have had is that in the past, and this goes back quite some time, the direct sales were given to organisations where potentially—and this goes back, I think, since probably self-government as well, and it certainly goes back in excess of 10 years—community organisations were given direct land sales. And if you look in the areas of aged care accommodation, there has been frustration where they have had the allocation of beds and have not been able to deliver some of those beds because they have not had the financial capacity to do it.

What we actually now do is more up the front end and look very clearly at what and where they fit into the criteria for a direct sale. But we also look at their business case and their financial capacity to complete the particular project they are entering into. I think also we need to remember that—and this is further policy work that we are doing at the present time—quite often they ask for a large parcel of land and that is not really required; so we are really trying to get into the specifics of it and tailor-make the size of the land because our land is a finite resource here in the ACT.

We would like to get to a position—and we are working towards that position—where we will develop community land, where we will be able to go out for expressions of interest for particular parcels of land to provide a community service to that particular jurisdiction. So we are in the process of developing that policy.

But coming back: if, for example, a community organisation wishes to do something where we determine that they have not got the right business case or the financial capacity, we actually work with that organisation and steer them down a particular track and we try either to match them up with like organisations, or whatever the case may be, or put them on and suggest ways that they may be able to complete the project when they are more financially secure et cetera.

So what we are trying to do is avoid organisations sitting for a long period of time on land that could be being used for another purpose or for another community benefit. We have actually got a far more rigorous test. Once it passes that particular test, we then put a recommendation to government whether to support or not support and then we go from there. We actually do the front-end work.

In the past, the old system, an application would come in and it would take some years before that organisation may or may not know whether they have got a direct sale. So we try to do that very quickly and upfront so that people are well aware of their ability to achieve, whether we accept the direct sale at all or not. That way it is fairly unambiguous as well; so people can get on with it.

As I said, we are now developing further policy so that we can actually build up a stock of community land and, as we move into Molonglo, that is precisely what we will be able to do. We will know what services and what community things that we will require in Molonglo; so we will actually have that stock and be able to go out. I think, quite often, people drive past a block of land and say, "That would be a good block of land; we will put an application in for a direct sale." So we are trying to avoid that, as I said, because the land is a finite resource that we have.

THE CHAIR: Mr Dawes, in relation to direct sales, there was an article this week about three different subdivisions, I think, where extra blocks will come on line. Are you able to just talk us through, either Mr Robertson or you, the process for coming to that direct sale or what the price was?

Mr Dawes: Sorry, the?

THE CHAIR: The process for those direct sales, when that started, how it went, what is the cost of those subdivisions as well and what will the territory be receiving for that rent?

Mr Robertson: Perhaps if I could start at that last point you finished on, about what we will receive. We do not know yet because the price with all direct sales is actually set by getting independent valuations, because these would be classified as commercial direct sales. The obligation that the LDA is under, in its role with direct sales of a commercial nature, is that we are required to get three independent valuations and the highest valuation is taken as the value that is applied. I think that particular article in the paper referred to that and there were questions about whether or not this was going to deliver value for money.

The valuers are—we do not have a big pool of valuers around town—the same valuers that are used for the other LDA activities. There is a panel and, depending on the expertise of the valuers, we pick from that panel. What we have found—and I think it is important I do address this issue as to whether or not that gets the community value for money or we are losing money—is that the valuations themselves across the board, with the different things, whether it is the smaller, individual lots or the big blocks, have been pretty close to the mark.

We actually had some small parcels of land that were taken to auction earlier this week. Four of them sold at auction; one sold shortly thereafter at the reserve. There have been continued discussions about the others. I think there are still three of those small lots.

With some of the other commercial auctions that we have had, we have had a situation where they have been taken to auction, passed in at auction and either sold or are still not yet sold at the reserves. So that really shows that the valuers are getting it pretty close to the mark.

When we had the last large, englobo parcel of land sold, which was Casey 2, it was actually passed in at the auction in the early afternoon—and there were quite a lot of people in the room for the bidding—and the underbidder later that day agreed to pay the reserve, which was higher than anyone else was willing to pay. So I am actually

fairly confident that the valuers know what they are doing; they are getting good prices; and the community can get value for money out of this.

THE CHAIR: Thank you.

Mr Dawes: I might just—

THE CHAIR: Before you do, Mr Dawes, I would like to bring it back to the status of where things are at, because the understanding from the article was that the deal was done. But it seems you are saying that it has not been done. Is it an in-principle deal that we have now; before then the valuations happen and the sale takes place? What is the status of it?

Mr Robertson: Normally what happens is that with, any of the direct sales—and it applies to these and equally to others—people apply for direct sales. There were really only two direct sales there. There were three parcels of land referred to. We were not in a position where we needed to sell the land to ourselves in relation to Forde but, in relation to the other two, I understand that there were applications; they were considered by the assessment panel; recommendations were made to government; and the government has agreed to that.

The process now of course is that we will get those valuations. The parties who were the direct grant applicants would have understood the process that we follow through. The land values, the raw land values, have been fairly stable for residential land. They will be aware of what the consortium that bought Casey 2 paid; so they know roughly what they are paying now. The government has released the land because it has made it available to these people. The price will be what the valuers come up with, the highest price that the three valuers come up with.

THE CHAIR: Sure.

Mr Dawes: There is no question, in normal circumstances; the auction process is by far the fairest way of testing the market and the interest in acquiring the land. But testing the market interest was not the priority issue in getting west Macgregor and Casey land out to the market for the development, and one of the things that we need to have a look at. It went before that particular panel, that committee, and we looked at the purchase of the land, that it met all of the eligibility criteria for a direct sale. They control the means and access to the new sites as well because they are actually developing these. They are actually adjoining englobo parcels of land. They have also indicated that they will be providing the mandated 15 per cent in affordable housing, and in one case, one builder, one developer, will exceed that 15 per cent.

So it was certainly one of the priority issues to ensure the government's residential land release program was met this year. Also we needed to ensure that we were able, with the extension of the first homeowners grant to 30 September, and then, even though in a reduced form, to 31 December, to react and ensure that to the ACT homeowners. You can look at the number of people that are still in various queues wanting to own a home. We wanted to be able to capitalise on that. So it was all about ensuring that we had the product out there and again it further assists the affordability issue here in the territory. The other issue in it, more importantly as well, was that we

wanted to maintain momentum and support the local construction industry.

THE CHAIR: Sure.

Mr Robertson: Mr Seselja, just on that too, there is probably one other thing I should have added and that is that the other element of that criticism that was implied in the press reports was about the fact that there was not adequate supply, or things were not being provided to builders in terms of other size packages. I was actually surprised to read that. I had heard that criticism from the same individual but only in the last fortnight. In terms of what the LDA is doing, we have actually over the last year or so offered land of all different sizes—the big englobo parcels—in the land release program.

It has been clear that as we move into Molonglo next financial year there will be two englobo parcels, one about 300 dwellings, one about 500 dwellings. Towards the middle of last year we offered to the market a package of 21 dwellings, sites for 21 dwellings, in Franklin; we were not successful in selling that. Those same blocks we re-offered to the market this week in smaller parcels, parcels of twos and threes. They are the ones I referred to. We still have some of those available over the counter. Over the last few, probably three or four, months we have offered what we call four-packs, generally packs of four blocks—I think there were one or two lots of two as part of that—but a number of blocks in Bonner. We still have one of those four-packs available over the counter.

In the next couple of weeks we have got the sale of about 100 dwelling sites at North Weston. We have got another lot of 100 dwelling sites on Flemington Road; that is also in the paper this next few weeks. There have been the parcels we talked about with CHC and others—and I could go on in terms of other smaller lots. But there is quite a range of product, not just in terms of big and small blocks available for families or individuals, but also across the range; we are trying to segment the market.

We are conscious that with the so-called global financial crisis and its impact on finance we are doing the same thing in commercial sites. So later in the year when we sell some of the island at Kingston the parcel we are taking to market we had originally intended to sell as one lot; we are actually chopping that in half, so that it is more accessible for people. So that other criticism, I think, was also unfounded.

THE CHAIR: Thank you, Mr Robertson. Mr Smyth, and then Ms Burch.

MR SMYTH: Mr Robertson, on page 499 of budget paper 4 in your cash flow statements I see that you have got a “borrowings received” line. Is that money you actually borrow or is it a borrowing facility, a credit facility?

Mr Robertson: That was actually a provision that was there earlier in the year and because it is under the Financial Management Act I think there is a notifiable instrument. There was a borrowing provision which the territory provided to the LDA in the order of \$20 million. That is the item we are talking about. That was there in terms of our working capital if we needed access to it.

A lot of what we do is fairly lumpy in that we have got to invest a lot of money in

estates. Over this next four to five weeks we have got quite a lot of cash coming in, for example, as we settle on the first stage of Bonner and the last portions of the lower density parts of Franklin. There is a lot of money coming in. So that provision was to help us if we needed it. We have only drawn down \$5 million of that \$20 million provision.

MR SMYTH: And what was the \$5 million drawn down for?

Mr Robertson: It was drawn down to basically make sure we maintained a reasonable cash balance because we are paying contractors, we are paying staff, we are paying others. We had a couple of sales, including some blocks, I think, at Epicentre. I mentioned that we have still got some of those four-packs at Bonner. With our cash flow forecasts from earlier in the year, this time last year for this year, as we are working towards having blocks available on the ground and there is also a lot of lead-in costs for Molonglo, we probably assumed that some of the borrowings might have been used for some of our earlier estate works in Molonglo and that will be the case next year if we need to go back to the Treasurer, because the instrument only lasts the year, and we will look at what borrowings might be necessary for next year.

MR SMYTH: Is it not true that the \$5 million draw down was prompted by the fact that land rent is a burden to the LDA and because you had a number of blocks on hold that you cannot sell? You have had cash flow problems and therefore the draw down on the borrowing facility?

Mr Robertson: No. At the time that the draw down was done, the value of land that was involved in the land rent scheme was less than that, but I think with the land rent scheme itself we have an arrangement with Treasury where we are paid quarterly in arrears. In terms of our forecast for the settlement on a lot of those blocks, we would not have really anticipated at that point in time having it. I am aware—

MR SMYTH: Haven't you asked Treasury—

Mr Robertson: Sorry. I am aware that in the FOI material there is a reference to the fact—that material was provided to Mr Seselja about a week ago; there is a reference in there. That reference really was more to just a conversation with Treasury, indicating that going forward we will be starting to settle on the blocks. It may be that we could not afford to actually settle quarterly in arrears. So in that particular—

MR SMYTH: So in fact you would want Treasury to pay you the money earlier?

Mr Robertson: Rather than quarterly in arrears, because by the time it came to pay for the land we would have paid for all the costs of developing the land.

MR SMYTH: So land rent is a burden on your cash flows?

Mr Robertson: Land rent is no different to anything else. We do not get the cash until we sell the blocks and there was nothing in the land rent legislation that was around the arrangements with Treasury. Elsewhere in that material that was provided under FOI I think are the communications between me and the person that heads up, I think

it is called, the accounting policy area in Treasury. That was the administrative arrangements we had between the LDA and Treasury. The primary element of course was when the money flows.

In September last year, when those arrangements were put in place, the three-month delayed settlement was not going to be an issue because most of the blocks were not under land rent. I think it is worth noting that more than two-thirds of the blocks that are under land rent at the moment we are still building and it will be late this year before they are built. I should have commented on that when you asked the earlier question. You cannot settle, no-one can settle, on blocks that have not yet been built. We have said that we are now ready to collect the money. But I did not want a situation where—and it is likely within the next 12 months that we might have a situation where there is \$20 million worth of land that is under land rent, where people are building houses on those land rent blocks—we would be borrowing money from Treasury which we would then pay back when they paid us for the land rent blocks. So in that provision—

MR SMYTH: But in this case you did pull down \$5 million, so you have borrowed \$5 million and I assume you are paying interest on it?

Mr Robertson: We did need to, but the real trigger for that was the money we were spending across the LDA's activities and with the amount of money—I forget the exact figure—but, yes, there was —

MR SMYTH: \$4,771,000 was tied up—

Mr Robertson: Yes, a fair bit, but—

MR SMYTH: causing you to borrow \$5 million off Treasury.

Mr Robertson: Yes, there was a fair bit, but in relation to some of those blocks we have not invoiced Treasury for those, and certainly had not at the time, and we would have required draw downs anyway.

MR SMYTH: What interest rate does—

Mr Robertson: I would attribute it actually more to some of the other settlements; the fact that we actually had other things that had not sold in the time frame we would have liked.

MR SMYTH: What interest rate does Treasury charge you on the credit facility?

MS BURCH: In the time I have got left—

Mr Robertson: I cannot recall that.

THE CHAIR: This is the last one, and then I will go to you.

MS BURCH: Thank you.

Mr Robertson: Yes. Somewhere in the order of five per cent but we can actually take that on notice and let you know that.

THE CHAIR: If you could take that on notice that would be good. Thank you, Mr Robertson.

Mr Robertson: Certainly the intent behind my comment in that email was really recognising that it was specifically provided in the correspondence between the relevant director in Treasury and me that within 12 months this would be reviewed. I was conscious that there was a lot of momentum building for land rent. We had opened it up to the builders, as the legislation provided. Their issues around finance might have been different from low-income households. So, with the builders—and none of those were in that first amount that you referred to; at least that is my recollection—as we completed the blocks and settled them, that is when it would be an issue because the builders have different access to different quantum of finance from individual households. So it was really a concern—concern is the wrong word; it was really me anticipating that there may well be an issue in the future if we have got \$20 million worth of land that is actually out there with houses being built on under land rent and we were still having to wait another month or two to get our cash from Treasury.

MR SMYTH: Just for accuracy's sake, these were 19 blocks that were ready to build on now, so it was not blocks that you had to—

MS BURCH: Just a—

THE CHAIR: He had taken that on notice and he continued with his answer, so—

Mr Robertson: Yes, but we have got blocks that are ready to build on today in Franklin and Bonner, and we have only just issued the letters to people. So even with those it will be a month or two before the money comes in—sorry, not a month or two; I am expecting that before the end of June, because it is between now and the end of June the settlement dates on those. So, in those cases—I forget exactly but it is certainly a lot more than 19 blocks—we have completed them, they are ready to build on but it is still another three or four weeks before we are anticipating having the cash in our account. So there is that timing issue.

THE CHAIR: Thank you. We will just finish up on that. Thank you, Mr Robertson. Ms Burch is very keen to ask a question before we finish up.

MS BURCH: I will not ask the original one, but just a general as we are probably too short of time. We have spoken around land release, affordable housing. How is the ACT or the federal first homebuyers package factored into all of that? In the minute you have got left, how is our local market for land and houses?

Mr Robertson: I am not sure whether that was to me, to David or to the Chief Minister. I think we are doing very well and that was clearly the impression I had after I discussed the issue with my colleagues from the other jurisdictions the other day.

Mr Stanhope: It is quite interesting, Ms Burch. In fact, the performance and strength

of the ACT has really been quite remarkable over the last year. According to the Australian Bureau of Statistics, the number of residential building approvals in the ACT in the 12 months to March 2009 rose by 21.4 per cent, which of course reflects very much the increased supply of land which Mr Dawes spoke about just recently.

So residential building approvals in the ACT are up 21.4 per cent against a national decline of 13.5 per cent. Interestingly, housing finance commitments for owner-occupiers in the ACT increased by 3.4 per cent in the 12 months to March 2009 against a national performance of a decrease of 17.5 per cent. So they are really quite stunning. For residential building approvals there is a 34-point differential between the ACT and the rest of Australia and in relation to housing finance commitments for owner-occupiers there is a 20 per cent difference, with the ACT performing 20 per cent more strongly than the rest of the nation.

It is interesting to reflect on the Real Estate Institute of Australia's housing affordability report, which shows that the largest increase in the proportion to first homebuyers during the December quarter was—ever, I think—in the ACT, with an increase of 51.7 per cent. From February to March this year, the number of first home finance commitments in the ACT increased from 205 in February to 255 in March. Year on year, the number of first homebuyer commitments increased by 19.2 per cent to 1,772 and first homebuyer finance commitments accounted for 22.5 per cent of housing finance commitments in March compared to 14 per cent the year before. For the year ending March 2009, first homebuyer housing finance commitments accounted for 16 per cent of all housing finance commitments in the ACT. So it shows the level of activity and engagement by first homebuyers in the ACT with the first homebuyers grant and, I think, shows the continuing strength in the market here which, against all indicators, is in the residential sector performing more strongly than anywhere else in Australia.

MR SMYTH: So how do you answer the construction report yesterday that said that in the Australian Capital Territory construction work has now fallen for two quarters and that is across all sectors, whether they be engineering, building, residential or non-residential?

Mr Stanhope: It reflects a decline in the commercial sector, I would suggest, Mr Smyth, because residential building approvals in the ACT rose 21.4 per cent, year to year, to March.

THE CHAIR: Before we adjourn, Chief Minister, at the beginning of today you were to table a number of documents—

Mr Stanhope: I did—

THE CHAIR: including the letters—

Mr Stanhope: with great pleasure.

THE CHAIR: So the letters you received and the letters you sent, or the correspondence which was sent prompting it: are you able to table all of those for us?

Mr Stanhope: I certainly am, with great pleasure, though the media already have them all, of course. They are particularly interested in them.

THE CHAIR: We are adjourned till 2 o'clock. We will come back with the Minister for Planning.

Meeting adjourned from 12.18 to 2.02 pm.

Appearances:

Barr, Mr Andrew, Minister for Education and Training, Minister for Children and Young People, Minister for Planning and Minister for Tourism, Sport and Recreation

ACT Planning and Land Authority

Savery, Mr Neil, Chief Planning Executive

Meyer, Mr John, Chief Operating Officer

Wurfel, Mr Peter, Chief Financial Officer, Client Services

Walsh, Mr Adrian, Manager, Corporate and Human Services

Corrigan, Mr Jim, Manager, Merit Assessment

Department of Disability, Housing and Community Services

Hehir, Mr Martin, Chief Executive,

Mitchell, Ms Megan, Executive Director, Office for Children, Youth and Family Support

Duggan, Mr Frank, Senior Director, Strategic Support, Office for Children, Youth and Family Support.

Reid, Mr Michael, Director, Youth Directorate

Pappas, Ms Helen, Senior Manager, Early Intervention and Prevention Services

THE CHAIR: Welcome to the Minister for Planning, to Mr Neil Savery and to representatives of ACTPLA. Before we proceed to questions from the committee, minister, would you like to make an opening statement?

Mr Barr: I think we will just proceed to questions today.

THE CHAIR: Minister, I wanted to talk about development applications. We have received some answers to questions on notice in relation to some of the applications in the system and some of the time frames. I understand from an answer to a question on notice that from July 2008 to December 2008 the average time to process an application in the merit track was 37.57 days and from January to March 2009 that had increased to 43.15 days. Why is it taking longer to process merit track applications?

Mr Barr: I will get Mr Savery to answer that.

Mr Savery: I would like to see those figures and who has given them to you because they do not appear to correlate with our figures.

THE CHAIR: Okay.

Mr Savery: The latter one, in particular, sounds like it is a gross figure as opposed to the working dates, which is the statutory requirement under the legislation. Our own analysis shows that for this year it has taken, on average, 32 days, 32½ days, to process a merit application.

MS LE COUTEUR: That is working days?

Mr Savery: Yes, working days. As to gross days, it is taking, on average, 46 days. That includes weekends and public holidays.

THE CHAIR: I will read from the answer which is signed by the minister. It says, “The average time taken to determine merit track DA in the period 1 January 2009 to 31 March 2009 was 43.15 days.”

Mr Savery: Which would be gross.

THE CHAIR: “The average time taken to determine merit track DA in the period 1 July 2008 to 31 December 2008 was 37.57 days.”

Mr Savery: As I say, I think the figures sound like gross numbers as opposed to the average time, but irrespective, I would expect from the way that that has been described it is the spike in development applications at Christmas and therefore the processing of the applications after Christmas where you have an almost doubling of the normal volume of development applications.

THE CHAIR: Could you give us some more breakdown on the differences in volumes in those periods?

Mr Savery: If I can take that on notice, please?

THE CHAIR: Sure.

MR SMYTH: I am sorry to interrupt. You said, “The spike at Christmas.”

Mr Savery: Yes.

MR SMYTH: Is that because of a rush to get DAs in before Christmas?

Mr Savery: That is what often happens. We get a spike of applications—

MR SMYTH: Because it was 1 January to 9 April.

Mr Savery: Yes. It would be useful if I could have the figures in front of me. Is that all right?

THE CHAIR: Yes. It is a question on notice, so it is there. Presumably that is because people like to go to their Christmas drinks knowing they have got the development application in and they can relax a little more. Is that the sort of rationale?

MR SMYTH: Minister, you did not make these numbers up in your office, did you?

Mr Barr: No.

MR SMYTH: You got the answer from ACTPLA?

Mr Barr: I got the answer from ACTPLA.

MS PORTER: What an outrageous thing to say, Mr Smyth.

MR SMYTH: So it came up through the system and must have crossed Mr Savery's desk at some stage, surely. I assume that is the process?

Mr Barr: Yes.

Mr Savery: Can we come back to you during the hearings?

THE CHAIR: That would be great. In terms of the total number in the system, I think as of 9 April 2009 there were six in code track, 260 in merit track and two in impact track. Does that sound right? I think that is from an answer to a question.

Mr Barr: The latest update that I have is that 249 are in merit track.

THE CHAIR: Yes.

Mr Barr: There are no code track applications at this time.

THE CHAIR: No code track?

Mr Barr: No, given that single residential proposals are exempt from requiring a DA if they comply with the single house code.

THE CHAIR: So it is zero in code and 249 in merit. How many in impact?

Mr Savery: Two.

THE CHAIR: Still two in impact?

Mr Savery: Yes.

THE CHAIR: Yes, I imagine they are the same ones. They are pretty long—

Mr Savery: Yes.

Mr Barr: It might be worth noting the total numbers processed. I can advise the committee that 700 merit tracked DAs with an estimated value of \$508 million were determined between Christmas 2008 and 8 May this year.

THE CHAIR: I understand that the value of those in the system as of 9 April was \$453 million in the merit track; I think the 260 in the merit track were valued at \$453 million. So it is significant. In terms of the 268, which is a little bit less now, I know there has been some discussion with industry about what is a manageable number in the system to get through your statutory time frames. That would be well above the manageable number, presumably. I have heard of 150 being a broad number. I know these are not definitive.

Mr Savery: Things have bottomed out in terms of the applications coming into the system. We are seeing a plateau, if you like, of 250 DAs with as many coming in as we are processing at a particular point in time. On the basis that we are processing DAs pretty much in accordance with our statutory time frames, I think it is not unreasonable to say that at this stage 250 is manageable, bearing in mind, of course, that we are seeing an increase in the number of exempt development proposals. An increasing number of DAs in the system are complex. Whereas in the past the easy DAs, the relatively straightforward and low impact DAs, if you like, were going through the system relatively quickly, you have now got more complex DAs which take more time.

THE CHAIR: So you could build up the stats. Does ACTPLA, in any of its internals, do a breakdown in terms of description—say, in the merit track, which is by far the largest number in terms of complexity? Do you characterise or categorise them in any way to indicate that one is a complex merit track application or one is a less complex application? Are there any—

Mr Savery: There are. The legislation provides the different forms of public notification associated with—

THE CHAIR: So you just go on those statutory classifications?

Mr Savery: We do, plus some of it relates to geographic areas. Town centres, typically, are more complex development proposals, because they involve commercial development, compared to something in the outer suburbs. There are different categories, but that does not change the way in which they are processed. They are all merit-based assessments.

THE CHAIR: I understand that. But in terms of trying to get a handle on the levels and the level of complexity in there, is it possible to get a breakdown according to those classifications? Whatever date you choose—as of today or last week or whatever—is it possible to get a breakdown of the merit track applications and where they fit?

Mr Savery: Yes. The only real measure that we could provide easily would be those that fall into minor notification and those that fall into major notification.

THE CHAIR: That would be fine. Thank you. Ms Le Couteur.

MS LE COUTEUR: I will start off with the eastern broadacre planning study. Where are we up to with this and what consultation is occurring? When will there be a publicly available draft? We get lots of questions on this area.

Mr Savery: Regarding eastern broadacre, we have completed all of the initial consultancies which have looked at a range of aspects—ecological, transport, topographical. We have done a typical spot analysis of the opportunities and constraints—where land is simply not available because it is owned by the commonwealth or because it is used by Defence or ASIO et cetera. Through that broad-based mapping and other planning analysis we have arrived at a position that we will be putting to the government in the near future to seek its agreement for its

public release for the purposes of broader consultation.

There has been some targeted consultation undertaken by the consultants in the preparation of the work to date with rural lessees, with some of the users like Defence and the airport—those sorts of groups—to help inform the content of the document that we have. But until the government has had the opportunity to say that we are comfortable with it going out for consultation, we are not in a position to do so. In terms of timing, I would expect that we would be going to government in the next couple of months. So we would be looking at going to broader community consultation before the end of this calendar year.

THE CHAIR: Just a follow-on to some of the questions around the different tracks: when were those two impact track DAs lodged?

Mr Savery: I will be able to answer that reasonably quickly, but I cannot do it right now.

THE CHAIR: That is fine. If you can take that on notice, that would be great.

Mr Savery: Yes.

THE CHAIR: Ms Burch.

MS BURCH: On page 93 of budget paper 3 there are a number of initiatives, effective delivery of service being one. Given the environment that we are in at the moment, what focus is there on economic stimulus and what is the government doing to support the economy and local business through those initiatives?

Mr Barr: Obviously that initiative enables ACTPLA to continue to deliver a number of services and it has targeted a range of areas across the organisation. With an anticipated large number of development applications associated particularly with the social housing elements of the commonwealth's stimulus package it will vary in complexity. Some will be single residential and will be exempt from the codes, but there will also be—we are advised by Housing—a number of other new social housing developments in existing areas of the city that will obviously require planning approval process. There is some element of that additional resource this year going into that area.

There are a number of other ongoing pieces of work that need continued funding and some new initiatives across a range of areas. We have given some targeted support both through the second appropriation last year and through this initiative for some further neighbourhood planning studies. People will also be aware of Kingston and Dickson. The Gungahlin one is ongoing. The government would also like to continue that process and look at the Tuggeranong town centre. We have been in some preliminary consultation and had some exchange of correspondence with the Tuggeranong Community Council in relation to that matter as well, foreshadowing a piece of work that is coming up in the next few years.

Those are just some initiatives. Obviously the budget papers go to other points around the land supply strategy and affordable housing—ACTPLA's contribution to the

affordable housing strategy. This additional resource in the next financial year will enable continuation of effort along this range of initiatives as well as continue to support the redirection of officers into the development assessment area that was part of ACTPLA at the end of last year. We did shuffle people through who had DA experience to increase resources in that area, but that necessitated taking people off other projects.

In terms of resource allocation within this portfolio, a range of demands are placed on government. We had the discussion yesterday around sport. For example, the Brumbies are looking to propose a territory plan variation that ACTPLA will have to consider. In other sport and recreation areas, territory plan variations may be required. We are anticipating a certain workload for the authority in the next 12 months. We will, of course, reassess at the end of that period what the ongoing work plan will be whilst, of course, wanting to maintain our effort around prompt processing of development applications.

It is always a complex mix between the perceived core business of ACTPLA and the areas where you would want to undertake new planning studies or new pieces of work. There is obviously a massive agenda in sustainability and urban renewal, such as Molonglo Valley and all of those areas that ACTPLA is engaged in, as well as, of course, all the areas that we will have questions on this afternoon.

MS BURCH: I am interested in a couple of things. One of them is Tuggeranong planning, given that it is down my way. Is this for new work or is it linking things that exist? What is this?

Mr Barr: There are elements of work that are funded under the commercial-industrial land supply strategy that you will see on page 93 of BP3 around the infrastructure assessment in the town centre. There is also a further piece of work that was again part of Labor's election commitments in the 2008 election in relation to some further master planning work for the Tuggeranong town centre. This commercial-industrial land supply piece of work leads into a broader master plan approach.

MS BURCH: A master plan in the area has often been discussed.

Mr Barr: Indeed. Just to give the committee an indication, the current work that is occurring in Gungahlin gives you an idea of the sort of town centre master planning work that ACTPLA is engaged in.

MS BRESNAN: What is the time frame for the Tuggeranong—

Mr Barr: The Tuggeranong one will be in the second half of this term of the Assembly, so we are talking about 2011.

MS BRESNAN: So when is this infrastructure assessment going to commence?

Mr Barr: The commercial industrial land supply work; where is that going to—

Mr Savery: To some extent it is a continuation of work that is already in train. This is additional work that will do a retail impact analysis infrastructure study in

Tuggeranong town centre, which follows on from Belconnen and Woden this year. So it is an ongoing program. There are discrete elements within it, which will occur over the course of the 12 months.

Mr Barr: In terms of the order, we have got Gungahlin to finish; we are well advanced there. We have commenced Kingston and Dickson as part of the second appropriation last year and we then would move on to Tuggeranong. But one would anticipate completion of the other pieces of work before we really get into Tuggeranong in a big way.

MS BRESNAN: You mentioned you were speaking to the Tuggeranong Community Council. Are you speaking to other groups, because there is a Tuggeranong business group—

Mr Barr: Yes, I have met with them on a number of occasions, principally as education minister, but we have discussed—

MS BRESNAN: But they would have a great interest in this, yes?

Mr Barr: Yes. Certainly they will have a clear interest in this, and I have exchanged correspondence with the Tuggeranong Community Council just in relation to the time frames for this piece of work. Obviously people noted it was an election commitment that we would look at in this term, but we did also clearly indicate that we would be moving on Kingston and Dickson before we get to Tuggeranong.

MS BURCH: And can I note that there are moneys in this coming year and then there are a number of zeroes beyond that?

Mr Barr: In terms of the effective delivery of services initiative? Yes, as I said, we will reassess at the end of this year what elements of ongoing work we wish to continue. As I said, it is a balancing act around ensuring that you are delivering your core services, development assessment et cetera, which we are putting extra resources into, in anticipation of the commonwealth stimulus package, to tackle some backlogs in the transition into the new planning system. But we will need to assess things. I have just launched today the new eDevelopment platform for ACTPLA. That will again be another step towards streamlining, making our planning system even simpler, faster and even more effective.

MS BURCH: Sounds like a plan.

THE CHAIR: Mr Smyth.

MR SMYTH: Well done, minister, on the Tuggeranong master plan. The minister you replaced said Tuggeranong did not need a master plan, so at least it is nice to see somebody there with some foresight for a change.

I see your staffing estimate for 2008-09 was 250. The estimated outcome is 273 and because of budget funding the outcome for the coming year is 285. If you go to budget paper 4, page 405, your operating statement, I notice there is absolutely no change in the superannuation expenses. Is there a reason for that?

Mr Barr: Peter Wurfel.

Mr Wurfel: The superannuation arrangements are funded through Treasury. They are a round robin arrangement and what happens there is that they fund us for the amount that it costs.

MR SMYTH: What is a round robin arrangement?

Mr Wurfel: If we do not spend all that is there, we do not get it. It is effectively corralled so that we will only receive appropriation to the extent that we spend it, because superannuation is linked as a condition of service to people in accordance with their entitlements, whether they were in the CSS scheme, the PSS scheme or fund of choice. There is a nine per cent fund of choice arrangement now that continues on.

Mr Barr: That is right; there are people on different rates of super as new recruits come in.

Mr Wurfel: So what we will find over a period of time—and you can see it happening there—is that superannuation expenses are expected to decline in the outyears. They move progressively from 3.4 down to 3.3 to 3.2 and so on. So superannuation on a per person basis is costing progressively less as we move out in time.

MR SMYTH: All right. I noticed the 2008-09 budget estimate was actually \$3.8 million and, even though your staff went up, the estimated outcome for the year is actually \$400,000 less.

Mr Barr: It is a pretty fundamental reason, though: everyone new who comes in is coming in on a nine per cent super rate; existing staff are on 15.4.

MR SMYTH: But you knew that when you made the estimate.

Mr Barr: I think it depends obviously on the number of new staff versus—

MR SMYTH: Yes, but you knew the rates, depending on whether you are new or old, when you framed this budget, last year's budget.

Mr Wurfel: We liaise with Treasury on it and we get an agreed figure. We have done that again this year with them, using the spreadsheets that they provide. We have in the past made significant adjustments downwards as we have moved forward, so this is not unusual. Last year I think there was a reduction. This year there was a further reduction, reflecting the true cost of superannuation as it is structured.

THE CHAIR: That seems to suggest a reasonable turnover of staff. What is the turnover rate?

Mr Wurfel: Turnover does vary; anywhere between eight and 10 per cent I think would be a reasonable—

Mr Walsh: That would be about right. If I could just comment on the 16 per cent to nine per cent arrangement as well, of course new staff may come from other agencies, from the commonwealth, and the percentage contribution is driven by the scheme they contribute to, so somebody who is already in the CSS or PSS. It is entirely possible all new staff could actually continue at 16 per cent. So it is very hard to project. As Mr Wurfel has said, it is essentially hard coded; enough money is provided. What we actually expend is what the actual demand is.

MR SMYTH: But other areas have gone up nine and 12 per cent. I would have to check, but I think you are the only organisation that has absolutely no change in your superannuation, even though your staff is cut back. Is it just the whole effect of coming and going to different schemes?

Mr Barr: I will have a quick look at some other agencies.

MR SMYTH: Have a quick look. While the minister has a quick look, further up in the chart the other revenue was estimated at \$207,000 this year and ended up \$364,000. It goes down to \$51,000 in 2009-10. Is there a reason for that?

Mr Barr: Sorry, Mr Smyth. Do you mind repeating that?

Mr Wurfel: We are just distracted on the superannuation point.

MR SMYTH: Same chart, just further up, under other revenue, the budget for this year was \$207,000. You have done well, minister. You got \$364,000. But next year it drops to \$51,000. What is in other revenue?

Mr Wurfel: The other revenue moves around depending upon what events are occurring from year to year. There is \$157,000 that has been provided to us as a capital improvement funding. That is a one-off and as a result, when we have looked into the outyears, the figure is lower because there is nothing we can foresee, apart from fairly routine small levels of revenue, that would possibly change that. But there is a movement of \$157,000 because of funding provided for the capital improvement fund.

MR SMYTH: Okay. Minister, if I can point you to page 310, the superannuation expenses for justice go up 12 per cent. On page 387—

Mr Barr: I think that is because of the jail. They would have all those new employees.

MR SMYTH: Yes. On page 387 education goes up 11 per cent.

Mr Barr: That is because we have got all those new teachers.

MR SMYTH: You are doing well. That is good. But in health it goes up as well. It does not matter; I will go through and analyse them all. We will come back to them.

Mr Barr: We will come back to that, I am sure.

MR SMYTH: Health goes up nine per cent, and I think somebody who appeared said they thought that the Treasury rating was 12 per cent, but I will check on that. But that is a fine answer.

Mr Savery: We are just looking at current year figure, which is 3.4.

Mr Wurfel: We are spending under the 3.4 budget.

Mr Savery: Yes.

MR SMYTH: You are actually tracking under the 3.4?

Mr Savery: We are tracking under, currently.

MR SMYTH: For the outcome?

Mr Savery: For end of year, this year.

THE CHAIR: So the estimated outcome is wrong?

MR SMYTH: So why does the outcome say 3.4 if you are tracking under it?

Mr Wurfel: These are continually updated. Bear in mind that the basis for the budget starts back in about December but it cuts off in about March. We have got more up-to-date figures.

Mr Barr: Unless we prepared the budget papers at the conclusion of a financial year, and you did your budgeting in September, October—

THE CHAIR: Regardless of that, that would be true of both the figures projected for next year and these figures, so the question still stands. But, if there is any further detail that can be provided on that, we would appreciate it. Just on the numbers, we have seen an increase from, I think, 250 to, I think, 283 for this financial year.

Mr Barr: In staff?

THE CHAIR: In staff, yes. Can you give us a breakdown of where those staff are going? We are told that this is about directing them towards processing of applications primarily, so where are the extra staff going to be, in some more detail, please?

Mr Savery: A large number of the additional staff will go into what we have called the fourth branch, which is construction services. They are additional inspectors, admin support, an additional director's position, an additional manager's position. I think that comprises—Mr Walsh or Mr Meyer—about 10 people?

Mr Walsh: Twelve, in fact.

Mr Savery: Twelve people, so that is the bulk.

THE CHAIR: Okay. So 10 to 12 in construction services, and just a further

description of what construction services will be doing?

Mr Savery: Construction services is a new branch that takes responsibility for functions that we already have, but it increases our service capability. This is achieved through an inspection fee that will be applied to electrical and gas and an increase in the fee to plumbing that will have a money-back guarantee in terms of service delivery, so that we can better ensure that projects or development that has gone through the development assessment process, has been approved and constructed can receive timely inspections so that there is no hold-up with certificate of occupancy or any of the necessary electrical, gas, plumbing inspections, which can add considerably to holding costs.

THE CHAIR: So this is getting to some of those other areas of blockage outside of the development application process so that we can—

Mr Savery: As I have said in other forums, there is this enormous focus on up-front getting development assessments through the system when there are inherent risks at the end of the process if you have not got adequate resources to be able to service the demands. Just as we have done at the front end of the process, we are now saying we are putting more resources into the rear end of the process or the tail end of the process.

We are also looking at some additional private certification opportunities at the tail end of the process, again pretty much as we have at the front end of the process. So, with exemption, you are effectively looking at a form of certification. We are saying things like unit title clearance, just as it has been the case for a long time in the ACT with building certifiers, can be privately certified. Our function then transitions to one of auditing as opposed to being the certifier.

THE CHAIR: That certainly makes sense. In terms of development applications as well, are we seeing more resources diverted there and, if so, what are the numbers there?

Mr Savery: They are not permanent positions at this stage. The budget—

THE CHAIR: This is the one-off additional?

Mr Savery: The budget allows us to put additional temporary staff in.

THE CHAIR: So how many staff does that get us, that additional budget measure?

Mr Savery: I think it is two or three additional DA staff, and moving code staff out because there are now no code applications. One of the benefits of the exemption is we can move those staff into merit—

THE CHAIR: So they are reallocated internally.

Mr Savery: Yes. So there are four internal reallocations.

THE CHAIR: Okay. So it is on top of the two or three?

Mr Savery: Yes.

Mr Barr: So six in total. It went from 35 to 41 are the figures that were in my head.

Mr Savery: Something like that, yes.

THE CHAIR: What are the levels of staff we are talking about here in terms of both the reallocation and the new staff?

Mr Savery: For DAs?

THE CHAIR: Yes, for DAs.

Mr Savery: We are looking in the order of six or seven staff.

Mr Barr: They are classifications within the—

THE CHAIR: Sorry; what are the levels that they are working at; is it a 6, is it a SOGC? What levels are they?

Mr Savery: They are primarily in the bands of ASO4 through to SOGCs. They would not be SOGBs and above.

THE CHAIR: All right.

MR SMYTH: Just before you leave staff, getting back to the superannuation, I happen to have last year's budget papers here. The trend last year was actually up. For 2009-10, you had 3,868; for 2010-11 you had 3,869; for 2011-12, it was 3,932. Why would it be trending up last year and now suddenly superannuation payments are trending down?

Mr Wurfel: We have had discussions with Treasury—I would have thought that all agencies would have—about the level of superannuation to be provided. Treasury provide us with quite an elaborate spreadsheet which profiles the staff that we have.

MR SMYTH: So these are their numbers, Treasury numbers?

Mr Wurfel: They are our staff numbers, but they are based on Treasury advice about the profile of our staff.

MS BURCH: You are expecting 285. This is page 395. Is recruitment and retention of staff an issue for the organisation?

Mr Barr: Certainly recruitment was an issue. I think we have overcome that in recent times. Mr Savery can talk about that.

Mr Savery: One of the perverse outcomes of the global financial crisis is that it is a little easier to retain staff at the moment.

Mr Barr: All those private planning firms were poaching all of ACTPLA's staff and the SES. Now they are giving them back.

Mr Savery: Yes. The simple answer is it is easier to retain and recruit staff at present. There has been a very proactive campaign on our part and the government's part to attract people to the public service in the territory, and I think we are the beneficiaries of some of that. Nevertheless, we are a relatively attractive place for some of the skill sets that would otherwise be in less demand in the private sector at the moment.

THE CHAIR: Have you seen many of the former NCA staff moving over to ACTPLA?

Mr Savery: Only at the initial time that the NCA's budget was wound back, not since then because the bulk of the reduction in their staff occurred 12 months ago.

THE CHAIR: So how many of those would have come over?

Mr Savery: I think if we were to go through the time frame since the cutbacks at the NCA, we probably have employed somewhere in the order of six of their staff, but I think there would only be three of them still with us.

THE CHAIR: And are any of those planners?

Mr Savery: Yes. I think their qualifications are more landscape architecture, but they are certainly working in planning.

THE CHAIR: Sure.

MR SMYTH: Have the cutbacks at NCA affected what you do either positively or negatively?

Mr Savery: It is hard to say. I think the main impact—it has died down. There was a period soon after the cutbacks when there were some territory plan variations needing to go through and there simply was not the capacity within the NCA to deal with them. They have to comment to make sure they are not inconsistent with the national capital plan. There was a small window when we were getting letters back saying: "We cannot deal with these at the moment. It is not a priority." That does not appear to be there now in the last six months, eight months.

THE CHAIR: Ms Porter?

MS PORTER: Thank you. I have a couple of supplementaries. I think they are a bit way back and I am sorry about that. Could we return to where we were before when I asked if I could ask these questions? I was going to ask a question about the media release you put out, minister, but first of all you mentioned ACTPLAn, and I just—

Mr Barr: Tell me that was not a typo or something.

MS PORTER: No, no. You mentioned ACTPLAn.

Mr Barr: Yes.

MS PORTER: First of all, could I just have an idea of what that is and how that was received by industry, which I presume you consulted with? The second question is with regard to your media release, and Mr Seselja has been asking a number of questions around the processing times. I note your media release says that this new e-development system will make it much quicker and that we are already in fact quicker than a number of councils that we benchmark with in New South Wales, Victoria and South Australia, and that will improve the flow-through of the DAs. Could I have an answer about ACTPLAN and a description of how that e-development will help?

Mr Barr: All right. Thank you for the question.

MS PORTER: I am sorry it is so long-winded. I have been sitting on this for—

Mr Barr: I am sure we will share elements of this around the panel. ACTPLAN was launched in December last year. It contained five elements. Probably the most important one was around establishing the industry monitoring group. That group meets monthly with ACTPLA. It involves industry organisations like the HIA, the MBA, the Property Council and others. They have taken a very active role in looking at the detail of the DA statistics and elements of the planning and development system. As I am sure you are all aware, industry is not backwards in coming forwards with their views on development matters. So it has provided, I think, a very useful forum for quite detailed industry issues in relation to their interaction with the new planning system to be discussed and for areas of concern to be identified and jointly worked on.

One of the key elements of feedback for me has been that the availability of this extra data has certainly helped focus both the government's and the planning authority's attention on particular areas, but also provided some insight for industry around the sorts of education programs that some of the peak bodies need to conduct with their own membership in relation to how to get the best out of the new system.

There were some issues early on with development applications simply being lodged in the wrong track, and that led to some complexity and a view from certain elements of industry that the new system was not meeting their needs. But upon further discussion with the industry associations and some more seminars and training for individual practitioners out there in the building and construction industry, a lot of those issues have been resolved. It was a really positive outcome out of the industry monitoring group.

There are a number of other important elements of ACTPLAN that I will get Mr Savery to go to in a minute, but I would highlight that as the key area. Mr Meyer might be in a position to talk about e-development once Mr Savery has finished on ACTPLAN.

MS PORTER: Thank you.

Mr Savery: It is important to recognise e-development as a key component of the delivery of the new services or the improved services and that we are probably the

leading jurisdiction in the country at the moment on e-development systems, but I will leave the detail to Mr Meyer.

Probably the other two important areas or the most obvious areas at the moment under ACTPLAn are the territory plan review, in particular, looking at the codes for residential multi-unit subdivision and community facilities. They are the areas where we get a lot of development applications. They are the areas where some of the policy that is in the territory plan is out of date so it does not reflect contemporary practice. It also provides us with further opportunities to identify code rules that would enable more developments potentially to be exempt from the approval process.

I think an important element of the subdivision code in particular—and it is related to the fact that the Department of Territory and Municipal Services is part of the industry monitoring group—is the opportunity, if you like, to codify engineering standards so that proponents, staff at ACTPLA and private consultants have access at an early stage to understand what TAMS's requirements are. That enables the potential to satisfy their minimum standard requirements without necessarily putting the application into multiple circulations to get agreement on or satisfactory outcome of their development proposals.

The other element is organisational change, which in some respects has been covered in responses to earlier questions where the creation of the fourth branch is a very deliberate response to industry concerns that were conveyed through the industry roundtable held towards the end of last year. It has resulted in us putting a proposal to government and getting budget support to establish what we call the fourth branch or construction services branch with additional resources.

What it also does is increase management capacity within the organisation. We have a relatively small executive within the organisation, which means we do not always have the luxury of time to deal with some of the more complex and difficult issues that arise within the planning world. We have also made fairly significant organisational changes within the development assessment area as a result of some of the issues that industry has brought to our attention.

The two other areas that are covered under ACTPLAn—not that I will go into any detail—are project management around capital works delivery and also responding to the initiatives under the economic stimulus package and then actually setting out the processes, procedures and practices around the construction services branch, which is very critical to effective delivery of the services that are envisaged in that area.

MS PORTER: Thank you very much.

Mr Meyer: Just briefly on the e-development platform, it is certainly an exciting project not only for ACTPLA but for the territory. It has been in the development stage for the last three years. We have finally got to a point now where the first stage system is up and running. We have received some 30 applications through the system, through a piloting of that over the last month.

It enables clients, from their office, home or wherever to electronically lodge applications. They are taken through what we call a wizard, which is a smart form that

adjusts to the sort of development application that they are submitting. It enables them to upload their plans and submit them direct to ACTPLA. Internally those are allocated to the development managers, and those managers are able to keep track of where the applications are in the system, with what staff and at what stage they are at. It will enable an interrogation of the system by clients to know where their applications are up to at any particular point in time. We will be starting the rollout and training sessions for industry in earnest to get as many of them online as possible.

The second stage, which will take us through to February of next year, will enable the same sorts of things for building applications. Effectively, by about April or May of next year we will have an end-to-end processing system which will handle effectively from your development application right through to the issue of the final certificate of occupancy and use.

Unquestionably, it is the most sophisticated system in Australia, and I think it is going to make an enormous difference to performance, certainly recognising that our processing times are already around half those of leading jurisdictions in Victoria, New South Wales and South Australia. So it is a pretty exciting time for us.

MS PORTER: Thank you very much.

THE CHAIR: Will this electronic process allow you to more easily publish these figures? I suppose there are two parts to this question, minister. We are able, with a question on notice, to find out how many are in the system. Is it worth actually publishing those, particularly as we see a situation develop were, presumably, the numbers will go down over time, and hopefully, with the electronic system, they will? Is it your plan, minister, to be regularly publishing those numbers? If so, would the electronic system enable that to happen more easily?

Mr Barr: As I understand, they are reported every month to the industry monitoring group, so we certainly can. There are various questions on notice and opportunities at various points in the Assembly reporting cycle to make those figures publicly available. I do not have a problem with that. I suppose you need to find a balance between what is a useful frequency that can give you a sense of how the applications are tracking through a system versus a potential for over-reporting. Weekly would be silly. Monthly gives you some indication. Probably quarterly might be the most useful measure. I will take advice from ACTPLA around that. I am sure their development system would assist in that.

Mr Meyer: Certainly the system has some inbuilt reporting capabilities, and we are increasing that capacity over the next month or so. So it does give us that flexibility. I think, most importantly, what it does do is give the managers a much greater detailed view of where staff are up to with particular applications and how many are out with clients requesting further information. Of course, with the figure we have got at the moment, anything up to half of those applications are waiting on further information from clients. It gives us a level of sophistication to be able to let anyone know where we are precisely at any one time.

THE CHAIR: With the waiting for further information, does that essentially stop the clock on the statutory time frames?

Mr Savery: It depends on when the request has been triggered. But typically that is the intent, that the processing time stops if the request for further information has been made within a prescribed time frame, which is within the first 10 days of the application being lodged.

THE CHAIR: That has certainly been one of the criticisms that industry has put, that the stopped clock assists with the figures looking better than they otherwise would. You can ask for further information on any number of issues and then you would stop the clock for X number of days, so you are then able to meet your statutory time frames even if it does stretch out. Do you want to respond?

Mr Savery: Yes, I would like to respond to that because I do not think that that is necessarily an accurate reflection, bearing in mind you can only stop the clock once. If someone is able to provide you with the information the following day, the clock recommences. The material that we have clearly demonstrates that the applications that are outstanding for the longest are typically where we are simply waiting for information to be provided. Recently we took the step of writing to a number of those applicants saying: "We are waiting for you to provide the information. If you do not provide it, we will make a decision." We quickly got the information.

MR SMYTH: Just on the document services, this is different from the integrated document management system, is it not?

Mr Savery: It is different, yes.

MR SMYTH: Different system?

Mr Savery: But, critically, they interface. There is a seamless transfer of information from SharePoint, which is the e-development system, into Objective, which is the electronic document management system.

MR SMYTH: So the intangible on your balance sheet is just the ownership of the IDMS transferring from TAMS to you guys?

Mr Savery: You might have to ask that question differently for me.

MR SMYTH: What, you are not up on your intangibles?

Mr Savery: That is right. That is correct.

MR SMYTH: Neil, check your intangibles before you come to this place!

Mr Savery: Sorry.

MR SMYTH: And therefore on page 94, the records management system software upgrade, the 150K, that is then to do more work on the IDMS?

Mr Savery: No. It is a new version of the software. Just as you go from Word version 6 to Word version 7, this is the next version of IDMS.

MR SMYTH: So TAMS sold you a pup and you had to buy the new one anyway?

Mr Savery: No. As you know, all software gets upgraded.

Mr Barr: You are still operating on Windows 95, are you?

MR SMYTH: We will leave Mr Savery's intangibles alone.

Mr Savery: I will get a briefing on it later.

THE CHAIR: We will go to Ms Le Couteur, who I am sure is not operating on Windows 95.

MS LE COUTEUR: No, she is not. She has had to move out of Linux back to MS because—

Mr Barr: Back to MS because of this workplace, yes.

MS LE COUTEUR: Well, because of this workplace and the Citrix.

THE CHAIR: Okay, let us knock this over.

MS LE COUTEUR: Okay, fair enough. That is not related to ACTPLA.

Mr Barr: You have to raise that with the Speaker, don't you?

MS LE COUTEUR: Related to ACTPLA, though, is page 398, accountability indicators. Item b deals with percentages of inspections, and I am wondering if you could look to adding to that a couple of things. Obviously, certifiers are becoming vastly more important in the general scheme of things, some sort of regular assessment auditing of certifiers, as they are taking over more of the work that was traditionally done by ACTPLA staff, and energy efficiency rating audits. I would like some way of adding those.

Mr Meyer: We cannot add anything now.

MS LE COUTEUR: No, but next year. Appreciably this will not happen this year. They have already been printed, but for future ones.

Mr Barr: Yes, for future budget papers.

MS LE COUTEUR: For future ones.

Mr Meyer: Yes. On the energy efficiency assessors, I think, as we have said previously, we are setting up a regime. At the moment they are not licensed; they are not audited. That is a process and a program we are putting in place and that would be something that we would then be able to measure and report on with the certifiers.

To an extent that is already reflected in those measures. We are, in effect, auditing

certifiers in terms of building applications lodged, the installations, because there is a level of certification happening with those that we are auditing. So it might be that what you are asking for is to reflect the measure in a different way to make it more overt. Through that process, where a certifier is involved, we are, in effect, auditing the effectiveness of their certification process. Where they are not involved, we are doing it directly, which is the 100 per cent measures.

MS LE COUTEUR: Okay. Certainly it is not clear to me that that is happening.

Mr Meyer: On the building applications lodged, we are effectively auditing the calibre of the certification material that we are receiving. With the 100 per cent measures, there are no private certifiers involved; we approve the inspections.

MS LE COUTEUR: Okay. Moving down that page, item d is percentage of applications resolved by mediation. What does that—

Mr Barr: Application appeals.

MS LE COUTEUR: Could you just talk me through a bit more what that actually means.

Mr Meyer: Okay. As you are aware, decisions that we make are, on occasions, appealed to what is now ACAT. I think that average is around 60 or 70 applications a year that go to appeal, either first-party appeals or third-party appeals. Back in 2003, at the time that ACTPLA was created, there were amendments made to the mechanisms for appeal which included a 120-day period for appeal decisions to be made. Also there was a requirement for all appeals to be subject to mediation. We have inserted a measure to seek to achieve a certain performance through the mediation process, which is set at around 35 per cent.

MS LE COUTEUR: And so your aim would be for that number to be higher, rather than lower?

Mr Meyer: Yes. It would certainly be desirable for it to be higher, but we do not think it is an unreasonable measure to seek to achieve about a third of outcomes to be achieved through mediation. Inevitably, there is an adversarial nature to some of these appeals that no amount of mediation is going to resolve.

THE CHAIR: On the same page, the accountability indicators—customer satisfaction. Minister, could you describe to me the difference between the level of satisfaction with services provided by ACTPLA and the level of satisfaction with ACTPLA's services and why you need to change?

Mr Barr: Mr Meyer?

Mr Meyer: It was really about the wording of it. It was just a subtle change; it was not intended to give a different outcome, Mr Seselja.

THE CHAIR: Yes, I can see the same outcome. I do not quite understand why there was the shift. They seem to be basically saying the same thing.

Mr Meyer: It often reflects requests by the Auditor-General's office to change language. It is interesting—

MR SMYTH: It was not a request from the minister for education for a better standard of English?

MRS DUNNE: I hope there was not too much workshopping of this, and that it did not cost too much to change it.

THE CHAIR: Okay, that has been done. We are all relieved. Can I move on to another issue—

Mr Savery: Chair, sorry to interrupt. When you have a moment, I have got responses to some of your earlier questions.

THE CHAIR: Sure, that would be great. Section 63 and the issues around the development of that site: I understood there was a negotiation going on between the government and the developer. Are we able to get an update on where that is at?

Mr Barr: Mr Savery can provide an update.

Mr Savery: Yes. The negotiations have been ongoing. I have to pick my words carefully. Bearing in mind that there is a court case—

MS LE COUTEUR: You probably answered the question there.

THE CHAIR: There is a court case pending, is there?

Mr Savery: There is a court case pending. So, with that as a backdrop, we are negotiating, and I am very confident that in the very near future the deed will be rectified.

THE CHAIR: Prior to this having to go to court?

Mr Savery: Prior to it having to go to court.

THE CHAIR: So we can avoid costly litigation, hopefully?

Mr Savery: For all parties.

THE CHAIR: Indeed. These issues arise from time to time, and we have discussed at length, both in annual reports and possibly in last year's estimates, some of these issues. We discussed section 63; we discussed the error in Kingston. These things tend to come out over a period of time. Is there anything that we need to be aware of in the last 12 months where there has been any significant error that that has made a material difference to ACTPLA's operations?

Mr Savery: No. I think that when we last spoke about this it was in the annual report hearings, which were obviously delayed, and we provided some information

following that. We identified that there had been the audit comments in relation to some capital work, with the financial delegations, which we responded to. I am pretty sure we identified a couple of issues in relation to easements, of building over easement in Kingston, and then there was Kingston, section 63.

THE CHAIR: So there has been nothing subsequent to annual reports?

Mr Savery: Not that I am aware of.

MR SMYTH: Just on section 63, who is the approving body?

Mr Savery: That National Capital Authority issues works approval.

MR SMYTH: Has a DA been lodged?

Mr Savery: A works approval, as they call it, has been approved for what is known as buildings 1 and 2 by the National Capital Authority. My understanding is that a works approval has been lodged with the National Capital Authority for buildings 3 and 4.

THE CHAIR: When is construction expected to commence on those?

Mr Savery: They have not got tenants, as I understand it, so I do not believe they are going to construct without tenants. But I know that they would dearly like to commence before the end of this calendar year. There are other issues relating to the territory's approval processes that have to be satisfied. There are off-site works, there is subdivision, as you transition from the holding lease to individual leases, so not all of those matters have been resolved yet.

MR SMYTH: The crossover between ACTPLA and NCA: given its proximity to London Circuit—the designated area—what is your role in all of this project?

Mr Savery: Initially, the deed, as part of the sale process, was an ACTPLA responsibility. The creation of the holding lease was an ACTPLA responsibility. Post sale, and then with the works approval process, our main role is in off-site works, the approval of the off-site works. And there are a number of things within the deed that the proponent or the lessee has to satisfy before they can necessarily proceed with aspects of their development.

MR SMYTH: Before NCA issues the works approval, do they have to check with you?

Mr Savery: Yes. For instance, an estate development plan is required to be approved. If I could explain, the very important reason is that the territory has sold a piece of land, has said there is a range of off-site works that have to be done as part of this, and we have put a rough value on that, which is reflected in the price that someone pays for the piece of land, in the knowledge that you have got another authority that actually ends up approving and could approve something quite different and more expensive.

What we say under the deed is, "Before you do that, you have to get approval of your

project plan by us, so that we know that what you're submitting is relatively consistent with what we sold the land for, is generally in the ballpark of the value of works that we had allowed for." So if the National Capital Authority were to approve in accordance with that, it is not going to catch us by surprise. It is a mechanism we have had to put in place to try and overcome the duality of these systems.

MR SMYTH: What happens with Edinburgh Avenue?

Mr Savery: At this stage it will have a cul-de-sac; in effect, it will be dead-ended. It terminates about 100 metres short of Vernon Circle. The developer is required to construct that portion from London Circuit to the dead-end, and that is going to be used primarily for access to the public car park that they are required to build under the deed.

MR SMYTH: Has NCA stated a position on the extension from the cul-de-sac through to Vernon Circle, and does ACTPLA have a position?

Mr Savery: Not in relation to the development application. Under the national capital plan and the amendment that was made to the national capital plan—59 or 60—they articulated a view that Edinburgh Avenue go through to Vernon Circle, as is Constitution Avenue through to Vernon Circle.

MR SMYTH: Do you have a view on whether that should occur?

Mr Savery: I think in the long term we support that as a view, and the works that are envisaged in no way preclude that from happening. In many respects it will relate to development on the south side of Edinburgh Avenue, opposite section 63. At the moment the traffic management system can cope with it not connecting through.

THE CHAIR: Okay, thank you. Ms Bresnan and then Ms Burch.

MS BRESNAN: Thank you, chair. I refer to budget paper 3, page 95—obviously it is in budget paper 4 as well—and the reaching out to the community initiative. With enhancing ACTPLA's website, what will be the increased opportunities for community engagement through that process?

Mr Savery: Primarily, we intend to improve our website with the allocation of those funds.

MS BRESNAN: I know that, but how is it going to enhance community engagement—the website?

Mr Savery: Through enhancement of the website, it is going to be easier for people to access the information that is there, a lot of which is made available on the website to inform people of what the actual communication or consultation processes are in respect of exercises that we undertake. So it is improving the effectiveness of the communication tools that we have available to inform people of the consultation processes that we are undertaking from time to time.

Mr Barr: There is a new—

MS BRESNAN: Can you explain the improvements a bit more?

Mr Barr: There is a new e-newsletter, innovatively titled the *Community Zone*, that people can subscribe to and get sent regular updates. That contains links back to the website, where people can then access further information on the range of topics that are outlined in the *Community Zone*. There is also an industry equivalent newsletter that is innovatively titled the *Zone*. One of the other elements of this initiative is around the introduction of larger on-site signage. People might have seen the change to a much bigger set of signs actually located on sites with the dual posts. The size of the sign varies according to the size of the development application, but there is no doubt that bigger signs—

MRS DUNNE: Bigger signs, yes.

Mr Barr: We love a big sign—

MS BRESNAN: So they are for development proposals, those larger signs?

Mr Barr: Yes.

MRS DUNNE: And they are colourful too.

MS LE COUTEUR: Yes, they are much better.

Mr Savery: They are scaled according to the nature of the development. So we have different sizes.

Mr Barr: I think people have noticed that change.

MS BRESNAN: I am sure they have.

Mr Barr: You will also, if you are a regular reader of the *Canberra Times*, have noted the new way that development applications are presented and listed in the public notices area. That is a much better way of presenting them.

MS BRESNAN: Have you had any feedback? Are people saying they are better?

Mr Barr: Yes, people are—

MS BRESNAN: Are people noticing more development proposals?

Mr Barr: To be honest, I do not have that many people stop me in the street and say, “Gee, I’m thrilled by them”—

MS BRESNAN: Well, they might actually know that a proposal is going ahead in their area now.

Mr Barr: but, certainly, I have had other people stop me and say, “Oh, I did see that development X is occurring,” or whatever.

MS BRESNAN: There you go.

Mr Barr: I think it certainly has raised that level of community awareness.

MS BRESNAN: Okay.

Mr Barr: Mind you, around where I am in Dickson, people noticed that Woolies is changing. They are cheering that that is occurring. So it is when it more directly impacts on their lives; nonetheless with the bigger signs, as you are walking through shopping centres and other places, you will notice that.

Mr Meyer: If I could add a little more on the website, we get a lot of feedback to say, “Look, it’s sometimes harder to navigate and find information quickly and easily.” That is what we have been listening to and we have been looking at ways in which we can get information more easily accessible but related to a number of our key tools like ACTMAPi, for example, and the notification of development applications. It takes people, and will take people, much more easily through this process: “Okay, I know there’s a development proposal, I can bring up ACTMAPi, look at the photographic images, get a better idea of what the issues might be and then provide some commentary on how that works.”

MRS DUNNE: I can never remember how to find it.

Mr Barr: Perhaps we can give you some training, Mrs Dunne.

MS BRESNAN: Will you do any evaluation of it—

Mr Barr: You can go past Mr Smyth’s Windows 95 and move into—

MR SMYTH: Mr Barr, so cruel!

MS BRESNAN: Will you do any evaluation of it to see if it is actually having the desired effect?

Mr Meyer: Absolutely. We have introduced a more sophisticated tool to measure where people are going into websites so that we can better understand what is happening and the number of hits in particular areas. That helps us to refine the information and access to it. We certainly talk to our community associations and groups and ask them to test different elements to get a feel for whether it is on the mark or whether we need to do some more.

MS LE COUTEUR: Will it include more online storage? One of the problems is that things were there and then a year later they are not—or a few weeks later they are not.

Mr Meyer: Certainly, a lot of that information is archived. We try to keep a bit of a directory back to information, or at least make more visible who to contact if you need some historic data. For example, we still have the old territory plan available in an accessible form. Again, it is about balancing how much we put on the website and into storage and how much it can slow down its operations.

THE CHAIR: Thank you. Are you done on that one, Ms Bresnan?

MS BRESNAN: Yes.

THE CHAIR: Ms Burch.

MS BURCH: BP4, page 393, under “priorities’ and “strategic initiatives’, it says “delivering strategic ‘sustainable’ planning and design aimed at providing” and then there is the rest of the paragraph. Can you outline what that means for ACTPLA?

Mr Savery: That is ostensibly covered under the sustainable futures initiative, which has been progressing now for about a year, and we have got ongoing funding associated with that initiative.

There are three phases or three key outputs that will occur over time. The most immediate is linked back to the codes that I have mentioned—the residential, multi-unit and subdivision codes—where issues to do with energy, water and transport will be capable of being picked up in those codes and reflect current community attitudes and, again, contemporary practice. We are expecting that there will be a review of the Canberra spatial plan so that we can ensure that the Canberra spatial plan is reflecting contemporary views within the community. There is a second round of policy review that flows from the Canberra spatial plan, bearing in mind that the spatial plan is the planning strategy; it is called up as the planning strategy under the Planning and Development Act.

This work then dovetails with the work of the Department of the Environment, Climate Change, Energy and Water in implementing the weathering the change climate change strategy, particularly those areas where the built environment contributes to greenhouse gas emissions. In the ACT it is predominantly more than in other states and territories because we do not have an agriculture sector and we do not have an industrial sector. So the built environment in the ACT contributes significantly to greenhouse gas emissions; therefore the work that we do is fundamentally important to delivering on the outcomes of that strategy.

MS BURCH: So that will come in at a planning stage. Wherever work is being done in building and what comes out of the new department, weathering the change gets factored into your codes and your approach with respect to buildings?

Mr Savery: If I could describe it this way, the weathering the change strategy establishes high-order objectives and performance objectives, if not targets, or targets will be established. We, as an agency that has responsibility for the built environment, have to have policies that help those targets to be achieved, because that department cannot do it itself; it does not have responsibility for the built environment, just as it does not have responsibility for the transport system. If weathering the change says there have to be actions and objectives achieved in the transport sector, it will be through TAMS that those objectives are met.

Mr Barr: It is also worth noting in this context the large amount of national work that the ACT is involved in. COAG, for example, recently made some decisions in relation

to changes and moves to six-star energy efficiency for houses. There are a number of different ways that the work that we are doing feeds into both our own policy directions and some larger national issues.

MS BURCH: That work you have spoken about regarding looking at the codes, is that indicator j on page 398?

Mr Savery: That is the sustainable futures program and, yes, it includes the contribution of that work to those codes.

THE CHAIR: Ms Porter, do you have a supplementary on this?

MS PORTER: Yes, I do, chair. It is with regard to the \$75,000 that ACTPLA received for the commercial building environmental evaluation program in the second approp. Does that program have an overlap or synergies with the tune-up program? How does all of that work together?

Mr Savery: Yes, very much so. The way that the \$75,000 is being used is that we are actually going to tender today, a select tender, to invite relevant consultancies to provide us with advice on how to structure the tune-up program. So they will give advice back to government and ourselves on how to run the tune-up program. For instance, what are the criteria by which you would judge anyone who is making an application for the funding? Is the funding made available up-front or is it retrieved after the expenditure has been committed or the works undertaken? Should we be focusing on four projects or is it 20 projects? What is the best way to divvy the money up?

The balance of the funds—\$50,000 to \$55,000 or thereabouts—will be used over the course of the two years that the tune-up program is running to monitor and evaluate the effectiveness of that program. At the end of it we will be able to go back to government and say: “Has this been effective? If you were to be asked to spend the money again, would you do it in the same way or would you do it in a different way?”

MS PORTER: Thank you.

THE CHAIR: Mrs Dunne has a supp and then I will move to Mr Smyth.

MRS DUNNE: I think it is a supp. It goes to the sustainability initiatives. I want to know about the frequency with which ACTPLA receives—when you are doing estate planning or suburb planning—proposals for stormwater capture and reticulation through the estate or the suburb. What is ACTPLA’s response to that, and what are other agencies’ responses to that? The sign-off for those sorts of things requires the sign-off from a number of other agencies as well.

Mr Savery: I might need to approach it from two angles. First of all, there is a strategic level at which we are involved in working up the concept plan, so that, at the stage before an estate development plan is submitted, we have already done the macro planning for where stormwater should occur, where it flows to and where the stormwater quality ponds are. The whole objective of reducing water use by 40 per cent is effectively also built into that stormwater management planning.

Once those are all signed off at that stage, we may, in fact, receive capital works funding from government to do forward design because the government may actually have responsibility for the construction of the stormwater. But if that is not the case—and I think this is more directly relevant to your question—if an individual estate development plan comes in to us and the developer, which could be the LDA, the private sector or a joint venture, say, “This is the way we propose to treat the stormwater,” it will be assessed through a development application process. It will be referred to relevant agencies. The most relevant agency in this case will be TAMS, because TAMS has responsibility for stormwater management and drainage. We would obviously have very serious regard for any comments or conditions that TAMS would seek to impose on a development application.

Essentially, what we and TAMS would be looking to do is to assess the stormwater management options against the early concept plans that we have prepared. That is the way you evaluate the performance or the effectiveness of that stormwater option. Is that answering your question?

MRS DUNNE: It does to a point, but that having been said, Mr Savery, that means if your concept plan goes down a particular path and somebody has something innovative to suggest as a way of addressing that issue it could be ruled out because it does not go down the path for which you initially had the concept.

Mr Savery: That is a reality. It could be. I would say it is unlikely. The way that concept plans are now configured in the territory plan is that they are called up as precinct codes. Precinct codes typically say, “This is a desirable outcome and these are the things that we want to achieve.” But it recognises that there are potentially many ways in which you could achieve it. So they typically do not prescribe the outcome. They say, “These are the objectives; this is the way in which it could be achieved,” and if the government is not actually doing the project itself through its own capital works program then typically it would be up to the developer to demonstrate to us, and more particularly to TAMS, that their solution is the best solution.

MRS DUNNE: Are we now in a situation where there are live proposals for stormwater capture and reticulation through estates? Do we have any such experience?

Mr Savery: I am sure we do. I would be on fairly safe ground in saying that the larger ones are actually under the control of the government. So we are doing the forward design, the feasibility; TAMS is doing the construction, where money has been allocated. But there are active applications. Macgregor west would be one where the estate developer has put forward stormwater options. As far as I am aware, we have approved, or TAMS has supported, their stormwater solutions.

For instance, with north Watson and the proposal there, it is, in effect, an estate; it has not been subject to a concept plan. The stormwater solutions there are being worked through in a very innovative way because the developer is proposing community title. Community title, in effect, means that the local community is going to have to accept responsibility for the infrastructure and TAMS is having to be satisfied that their

solution for stormwater management is appropriate. It includes an offline pond and onsite treatment for possible recycling of water.

MRS DUNNE: They are the only ones that are current?

Mr Savery: I am sure there are others; I just could not tell you off the top of my head.

MRS DUNNE: I might put some questions on notice to follow up on that.

Mr Savery: Okay.

MRS DUNNE: Are there other agencies that have an interest in reticulation of—

Mr Savery: Depending on the level of treatment and what the stormwater is being used for, Health would have an interest, EPA would have an interest. But ostensibly it would be TAMS and ourselves.

MRS DUNNE: Does Actew have a role?

Mr Savery: No, Actew does not have a direct role in stormwater management and drainage but they would have an interest.

MRS DUNNE: Does it comment?

Mr Savery: If the water is being recycled, Actew would potentially have an interest. For instance, with any third pipe system that is taking water from stormwater as opposed to recycling of the reticulated water system, Actew would have an interest in that.

MRS DUNNE: I was specifically interested in third pipe systems. Does west Macgregor have—

Mr Savery: No, I do not believe west Macgregor has it.

MRS DUNNE: I do not think it has a third pipe system. Is there anyone that is proposing a third pipe system?

Mr Savery: I might have to take that on notice. I am not aware.

MRS DUNNE: I might follow that up with some questions on notice.

THE CHAIR: Thank you, Mrs Dunne. Mr Smyth.

MR SMYTH: Minister, on pages 400, 401 and 402 are the changes to appropriation. On page 401, budget paper 4, the third appropriation, Nudurr Drive, got \$100,000. Will that be expended by 30 June?

Mr Savery: I think the answer is: yes, it will be completed within this financial year.

MR SMYTH: Okay. Then there is section 16B above, business systems and East

Lake urban renewal. They will be completed by 30 June?

Mr Barr: They may have already been completed.

Mr Savery: No, it is not in our current rollovers.

MR SMYTH: They have been completed?

Mr Savery: Yes.

MR SMYTH: From the second approp we have got the relocation and fit-out of the Mitchell customer service centre completed?

Mr Savery: Yes, that is completed.

MR SMYTH: At the top of page 400 is the rest of the second appropriation. We have dealt with Mitchell. Given that most of the case for the second appropriation before Christmas was that it was urgent work, why have the building council green star Dickson and Kingston master plans been rolled over?

Mr Savery: It was changed in scope. We were initially—

MR SMYTH: All three?

Mr Savery: Sorry; are you talking about the \$75,000 for the—

MR SMYTH: The 75 for the building council and then 85 and 200?

Mr Savery: I was just going to respond to them one by one.

MR SMYTH: Okay.

Mr Savery: The green star rating—we were initially going to spend that money to provide advice to government on the form and shape that any incentive package should take. The government, because of the representations made by the Property Council and the Green Building Council, had decided that it would run a program of funding \$2 million on a dollar-for-dollar basis. So the actual nature of the piece of work we were going to do changed. That is why, as I have just described, we are going to apply the \$75,000 in a different way. The context changed.

With the Dickson and Kingston master plans, we have been out to tender for both of those projects. But, by the nature of the work that we had at the time—in particular, I think you will recall, and we have said, we re-allocated staff resources after Christmas to assist with the spike in development applications. A large number of the staff that we re-allocated were the staff that would otherwise have been involved in those two projects. So, whilst we commenced the development of the tenders, there was then an interruption. The tenders have subsequently been released; we would be appointing consultants this year, but we are not in a position to complete the work in this financial year.

MR SMYTH: All right. On Dickson, I notice it was 85 from 25. If you go to the third-last line at the bottom of the page, it says that it rolls 85 into 2009-10 with nothing in 2010-11. Does that mean the 25 is lost?

Mr Savery: No, we are expecting to spend 25.

MR SMYTH: Where or when?

Mr Barr: It was originally budgeted for 2009-10, wasn't it?

Mr Savery: Current—in the current 2009-10.

MR SMYTH: So it will go in 2009-10.

Mr Savery: Yes, that is right.

MR SMYTH: And the 200 at Kingston is the same?

Mr Savery: Yes.

MR SMYTH: All the FMA section 16Bs will be completed this year—a little bit further down, the third section on the page?

Mr Savery: Yes. Sorry, working through this. No on the bushfire rebuilding grant. That is done. Gungahlin town centre will be done. I believe there is a rollover on the new urban development sequence—part rollover, yes. It is the last item on page 400: the urban development sequence for affordable housing, the \$90,000.

MR SMYTH: So that 90 is coming out of the 350?

Mr Savery: That is coming out of that new urban development sequence and being rephased. And the implementation of the Canberra spatial plan—there is no rollover on the—

MR SMYTH: Yesterday afternoon, the minister for education, looking after CIT, had absolutely no rollovers and got a tick. But this afternoon—at the bottom of the page there is a sequence of rollovers, and at the top of page 410. Why have the future water management options been rolled over?

Mr Savery: Page 402?

MR SMYTH: No. The bottom of 400 and then over on the top of 401?

Mr Savery: Yes.

MR SMYTH: Rollover of future water management options, Molonglo River?

Mr Savery: Yes, future water management options.

MRS DUNNE: I think that is to lake or not to lake?

Mr Savery: Yes; stormwater quality management or not.

Mr Barr: I will commend Mrs Dunne on that.

MRS DUNNE: So I was right, was I? We are still making up our mind whether the lake is going to be online or offline?

Mr Savery: Yes. We have to go through an EIS process associated with that. The consultancies have been commenced for those projects, but they are complex projects; you cannot necessarily anticipate the end date, because of the agencies that are involved.

MR SMYTH: So there has been some expenditure this year?

Mr Savery: Yes.

MR SMYTH: Sustainable communities?

Mr Savery: There has been a large amount of expenditure in this financial year on sustainable communities, but that is an amount that has not been expended and is being rolled over. For instance, we have held six workshops, and we have prepared issues papers and discussion papers.

MR SMYTH: The next one is the East Lake sustainable urban renewal.

Mr Savery: East Lake urban renewal. Again, the consultancies are commenced but this is an extremely complex project. It is very difficult to be able to predict precisely with what period of expenditure you will be able to do some of these things, given the nature of the work that is involved.

MR SMYTH: We have had Canberra. We have had Dickson and Kingston. We have had that one. The urban development sequence for affordable housing—is that the other part of the new urban development sequence?

Mr Savery: It is part of the new urban development sequence. Some of that is tied up with the need to complete the EPBC process with the commonwealth, with their strategic assessment.

MR SMYTH: And therefore the same with the rollover of concept plans in Gungahlin? Is that the same again?

MRS DUNNE: They are not subject to EPBC.

Mr Savery: No. No, the—

Mr Barr: The Gungahlin ones are not EPBC, no. EPBC relates only to Molonglo Valley.

MR SMYTH: I understand that, but is that still part of the 358?

Mr Savery: It is still part of it, yes, but it is money used for different purposes.

MR SMYTH: Because we have now got 90, 180 and 190 all coming out of 358, which I think is wonderful mathematics. The East Lake-Jerrabomberra Creek interface and pond study?

Mr Barr: You have added \$2,000.

Mr Savery: With the last one, the East Lake-Jerrabomberra Creek interface ponds, because we are proceeding with the concept planning for Kenny, and because Kenny includes a series of water quality ponds, or is proposed to contain a series of water quality ponds, this work is being interfaced with that particular piece of work. I think it is a rephrasing of that.

MRS DUNNE: It is a long way from Jerrabomberra Creek to Kenny.

Mr Savery: I know it is.

MRS DUNNE: I am trying to work out how you can interface the two. Come on; tell us what you are doing with the money.

Mr Savery: I think it is simply that the consultancy work is being—

MR SMYTH: One has displaced the other or is it being done together?

Mr Savery: No, they are being combined.

MR SMYTH: Okay, with Kenny.

Mr Savery: This is partly because the work that we are doing with the CSIRO at East Lake is giving us certain information on improvements in stormwater quality management. We are wanting to feed the outcomes of that work into the Kenny work, because we could find that we do Kenny and the technology is 10 years out of date. We want to get the latest and best out of the East Lake project, and we have got the time to do it.

MR SMYTH: Thank you.

THE CHAIR: Ms Le Couteur has a final, and I have got some questions on another area.

MS LE COUTEUR: I want to go to the two master plans, Dickson and Kingston. Why is Dickson so much more expensive than Kingston?

Mr Barr: Sorry, it is the other way round.

MS LE COUTEUR: The other way round, sorry.

Mr Barr: That relates to—

MRS DUNNE: Because Kingston is special?

MR SMYTH: And Kingston does not have grass now.

THE CHAIR: We will allow the minister to answer.

Mr Barr: The planning authority has already completed the previous level of planning in relation to Dickson, so this is not the first time some of those issues have been considered. There is a further piece of work that needs to be done, and that is what we funded. The work on Dickson was more advanced than the work on Kingston.

MS LE COUTEUR: What was previously done in Dickson? What have you already done that we are building on?

Mr Savery: I beg your pardon?

MS LE COUTEUR: What has already been done in Dickson? You said that is the reason why it is half the price.

Mr Savery: Through the neighbourhood planning process that we—

MS LE COUTEUR: It is not just that we are more stropky in the inner north?

Mr Savery: Through the neighbourhood plan.

MS BURCH: I missed that.

Mr Barr: That is good; it needs to be on the public record.

THE CHAIR: Hopefully for Ms Le Couteur, *Hansard* did too.

MR SMYTH: In case they have, perhaps you should repeat it.

MS LE COUTEUR: I do live there.

Mr Barr: So do I.

THE CHAIR: You just lost a thousand votes, Caroline. Mr Savery.

Mr Savery: Through the neighbourhood planning process that we did about four years ago for Dickson, there was an early iteration of master planning for the group centre. This additional money is really to supplement the traffic analysis—traffic management. There has been a lot of development in Dickson—certainly approved development—particularly along Challis Street, fronting Northbourne Avenue. If additional development is to go into this area, we need to update all the traffic management analysis, car parking analysis and infrastructure capacity analysis. But we have done much more work in Dickson than we have in Kingston.

MS LE COUTEUR: So the Dickson work will not involve any more community

consultation?

Mr Savery: Yes, it will. Absolutely. It is a planning framework at a greater level of detail than we have done to date, but we just do not need to do it to the same extent as we do in Kingston. Both of them involve exercises in community consultation.

Mr Barr: I must say, as I live in the suburb of Dickson and am a frequent user of those facilities, that on an almost daily basis I am engaged in conversations in the line in a certain supermarket about the need for another one in that area. So there is a range of issues that we are looking at, including enhancing the public space that is there. I think if you were to compare Dickson with other group centres of similar size, the amenity can certainly do with improving. That is part of the answer we want to get out of this master planning process—recognising, of course, that, as Mr Savery said, there is a lot of commercial activity occurring there.

MS LE COUTEUR: Have you got a list of places you would like to master plan—a prototype? Presumably this is not it; this is not the only place—

Mr Barr: Our goal in this term was to complete the Gungahlin town centre work, Kingston and Dickson and the Tuggeranong town centre. They were four fairly major projects, around a year's length each in terms of the work. That would probably free up—there are some opportunities beyond Tuggeranong, and I would certainly welcome suggestions and input there and we will obviously consider them.

MRS DUNNE: Belconnen?

Mr Barr: Belconnen? I think there is a fair amount of work occurring in the Belconnen town centre.

MRS DUNNE: Yes, but without the master planning. The master plan is desperately out of date, and it was never a complete master plan.

Mr Barr: You are welcome to that view, but yes, we are open to further consideration beyond that sequence that I have outlined. But they were the four major pieces of work that we wanted to get done in this term, recognising—I will come back to what we said at the start of this hearing—that, yes, you can keep loading on more planning studies but then that draws resources away from other areas. There will be a whole range of territory plan variations that we will need to consider that will be even more site specific. There are a couple already before the planning committee that you sit on, Ms Le Couteur. I am conscious of the work flows for that committee.

MS PORTER: Thank you.

Mr Barr: That is all right, Ms Porter. We just need to be realistic about the level of resources and the number of extra projects we can take on, so that we are not detracting too much from the core business of the authority, in particular in relation to the development assessment.

MS LE COUTEUR: Have you looked at doing some of the slightly smaller ones? In the Assembly this term, we have already had Nicholls and Hawker—issues with

community consultations.

MRS DUNNE: Thank you for that segue.

THE CHAIR: You may well have a segue, but you will not be asking the question, Mrs Dunne. We will come back to it.

MS LE COUTEUR: You have been looking at the big ones. What about the smaller ones?

Mr Barr: Those issues relate to land sales: they are not planning issues per se; they relate to land sales. The planning issues are resolved in terms of the territory plan outlining a range of options. I would not envisage a role for the planning authority in relation to the two issues you have raised there; that is a level of detail that would not be gone into in relation to the land sale.

MS BRESNAN: So how do you prioritise the list of areas that need master plans?

Mr Barr: How do I?

MS BRESNAN: How does ACTPLA prioritise them?

Mr Barr: ACTPLA has prioritised them according to government priorities, which—

MS BRESNAN: So it is government that gives the priorities and then they—

Mr Barr: Yes. These were our election commitments. I went to the election and said that we will undertake work in these areas.

MS BRESNAN: I know that, but how do we then prioritise what areas need them and what areas do not, and who goes first?

Mr Barr: The government. We were elected to do those things.

MS BRESNAN: How do you prioritise those?

Mr Barr: How do I?

MRS DUNNE: How do you work out which ones?

Mr Barr: “How did I determine Labor Party policy in this instance?” is what you are asking.

MS BRESNAN: I am not asking about Labor Party policy; I am asking how you prioritise? How does that work out?

MR SMYTH: What criteria does the government use to prioritise which one gets done first?

Mr Barr: Which ones it does first?

MS BRESNAN: Yes.

Mr Barr: We were already engaged in Gungahlin. That process began prior to the election, so completing it was the first priority. We then had Kingston and Dickson as the two next areas of work. That relates also to land release and the land release strategy—and, I suppose, to a certain extent, the preferences of the minister of the day and cabinet in relation to which order those two went in. Then we indicated that Tuggeranong would be done after those two pieces of work were complete.

MS BRESNAN: So it is personal preference, is it?

Mr Barr: Well, that is government. We were elected with those pieces of work in mind. We do not refer it off to some independent committee to determine government policy, and certainly Labor Party policy, in relation to the areas we have identified. I can just as well ask what was the Green policy that led to a particular series of—

MS BRESNAN: I am asking you the question.

Mr Barr: Indeed, but it is leading nowhere.

MS BRESNAN: I was interested.

MR SMYTH: Just on Kingston and Dickson, will there be parking studies done in both of those areas?

Mr Savery: Yes. They will be within the consultancy work as part of the traffic analysis—very much so.

MRS DUNNE: More than popping down to the shops to have a look?

MR SMYTH: When was the last time a parking study was conducted on Dickson?

Mr Savery: I do not know about a parking study specifically. When we did the previous iteration of the master planning through the neighbourhood planning process, we did some parking analysis; that would date back to 2004 vintage.

MR SMYTH: Is it possible that the committee could see that?

Mr Savery: Yes. As I say, it is not a piece of work on car parking, but the—

MR SMYTH: I understand. And Kingston—when was the last time some sort of parking or traffic analysis—

Mr Savery: I do not know. As I say, we have not been near Kingston for a while.

MR SMYTH: All right. Can you take it on notice—if the department holds a parking study, a traffic study in Kingston?

Mr Savery: I think we would have to ask TAMS.

MR SMYTH: I am just wondering whether—

Mr Savery: TAMS may have done some car parking analysis that we were not aware of.

THE CHAIR: Ms Burch.

MR SMYTH: Could you just check, and if you have something provide it.

THE CHAIR: On another area?

MS BURCH: Are we still on supps? Are we still supping?

THE CHAIR: We are still supping on master planning. It is a very popular area. Ms Hunter has some questions.

MS HUNTER: Mr Barr, I take your point that government will set the priorities around this master planning process, but I am just wondering whether there are some sort of criteria or some sort of program that ACTPLA is involved in. I would have thought that over time—you are talking about changing needs; you are talking about changing populations—there would need to be a going back to do that urban renewal. And is there some sort of systematic way that you set out those master plans?

Mr Barr: Yes. You would look at the age of infrastructure in the area that is relevant, development pressure in that area and then, obviously, how recently you have updated planning policy in that area.

MS HUNTER: So ACTPLA would have done that thinking and that planning that they would give advice around these being the sorts of areas that we really think within the next one, two, three, five years we need to be going back and having a look at or developing a master plan for?

Mr Barr: Yes, ACTPLA certainly does that. Then there are calls from the community for government to consider—

MS HUNTER: And you weigh those up?

Mr Barr: You have got to weigh those up, sure.

Mr Savery: If I could—it is a good example. It is an iterative process between government and the planning agency and other government agencies. The government has articulated priority for master plans for Kingston, Dickson and Tuggeranong down the track. At the same time, in response to our advocacy that there had not been any infrastructure analysis of Belconnen and Woden town centres for a period of time, and in anticipation that within the next five years there is going to be added development pressure, we sought funding from government to do those infrastructure studies, which we got. We are now in a position—or will be in a position at the end of those—to go back to government and say that the current master plans might need to be reviewed or revisited.

MS HUNTER: So that is a sort of preliminary work or investigation you would do that would then inform whether you went forward with a whole master planning or—

Mr Savery: Yes, and we would go back to government and say, “In addition to what you want us to do, we are telling you that in the next two to five or 10 years we are going to need to do work in these areas.”

THE CHAIR: Thank you, minister; thank you, Mr Savery. Minister, on another area, last year you said that having large developers sitting on land was unacceptable. You went on and you said:

We are quite passionate that when we put land to the market it can’t just sit there vacant year on year on year.

You also said:

The only people who need worry about this change—
the changes you had made—
are developers who do not develop their block but instead sit on the land.

Why is QIC special?

Mr Barr: They are not.

THE CHAIR: Why are they allowed to sit on the land in relation—

Mr Barr: They are not.

THE CHAIR: Why have they had a number of extensions in relation to the development of, particularly, the car park that remains undeveloped?

Mr Barr: They have not. They have had extensions to a holding lease; then there was a master planning piece of work that was done, and that envisaged development in stages. The whole site was never going to be developed in one hit; it was going to be developed progressively. There is more than a billion dollars worth of investment and new development that has occurred on that site. You need look only at the change in the landscape from 2004 to now; you must surely acknowledge that there has been development on that site.

THE CHAIR: I think the development taking place has been great, and I think it has added to that part of Civic, but why do we have part of it where they have had to have these extensions to their holding lease? And, for instance, when the difference in your approach was put to you, your spokesman said:

This particular site is sensitive and has been fairly complex.

What is it about this particular site that is sensitive as opposed to other development sites?

Mr Barr: It is a significant site in the middle of the city.

THE CHAIR: So it is big?

Mr Barr: Yes.

THE CHAIR: So that is what is sensitive about it—that it is big?

MR SMYTH: So section 63 will get the same consideration?

Mr Barr: In terms of?

Mr Savery: It has got a holding lease.

THE CHAIR: Do we expect extension to the holding lease in section 63?

Mr Barr: I have a time frame in which to complete development, like everyone does.

Mr Savery: If I could make a couple of observations in terms both of QIC and development generally, it is not unusual for the larger development sites to seek extensions of time and it is not unusual for us to grant those extensions of time. Of course, what has happened in the last couple of years is that the government has introduced a fee or increased the amount of fee that has to be paid for those extensions of time as a means of encouraging developers to get on with development.

The extensions of time to date on the QIC site preceded the introduction of that new fee, but at the time the first extension of time was sought by QIC very little development had taken place, largely because they were still going through the various processes of getting their development approvals, getting the master plan. They sought to vary the master plan. It is at our discretion, obviously, as to whether or not we provide that extension of time. I think it would have been totally inappropriate for the authority, knowing that this development was about to take off, being involved in the changes to the territory plan, to then say, “We are not going to give you an extension of time,” which in effect means that we are going to go through a court case for the land to revert to the territory and all the various costs that would be involved in that—when we can see that this development is about to take off and many jobs and many millions of dollars are going to flow as a result of that.

We are, I think, very responsible in the way that we deal with extensions of time. On the QIC site, both requests, in our opinion, have been quite reasonable given the development that has taken place. We see that precinct D is at the end of the line; it is the last precinct to be developed. We are monitoring what is happening on that site; we are in consultation with the lessee for that site. I think you are also probably aware that the ownership of precinct D changed hands halfway through, in the last few years. It was sold, and it has been re-acquired by QIC. It was actually out of QIC’s hands during this period. It is back with them and we are working closely with them to get precinct D commenced.

THE CHAIR: Was the *Canberra Times* article accurate in what it said about the

holding lease lapsing? It said:

This lapsed and QIC, after paying a small fee, was granted another holding lease, which expires in August ...

Then it went on to say:

No reason was given for needing the extension, according to ACTPLA. "The development was not completed. The lessee applied for a further lease and it was granted."

Is that right—that no reason was given?

Mr Savery: The bit about no reason?

THE CHAIR: Yes.

Mr Savery: We are not required to give reasons, but I am giving you reasons.

THE CHAIR: But no reason was given to ACTPLA? I presume that that is what they mean by that:

No reason was given for needing the extension, according to ACTPLA.

Mr Savery: That is not correct. We would ask for a reason for an extension of time. There is a process that a person has to go through—a lessee has to go through—to seek an extension of time.

MR SMYTH: So what is that process in this case? It was extended; this is the second extension. How do you get two extensions?

Mr Savery: It is not uncommon to have more than one extension of time, particularly on a project of this scale that from the outset it was envisaged would take a considerable period of time. The process is that you seek an application. It is happening every day of the week that people are seeking extensions of time.

MR SMYTH: All right. Minister, the question is probably more for you. The *Canberra Times* article says:

QIC has been granted two extensions of the development, contrary to the Government's planning policy.

Can you explain the planning policy that it is contrary to?

Mr Savery: That is not correct; there is no planning policy—

Mr Barr: That is an incorrect statement. The entire article is a fiction of the journalist's creation. That is a bizarre spin on the circumstances.

THE CHAIR: Okay, so take us through the fictional bits.

Mr Barr: As Mr Savery indicated, it relates to extensions that were granted prior to the introduction of a policy, prior to my time of even being minister, yet I am being accused of not adhering to my own policy for extensions that were granted prior to the existence of that policy.

MR SMYTH: Blame Mr Corbell for the first one.

Mr Barr: I am simply suggesting that the government—

MR SMYTH: That is good. Blame Mr Corbell.

Mr Barr: changed policy, much to the outrage of the Property Council, and sought to whack hefty fees so as to provide a pretty clear financial incentive for developments to be completed in a more timely manner. So we were not saying that you could never extend a lease or extend your time to develop. But you would pay a price for that; you could not just sit there and roll over for a nominal and very minor administrative fee, sit there and land bank.

MR SMYTH: So the minor administrative fee—was that paid before or after your policy change?

Mr Barr: You must acknowledge, Mr Smyth, in the context of this particular QIC development, that a huge amount of work has occurred. It would be a legitimate argument from the journalist concerned if no development had occurred, if there were not two massive new towers for the tax office, a huge extension to the Canberra Centre and all of that additional car parking. If nothing had occurred, fair cop. But to suggest that because the final precinct in a staged development has not yet commenced but is due for commencement in the near future—QIC have certainly indicated that they are now going ahead with the next phase in that development—it is a long bow to draw—

THE CHAIR: Sorry, minister, but which part of the article is fiction? I have gone through it and a lot of the bits seem to be factual—about two extensions of time, about the call-in that had been used previously, about changes to the rules.

Mr Barr: The presentation, Mr Seselja, that in some way I was not adhering to my own policy or seeking to provide preferential treatment to one developer, particularly given the time frames of extensions—

THE CHAIR: You certainly were not matching your tough rhetoric, I think it is fair to say—

Mr Barr: We can degenerate into a who is tougher on property development, Mr Seselja.

THE CHAIR: You are saying it is fiction. We read these things. They do not always get it right, but we read them and we take them ordinarily at face value, which is why I put it to you when you say it is fiction that I am not sure which are the factual errors that you want to particularly point us to.

Mr Barr: The entire story—

THE CHAIR: So it is the vibe, or the general—

Mr Barr: presents a picture that is not accurate and does not reflect the ongoing development that has occurred on that site. It suggests that no development has occurred. It takes one section of the overall development in isolation from the other staged pieces of development. I am yet to hear anyone who—

MR SMYTH: It does not; it puts it in context:

This culminated in the Australian Taxation Office signing up ... occupying multi-storey towers, while the 320 apartments proposed for precinct D in the section 84 master plan are yet to materialise.

It gives exact credit that the tax office has already been built.

Mr Barr: Okay, fine. What is the issue? What would you like me to do further now?

MR SMYTH: You called it fiction, so where is the fiction?

Mr Barr: What would you like me to do further now? What policy response would you like from government—

MR SMYTH: You need to outline where the fiction is—

MS HUNTER: Could I ask a question to move this along a bit?

Mr Barr: What further policy response? What are you advocating—that we should slap QIC with an additional fine—

MR SMYTH: No, no. We are asking you to say why you would say:

We are quite passionate that when we put land to the market it can't just sit there.

Mr Barr: Because we are, and we put in place a policy.

MRS DUNNE: So what is the time frame for the implementation of precinct D?

Mr Savery: Currently the extension of time seeks for that development to commence—or be completed by—2011.

MRS DUNNE: Sorry, and therefore what is the commencement?

Mr Savery: Between now and—I am not quite sure—a date in 2011.

Mr Barr: We will check that. I can provide that.

Mr Savery: Between commencement—

MRS DUNNE: Sorry, you said completion was 2011 and now you are saying

commencement—

Mr Savery: No, I said “completion”. I started to say “commencement” and then I changed it to “completion”.

MRS DUNNE: So when is it programmed to commence?

Mr Savery: It can commence at any time. The extension of time allows them to develop it some date in 2011, which could be August.

Mr Barr: I think it is August but we will double-check and tell you.

MRS DUNNE: Also, is the current master plan still for housing on precinct D? Is there any intention to change the policy?

Mr Barr: Not from the government’s perspective, no.

Mr Savery: It is broader than just housing but it is primarily housing.

Mr Barr: Housing is the main part.

Mr Savery: I think it also allows for a hotel on precinct D.

Mr Barr: Limited commercial retail—

Mr Savery: It is primarily residential.

Mr Barr: but majority residential.

THE CHAIR: Okay, did you have further questions?

MS HUNTER: They were my two questions, thank you, chair.

THE CHAIR: Okay, Mrs Dunne has not got any questions. Ms Burch?

MS BURCH: I have two questions. I will go to page 394 first, under business and corporate strategies. The last paragraph makes mention of an ACTPLA audit committee. Could you just tell us the functions of that committee—how it operates, what it has dealt with and what it will deal with?

Mr Savery: Firstly, under our legislation we are required to have an internal audit committee, so we established that back in 2003. It is chaired independently by a gentleman by the name of Michael Harris. It contains a couple of senior officers, including our chief operating officer, and another senior executive from another government agency. It has an annual work program to review areas that either it has elected to investigate or in consultation with me I have asked to be investigated, and then that program is run on an annual basis and reported back to me and is also recorded through the annual report. So there is public access to that, but Mr Meyer, being the senior executive on that group, can give more information.

Mr Meyer: What we have is a risk management plan in the organisation which the internal audit committee reviews annually. We highlight the major areas of the organisation that should be subject to review, depending on the rating and the risk analysis that is given to it. So we have a range of projects—usually about five to six audits—that take place every year, covering all aspects of the organisation’s performance.

We also monitor the recommendations made by the Auditor-General and those are subject to reports back to Mr Savery as our Chief Planning Executive as well as our executive committee. We make available a memo that is prepared by the chair of the audit committee to our managers so that they are aware of current issues and aspects that are being looked at in the organisation during the year.

MRS DUNNE: Okay. So in the last annual report I could have a look at what some of those projects were?

Mr Meyer: Yes, they are contained in there; that is right.

MS BURCH: My second question went to budget paper 3, pages 94 and 95—support for the building and construction industry—and the fees waiver on the last line of page 93. I think we have spoken, Mr Savery, about capacity around inspections. Did you talk earlier of that?

Mr Savery: That is the support for building and construction industry.

Mr Barr: That is the four extra inspectors and that whole team—that fourth branch.

MS BURCH: The last item—fees charged on delayed commercial developments?

Mr Savery: That relates to the item we were just discussing in terms of extensions and fees. The government has made a decision that there will be a moratorium on the fees charged for a period of two years in relation to that. There is an indicative figure because it is impossible to predetermine what the figure would be in any given year on revenue foregone as a result of that moratorium.

THE CHAIR: Thank you. Mr Smyth and then Ms Hunter.

MR SMYTH: Minister, in a media release on 25 May this year the Chief Minister said:

We had hoped that the first blocks in Molonglo would be ready for sale this financial year but have encountered planning and environmental delays. To compensate, we have brought forward the release of land at West Macgregor and Casey.

What are the planning and environmental delays that have been encountered in Molonglo?

Mr Barr: It relates to the commonwealth’s assessment under the EPBC Act.

MR SMYTH: What is the problem?

Mr Barr: The problem is just that there is a commonwealth process that has to be gone through.

MRS DUNNE: But you did not factor that into the time?

Mr Barr: Yes, we did, but the commonwealth have taken longer.

Mr Savery: Through the chair, it is not a precise science with EISs and EPBCs. You do not know what is going to be unearthed under these exercises. The LDA will be releasing some blocks of land in north Weston—200 lots, or thereabouts—at the end of this financial year. The bulk of what was anticipated, which is another 800, will not be available until the end of the calendar year.

MR SMYTH: In north Weston?

Mr Savery: North Weston, the early stages—

MR SMYTH: Sorry, did you say “north Weston”?

Mr Savery: The early stages of Coombs and Wright.

Mr Barr: Coombs and Wright are the two new suburbs in Molonglo Valley.

THE CHAIR: North Weston?

Mr Barr: In Molonglo.

Mr Savery: Did I not say “north Weston”?

THE CHAIR: You did. I was just clarifying for Mr Smyth.

Mr Savery: Yes, north Weston.

MR SMYTH: Have the federal government asked for clarification or is it that you are taking time to get through their process?

Mr Savery: The fact is we are the first jurisdiction in the country to go through a strategic assessment under the EPBC. There is only one other that has been done to date which is in the Kimberley, which is not an urban area. We are all learning through this process. It is running parallel with our own EIS processes. They are not simple exercises, despite extensive studies that have been undertaken by us over the last two to three years. We said to government that we anticipate that we will be in a position for land to be released at the end of this financial year. It has turned out that we are not.

THE CHAIR: When did that position change, because it seems to have moved fairly quickly in terms of the decision to release the other land in response? When did government become aware that it was going to need to do something different to

make up for lack of release at Molonglo?

Mr Savery: We had to make a judgement—“we” being the chief executive’s land supply group, which involves TAMS, Chief Minister’s, us and LDA, which monitors progress—and there was a point at which we said, “Our estimation is we are not going to make it in time.”

THE CHAIR: So when was that?

Mr Savery: I am guessing, but it probably would have been around Christmas, possibly before Christmas, that we were starting to be quite concerned about our ability to deliver this and that is when the Chief Minister’s department said we have to have a contingency plan.

MR SMYTH: Is there any indication from the federal government as to when they will finish their work?

Mr Savery: Yes, we are hopeful it will be finished in August.

MR SMYTH: If they reach the August time line, how long then? What is your part of the process after that?

Mr Savery: We are still planning on the 800 to 1,000 lots in Coombs and Wright being able to be marketed before the end of the calendar year, which would be sold to the market in the new year, in early 2010.

MR SMYTH: Early 2010. Where is your EIS at?

Mr Savery: There is more than one aspect to our EIS. For instance, as I said before, there is an entirely separate EIS for the stormwater management system. We are currently preparing advice to the minister around all of the documentation we have undertaken where we think the minister can make a decision in July.

MR SMYTH: So you will have your EIS and the stormwater EIS completed by July?

Mr Savery: No. The stormwater EIS is not needed for several years.

MR SMYTH: The EIS will be completed when?

Mr Savery: The EIS that we are undertaking is primarily around availability of land in Coombs and Wright. There are almost three stages. There is EIS around Coombs and Wright; there is EIS for the balance of Molonglo, which covers suburbs that have not yet been named; and then there is a discrete EIS on stormwater management. The strategic assessment that the commonwealth are doing is an exercise that they advocate under EPBC that says, “In order to avoid multiple EISs being triggered under EPBC, we’ll do a strategic assessment of the whole area.”

MR SMYTH: You are assuming, therefore, that your EIS will not turn up anything significant that might delay the project further?

Mr Savery: It would not now. I can say that with a high degree of confidence because we have got most of the information back. Do you mean over the whole area?

MR SMYTH: Let us start with Coombs and Wright.

Mr Savery: Yes, Coombs and Wright. We are nowhere near finished on the EIS for the whole area, the other area.

MR SMYTH: From what you have seen already, the EIS for Coombs and Wright will allow you to suggest something to the minister in July that will see land ready for sale in early 2010?

Mr Savery: Yes. That is the program we are working to.

THE CHAIR: Ms Hunter.

MS HUNTER: I just wanted to go page 408 of budget paper 4. The third dot point down talks about resources received free of charge and that there needed to be an increase in the budget for 2009-10 reflecting the land titles and instrument searches that were not previously recognised. I was just wondering whether these land searches were going to include land searches for contaminated land, and which department holds the contaminated land register. Is the register publicly available or can it be made publicly available?

Mr Barr: It may well be that TAMS is the responsible agency. We will take that on notice and get back to you.

MS HUNTER: When you go out to look at new places and new sites I would have thought that part of that process would be to get some idea as to whether there were sheep dips there at some point or dumps or that sort of thing, because that obviously—

Mr Savery: We go to TAMS. TAMS holds the registry of information on contaminated sites through the EPA, which is now the DECCEW.

MR SMYTH: DECCEW?

Mr Savery: Yes.

MS HUNTER: Your understanding is that that would now sit with DECCEW?

Mr Savery: Yes. It sits with EPA and EPA sits with DECCEW.

MS HUNTER: Do you know if that is publicly available?

Mr Savery: No, I do not.

MS HUNTER: So the searches definitely are not going to come through ACTPLA?

Mr Savery: No, not for the category that you are identifying. We do building

searches for property owners wanting information on the construction of their building and previous DAs. We do those sorts of property searches.

MS HUNTER: Why was it not reflected in the previous year? What was the reason it has only been reflected now?

Mr Wurfel: With respect to those particular charges, land title and instrument searches have never been identified to agencies by JACS. JACS decided that it was a cost that was being incurred and that it should be reflected so we swept that into our budget as a revenue item and an expense item. It is a notional cost for us. It is a real cost to them, but it notionally comes through to us.

MS HUNTER: Thank you.

Meeting adjourned from 4.03 to 4.22 pm.

THE CHAIR: We will commence. Mr Savery has some additional information.

Mr Savery: Thanks, chair. In response to some earlier questions that you asked—Mr Smyth helped me out with some material on one—I can advise that the 43 days between 1 January 2009 and 31 March compared to the average time taken between 1 July 2008 and December 2008 was, in fact, the spike in DAs that we received around Christmas. That relates to time needed for notification, the assessment process and increased volume. So my answer was correct, although that is probably a bit more precise.

You also asked, in relation to the impact DAs, when they were lodged. I think it is just worth clarifying from the outset that Cotter Dam is not a DA at this stage; it is only an EIS, so it is not one of the two.

THE CHAIR: Yes.

Mr Savery: Williamsdale transmission lines was lodged on 22 January 2009, but is subject to EPBC clearance. What is known as block 2223 Jerrabomberra, which is the former abattoir site, the industrial estate subdivision for the newly named suburb of Beard was lodged on 18 May.

THE CHAIR: Who would have thought—the illustrious convict Timothy Beard!

Mr Savery: Could I just clarify the response I gave? You asked a question about the composition of the re-allocation of resources, and I said, I think, that they are generally between bands 4 and 6. That is correct, but there is a SOGB position.

THE CHAIR: One SOGB?

Mr Savery: One SOGB. Also, in response to or further clarification of a question or comment made by Mr Smyth in relation to pages 400 and 401, “Rollover—Urban Development Sequence for Affordable Housing”, there are three separate allocations. \$950,000 was allocated for those three projects and we are rolling over \$460,000. So they were not all from the one allocation, which is why your arithmetic—

MR SMYTH: Is still okay.

Mr Savery: Yes.

MR SMYTH: It is a lot more than 358.

THE CHAIR: The additional information you have given there, Mr Savery, in terms of one of the impact tracks—I am not sure if I missed it, but did you describe what that redevelopment application was? It was a former abattoir?

Mr Savery: Yes.

THE CHAIR: But what is the actual application for?

Mr Savery: It is a DA to carry out industrial development on the site.

THE CHAIR: So it is industrial development?

Mr Savery: It is zoned for industrial purposes.

THE CHAIR: Yes.

MR SMYTH: What clean-up is required on the abattoir site?

Mr Savery: Well, that would be part of the assessment of the DA and the EIS process. That is why it is an impact track. It is subject to assessment.

THE CHAIR: Just on industrial development, I know there has been a reasonable amount of work done in recent years on looking at future industrial uses and where we can find more industrial land. Are you able to bring us up to date? I have had briefings in the past, but it has been some time now. Are there any updates as to where we are in that process?

Mr Savery: I think I am right in saying that the industrial inventory, as it currently stands, has a supply of between three and five years, but there is not a lot beyond that. It would not come as any surprise that there is no real capacity in Mitchell; it is pretty much complete. Fyshwick—the extremities at the EpiCentre precinct comprise a large part of the bulk of Fyshwick, although there are some blocks down towards the river corridors which are being examined for their availability.

THE CHAIR: How much space, approximately, that may be usable is there in Fyshwick?

Mr Savery: In terms of hectares?

THE CHAIR: Yes, in terms of hectares?

Mr Savery: I would probably need to come back to you to be accurate, but I would suggest there is somewhere in the order of 50 hectares. I would include in that the

land that is being examined to the south of AMTEC, between Hindmarsh Drive and the AMTEC industrial estate. So I would include that in the Fyshwick reaches. Moving on, obviously the Hume industrial estate is the prime opportunity. There is already—

MR SMYTH: Could you define what area is the Hume industrial estate?

Mr Savery: Well, it is important, because I was about to say there is land that is already available or can be made available within the Hume industrial area which is almost double in size the area that is currently developed to the south of the Monaro Highway, but also some land on the resource recovery centre side on the northern side moving east back towards the airport along the Monaro Highway, but it is not very deep on the north side.

Obviously, there is a large area of broadacre land in that vicinity that has been the subject of investigation, initially through the Hume industrial estate assessment, which has not got any policy status. That document has been fed into the eastern broadacre work, which takes a more holistic assessment of land availability, primarily for employment opportunities, not for residential development, from the Federal Highway down to the extremities of the Hume industrial area, but does include that area of broadacre land use. The question was asked before: when are we going to see it? I gave my response.

Clearly, we are looking along that corridor, particularly around the Hume industrial estate, for potential further industrial land opportunities. I do not want it to be read into that, therefore, that we are going to concentrate industrial development on the site where a data centre and gas-fired power station was proposed, but, clearly, that is part of the mix of where we are looking at future employment opportunities because it is broadacre land use.

Now, they are the sorts of reasons why we have got to go back to government to say to government, depending on what we are going to recommend: “Are you prepared for those things to go out, or not? Would you change it before you go out to the community for consultation, more detailed consultation?”

THE CHAIR: When you say double the current space of Hume, which proposed areas make up that? Were you talking about—

Mr Savery: To the south.

THE CHAIR: So the area just to the south—

Mr Savery: To the south and the west of the current developed area.

THE CHAIR: Okay. So that would include the former data centre site, the proposed site? That would include the resource recovery area and where the new data centre is going to be? That is already zoned industrial, so we are probably not counting that.

Mr Savery: Yes. It would also include the former forestry timber mill that has been closed. It would include all of that. But I do not know that the public necessarily

appreciates that the landmass, compared to what you physically see on the ground today, is probably in the order of the same again.

THE CHAIR: Yes.

Mr Savery: Again, what a lot of people do not appreciate is that the type of industrial development that can go in that area is the sort of industrial development that has not been seen in Canberra before. I am not suggesting that is about to happen, but a lot of people think that it is just sheds and service industry.

THE CHAIR: Yes.

Mr Savery: This is our prime industrial estate.

THE CHAIR: So what are you referring to?

Mr Savery: Well, I am just saying that if someone were to come along and say, "I want to put a tannery," you could consider a tannery.

THE CHAIR: Yes.

MR SMYTH: Or if somebody wanted to build a solar cell fabrication plant—

Mr Savery: Yes, if they wanted to.

MR SMYTH: they could put it there if they could get some help from their government.

Mr Savery: I will not comment. But the point is that I think a lot of people do not appreciate that this is a fully-fledged industrial estate.

Mr Barr: Business welfare.

MR SMYTH: What, starting a new industry, employing semi-skilled workers and training them up is business welfare? Fantastic, minister. Thank you for that.

Mr Barr: You always love a bit of business welfare.

MR SMYTH: Mr Savery, when we look at that area, a lot of that area that you have just spoken about as potential industrial land is, of course, currently used by the equestrian industry. There are enormous concerns, and they have some complaint that Minister Hargreaves has basically said: "Well, equestrian is for rich people. Broadacre is just holding land for development." What planning does the department undertake for the provision of horse paddocks and exercise areas for horses?

Mr Savery: Again, I am not buying into the politics of your comments.

MR SMYTH: I am just repeating—

Mr Barr: Very wise.

MR SMYTH: The committee has received a submission from the equestrian industry, who see horse paddock after horse paddock disappear under this government with no additional provision. They have waiting lists of people who would like to move their horses from interstate into the ACT. It is an industry that has enormous potential for growth in many other cities, but it is not here. It is an interesting industry.

Mr Savery: But the reality is—

Mr Barr: Are you asking a question in all of this or are you just making a policy statement?

MR SMYTH: No. I am telling you what we have received as a submission—

Mr Barr: All right.

MR SMYTH: is that they are very concerned, and I am asking what planning you have undertaken.

Mr Savery: We receive, obviously, input from those groups and other groups, pony clubs, for instance, out at Macgregor west and people wanting the equestrian trail as part of the North Weston development and Mount Stromlo development. Those sorts of things are taken into account and accommodated, where we are able to. But I think there is also, again, perhaps a lack of reality around understanding that where many of those clubs are currently located, particularly broadacre land use, is land that is set aside for future urban development purposes. The nature of their leases reflects that.

Now, obviously, as we work through the more detailed planning, such as the eastern broadacre study, as we did with Molonglo, we get to understand whether or not there will be implications for those clubs and those leases, and in some cases not. I think a good example is Molonglo. Originally, we had the planning for central Molonglo. The decision was taken not to proceed with central Molonglo, but if we had done so that would have affected the Pegasus club.

MR SMYTH: Sure.

Mr Savery: It has not been affected, so that remains in situ. Where the other clubs are affected, if, at the end of the day, the decision is—because the decision has not been made yet—that that land will be used for other purposes, at that point we would, I expect, be asked to find alternative venues, depending on what priority government assigns to that. Now, we are not at that point.

MR SMYTH: But other horse paddocks have been lost, and as an industry they feel that space for their sport has been lost and it is not being considered in forward planning. You are saying that provision for additional horse paddocks and exercise areas is part of the consideration—

Mr Savery: Where we are taking land away, we would have to make a judgement. We would talk to sport and rec and other relevant government agencies as to the adequacy of provision of facilities. In some cases—I am not just saying it is to do with

equestrian—it may be considered that there are adequate facilities available without having to replace those that are being relocated. In other circumstances, it may be that we are advised that, if development is to go in that area, we are going to have to find alternative provision for some of these facilities. That is done on a case-by-case basis.

MR SMYTH: Thank you.

THE CHAIR: Ms Burch, and then Mrs Dunne.

MS BURCH: Budget paper 5, page 78, the west city infrastructure—can you just tell us what that it is and when that will be completed.

Mr Savery: City West infrastructure stage 3. Childers Street, which is being used as a critical piece of infrastructure to unite the ANU campus with the city, has three stages. Stage 1 was completed a couple of years ago; it is a central plaza with a range of artworks where the road has been narrowed to accommodate pedestrian or shared traffic and very high end urban design treatments—and also designed to enable the road to be closed so that if the university wants to hold events they can be held there. Stage 2 is a park at the end of Childers Street, which is nearing completion, and was funded under this year's program. Stage 3 is to complete the connections from the park down to the School of Art and the School of Music along Childers Street. So Childers Street will be complete.

MRS DUNNE: Where is the park?

MS HUNTER: Is that the Latin American plaza?

Mr Savery: It is.

MRS DUNNE: Where is the Latin American plaza?

Mr Savery: It is the Childers Street park. It is next to—

MS PORTER: Next to the childcare centre.

Mr Savery: There is a childcare centre.

MRS DUNNE: Right.

MS HUNTER: Just that little bit of land on the end.

MS LE COUTEUR: The old occasional care centre.

Mr Savery: Yes. As Childers Street terminates into Marcus Clarke Street, there is a park, and it has been rebuilt.

Mr Barr: It is outside one of the uni lodges. It comes into Marcus Clarke near St George, opposite Daltons bookshop.

MRS DUNNE: Oh, yes.

Mr Barr: Have you got it now?

MRS DUNNE: Yes; opposite Daltons bookshop.

THE CHAIR: Mrs Dunne, you had some questions?

MRS DUNNE: Yes, thank you.

MS HUNTER: I am pleased you cleared that up; I was trying to find it on a map today. I am very pleased that you did that.

MRS DUNNE: I just asked the question to cover your embarrassment.

MS HUNTER: Thank you, Vicki.

MRS DUNNE: We have got that perfectly clear. Minister, I wanted to know where we were going with the promised planning study for block 8, section 34 Hawker.

Mr Savery: That is LDA.

Mr Barr: That is LDA. That is the Hawker shops car park?

MRS DUNNE: Who is doing the planning study?

Mr Savery: LDA.

Mr Barr: LDA.

MRS DUNNE: This is one of these divisions of responsibility. When does ACTPLA do planning studies and when does the LDA do planning studies?

Mr Savery: In this case, because the LDA is selling the land, it has been asked to take responsibility for preparing the planning study and consulting with the local shopkeepers. As I understand it, because I am not intimate with the issues there, it has a lot to do with displacement of car parking if that land is sold.

MRS DUNNE: Yes, that is roughly it.

Mr Savery: They are doing the planning study in consultation with the shopkeepers to explore those issues.

MRS DUNNE: So that was something that should have been asked this morning? Okay; not to worry. Can you also tell me, minister, in relation to North Weston, what is afoot for the relocation of the RSPCA?

Mr Savery: I cannot give you a detailed explanation, in large part because the Chief Minister's Department is taking responsibility for the negotiations with the RSPCA. The question can either be taken on notice or, more appropriately, addressed to Chief Minister's Department. What I can tell you is that there are active discussions taking

place with the Chief Minister's Department, looking at an alternative site. Obviously, there is money involved in relocation. Timing is not critical at this stage. It will become so in a couple of years, but there is a window of opportunity to resolve the issues. I am not directly involved.

MRS DUNNE: Is DHA still interested in that land.

Mr Savery: Possibly. DHA is interested in the land around the Defence College. There is more than one opportunity. I think they want about 300 dwelling sites. The RSPCA site could be part of that. If that does not work out, certainly in terms of time frames, there is alternative land, but I think it is fair to say that they are interested.

MRS DUNNE: Okay.

MS HUNTER: Are you the agency that would identify potential sites for Chief Minister's Department to consider?

Mr Savery: Absolutely, yes.

MS HUNTER: And have you done that?

Mr Savery: We have been involved. The land is in the Symonston area. The RSPCA wants to stay in that geographic region. There is more than one potential site.

MS HUNTER: Okay.

MRS DUNNE: I want to go to something that flows over from last year and relates to North Weston: the caretaker's cottage, as it was known, which was resumed at about this time last year. What progress has been made or what is the thinking on the future of that facility? And how much—this may be something that needs to be taken on notice—has been spent on securing and maintaining that cottage in the past year?

Mr Barr: The property is within the purview of the Property Group within Territory and Municipal Services, so there is no relationship with the Planning and Land Authority. My understanding is that they have sourced a tenant, but I do not know anything further in relation to that. You would have to ask the Minister for Territory and Municipal Services.

MS HUNTER: You are not aware if the tenant is an individual, a family or an organisation?

Mr Barr: It was an organisation. That is my understanding, yes.

MS HUNTER: Thank you. I just want to confirm that.

Mr Barr: Yes, it is an organisation.

MS HUNTER: Because that is what was proposed.

Mr Barr: Yes.

MRS DUNNE: And the future uses for the cottage?

Mr Savery: I cannot be specific. The planning for North Weston, which includes the development of Weston pond, is very well advanced. The cottage is seen as a key opportunity for some activity that can relate to a public open space with that water body—a stormwater body—sitting next to it. We are not at the point of determining—I think it is fairly flexible—what it could be used for; there is nothing specific.

MRS DUNNE: Thanks.

THE CHAIR: Are there further questions for ACTPLA and the planning minister? A quick one from Mr Smyth.

MR SMYTH: Just a long-term question. The government has completed Molonglo's next greenfield development. Where to then? I notice that the government is looking at using Kowen as potentially a site for the solar farm. How does that fit into the view that Kowen was the next town centre?

Mr Savery: In the long term, under the Canberra spatial plan, Kowen is fully anticipated as a future area for residential development, including a potential town centre. We are obviously working with DECCEW and any prospective interested party on the precise location where a solar farm would go if they chose Kowen, recognising that there are other sites that are available. Our role would be to ensure that it is in a location that does not compromise that future planning.

MRS DUNNE: But you have already highlighted a block?

Mr Savery: Yes, and that is an area that notionally can be managed without compromising. We need a proponent to come and say, "This is precisely what we would want to do, precisely how much land we'd need"—where they would get access from.

MR SMYTH: What is the estimated population of Gungahlin, when it is full?

Mr Savery: We have revised the figure down. I think I am correct in saying that, when the structure plan and the EIS were done for that 15 years ago, it was around 130,000. We are now saying it is anywhere between 90,000 and 100,000.

MR SMYTH: And Molonglo will have?

Mr Savery: Some 55,000.

MR SMYTH: And if or when Kowen goes ahead?

Mr Savery: Have not done the estimations. The land area, you would have to say, is sufficient to accommodate in excess of 80,000. To sustain a town centre, it has got to be over that figure.

MR SMYTH: When do we get to Kowen?

Mr Savery: We think that we are going to look at Kowen in five years. We have already done some preliminary, if you like, blob analysis of where you might put development.

Mr Barr: I love that term. It is very fine planning term, the blob analysis.

Mr Savery: Until I went out there, I had not appreciated some of the terrain. So you cannot—

MRS DUNNE: It is a bit challenging, yes.

Mr Savery: You literally just cannot develop.

MR SMYTH: It is a great place to take a fire truck, I can assure you. When you say five years, are you saying start work on Kowen?

Mr Savery: Just start doing some analysis, refined analysis. But we do not need that land in terms of territory plan amendments et cetera probably for 10, 15 years.

MR SMYTH: So 2020.

Mr Savery: Sorry if I am indulging, but Gungahlin development will front, at current pace, for the next 15 years. Molonglo, running in parallel, then has probably another 10 years after that. So as Gungahlin comes off, Molonglo has got another 10. We would want to open up Kowen.

MR SMYTH: So Gungahlin will be full in about 2025?

Mr Savery: On current rates, approximately.

MR SMYTH: And then Molonglo would be full 10 years after that?

Mr Savery: It would run another 10 years after that.

MR SMYTH: So 2035?

Mr Savery: Yes, because the spatial plan was to take us out to 2032.

THE CHAIR: We need to finish. I apologise to Ms Le Couteur. I overlooked her in the queue. So Ms Le Couteur and then we will finish.

MS LE COUTEUR: When will the ACT retail model assessment be undertaken and what is going to be included in it?

Mr Savery: It will be done in the next financial year. We do them every two years. The government has just confirmed funding for us to do that next financial year.

MS LE COUTEUR: Is it going to look into the impacts of retail development and redevelopment—

Mr Savery: We already do.

MS LE COUTEUR: The impacts on small, locally owned businesses?

Mr Savery: What the retail analysis does is provide us with gross and net floor areas of retail by geographic areas and does an analysis projecting into the future of what additional capacity could be provided for. That assists government in its land release program. It is not an impact analysis, the retail study.

MS LE COUTEUR: It does not look into ownership or monopoly issues?

Mr Savery: No.

MS LE COUTEUR: The answer to the rest of my questions actually is going to be no, it does not do any of them. You are not going to look at how DAs would take these issues into account?

Mr Savery: But they already do. We require impact retail analysis as part of DAs for major retail developments.

MS LE COUTEUR: What size do they have to be to be major?

Mr Savery: Mr Corrigan?

MR SMYTH: We are running 15 minutes late and you almost got away with it.

MS LE COUTEUR: We did not want you to not have a question.

Mr Corrigan: It depends on the proposal. It depends on the size and scale of the proposals but even proposals in local centres may require some sort of retail impact analysis on other local centres.

MS LE COUTEUR: Will the government's yet to be released supermarket competition policy be integrated into how you do your analysis, the ones you do the analysis for?

Mr Savery: The supermarket policy is not related to development assessment. It is related to land release.

MS LE COUTEUR: It is only going to be related to—

Mr Savery: It is not a policy that is going to be inserted into the territory plan for the purposes of development assessment.

Mr Barr: The competition issues that I think you are heading towards are largely in the purview of the ACCC. You might have noted they did not allow a particular supermarket chain to purchase a particular site, for competition reasons. That occurred, I think, in Queanbeyan. But there are obviously issues in relation to land release in that, if you simply go to auction for a site for a supermarket, you can be pretty well

assured that one of the two major players will squeeze out any independent operators. And that is the policy issue that we are—

MS LE COUTEUR: There is another policy issue with redevelopment of existing shopping centres. It is not all new. This is where ACTPLA has the role rather than the land release policy.

Mr Savery: Sure, but that is about availability of land and making strategic decisions on the release of land for supermarkets. When we come to assess retail developments, the first thing to stress is that we do not look at who the tenant is, who the operators are. That is not the role of planning. Whether it is Coles, Supabarn, Aldi, it is not our issue. But what we do do is a gross analysis, if needed, on what the impacts of that additional GFA may be on another centre within a catchment.

Then there are discretionary decisions on how much additional floor space can be accommodated without adversely impacting on those centres. That will vary over years. An impact assessment this year may say on that local centre this GFA will cause five per cent reduction in income, what is the impact? What is the impact on the viability? If we were to do the same thing in 10 years time as a result of population growth, demographic change, the percentage figure may be very different, and the answer may be different. But we do not care who the operator is. That is not our role.

Mr Barr: That is the ACCC's role. I indicated earlier that the holding lease for section 84 expired in August 2011. It is 23 August 2011.

THE CHAIR: Thank you for that, minister. Thank you very much, Mr Savery, and ACTPLA officials. Thank you for your time. We will now move on to a brand new minister, the Minister for Children and Young People.

Mr Barr: I will reinvent myself.

THE CHAIR: He will be joined by representatives of the Department of Disability, Housing and Community Services.

THE CHAIR: We might get started. I welcome Mr Hehir and representatives of the department. Minister, would you like to make an opening statement in this area?

Mr Barr: As we are running behind, I think we will just go straight into it.

THE CHAIR: Members, any questions? Ms Burch?

MS BURCH: I have a couple of questions in budget paper 3. Firstly, on page 81, there is a national partnership Indigenous early childhood development third child and family centre.

Mr Hehir: I do not think you will find it there. It is actually a capital program, so you will find it in the—

MS BURCH: I think it is in budget paper 5, page 65, as well. Can you tell me more about that and how that will work towards intervention?

Mr Barr: Mr Hehir will deal with that for you.

Mr Hehir: The child and family centre model is a model that many members of this committee are fairly familiar with; we have talked about it on a number of occasions. In this case we are working with the Australian government providing a significant amount of funding—looking to have an Indigenous-specific but not exclusive child and family centre. They are seeking to ensure that Indigenous people from particularly disadvantaged backgrounds have access to a really good, mainstream, quality early childhood service.

That is something that we have been discussing with the Australian government for quite some time. We provided them with some information about our family and child centre. Certainly at officer level, they were very impressed with the range of services that operate from those child and family centres. The proposal has been put to the Australian government that a good location for the child and family centre would be at west Belconnen. It is an area the government has looked at, it is an area which has some identified markers of disadvantage, and it also has a reasonable Indigenous population within the area.

MS BURCH: So Indigenous targeted services within a mainstream service, wraparound support services?

Mr Hehir: I might ask Helen Pappas to talk about the program. We run Indigenous-specific services out of both the current child and family centres. Certainly over the last 18 months we have expanded access to the child and family centres through a very proactive approach in terms of contacting families, working with families to engage them. Off the top of my head, I am going to say that we have moved from about four families in the Gungahlin child and family centre 18 months or so ago to about 39.

Ms Pappas: We are about 80 now.

Mr Hehir: Eighty families. So we have really been very proactive in dealing with them. I think that was one of the things the Australian government liked about the model. It does seek to engage; it does seek to draw people in and engage with some really positive work in terms of developing parenting skills and developing the children. I might get Helen to talk about some of the Indigenous-specific programs that are run and will be run out of the new one.

Ms Pappas: In partnership with the Smith Family, the Gungahlin child and family centre are running Indigenous parenting support services, the first service of that type in the ACT. It expands across Gungahlin and west Belconnen. We have drawn on those families who access the Koori preschools in Ngunnawal and Holt and have worked with that community really solidly over the last 12 months to find out from the community what it is that they need, what their identified needs are and how we are going to work together to develop programs that meet those needs.

The project supported the parents of the Koori preschools to set up a parent association. We are running programs like targeted playgroups where parents come to

the centres with their kids and we do some active work around parenting, role modelling and relationships. That is at the request of the parents. The parents actively participate in that. We have engaged with the dads in those areas around their health, wellbeing, relationships and their own needs. We have a dads committee that are looking at their role as parents and how they can interact in a more positive way with their own kids and participate as role models for other young kids in the community.

So there are lots of initiatives, and what is important about them is that they are community driven and it is according to the needs of the community.

We are doing some work with the division of GPs around making access to health services easy for Aboriginal and Torres Strait Islander people. What we are actually doing is going to each GP service, talking to them about the initiatives and finding out from the GPs what it is that we can do to work with them to help them make accessing services easier.

It is a slow process. It is about building relationships, building trust and being in there for the long haul.

I am just trying to think off the top of my head. We are running a SmartStart program with adolescent boys. That is about understanding health and the impact that health has in the longer term. We have a partnership there with Robert de Castella and his team around coming into the centre with, I think, 12 boys every week. They are doing some sort of physical activity—understanding the impact of health. We have got another two groups ready to go—school-based groups of Indigenous kids.

So there is a whole raft of services that we are targeting at Gungahlin and west Belconnen. And we are at the beginning process of doing this work at Tuggeranong as well.

THE CHAIR: Thank you, Ms Pappas. Ms Porter had a follow-up on this; and then Ms Le Couteur was going to ask some questions.

MS PORTER: Minister, we have already started talking about the way the child and family centres are linking with the Indigenous preschools and other groups in that particular area. But because we are having one established in west Belconnen, hopefully—a family centre—I just wondered—

Mr Barr: Hopefully? Definitely.

MS PORTER: Hopefully. I am just wondering how the centre links to all the preschools in the area, the early childhood centres, the parenting health programs, playgroups and all those kinds of things?

MS HUNTER: Particularly the playgroups that are currently being run out of UnitingCare Kippax.

MS PORTER: Yes; UnitingCare, for instance.

MS HUNTER: There are supposed to be some transitional arrangements going on

there.

MS PORTER: We know that there are some excellent programs running out of that; there are lots of excellent programs in west Belconnen.

Ms Pappas: Obviously, the preschools, particularly the early childhood schools—there is one in Scullin: Southern Cross. We have met with them already and looked at opportunities as to what sorts of partnerships we need to develop together, keeping in mind that there is no sense in duplicating the services that are already there, which we are really anxious not to do.

The types of playgroups or services that the centres will be running will be quite targeted playgroups. We have one universal playgroup, which is paint and play in the park, which is about social connection and soft entry points into the system. We are very aware that UnitingCare have got quite an extensive playgroup program there; we are very keen not to duplicate but to work with them to look for opportunities as to how we partner with them to maybe think about developing some more targeted playgroups that would run from the centre, from their premises or from other premises, depending on what the community tells us they need.

MS PORTER: Could you give us some examples of how it is already operating in Gungahlin in relation to those kinds of groups so that we can get an idea of how it will continue to operate?

Ms Pappas: Are you talking about the targeted playgroups?

MS PORTER: No; I am talking about the links the existing family centres—Gungahlin or Tuggeranong; I do not really mind—have with those other groups in those particular locations.

Mr Hehir: I think one of the best examples would be the links they have with childcare centres. For example, one of the key things the Australian government was looking for was location of a childcare centre. We said, “Hang on. Why would we want that? We do an outreach model.” In Tuggeranong, we outreach 17 different childcare centres where we will go. Our staff will work late or go early and make themselves available to talk to families or staff when they have got particularly difficult or complex issues arising or even if a parent just wants some reassurance about their parenting skills. The team will actually make themselves available. It operates as a centre-based service, but it also does an enormous amount of outreach in many ways. They go into homes where there are some issues where they think that time is best spent in someone’s home as well. It works very broadly. In Tuggeranong you also have quite a strong partnership with communities at work, which might be worth having a brief—

Ms Pappas: Sure. Most of the programs that are run from child and family centres are run in partnership with the existing regional community service, business or charity groups. In Tuggeranong, for example, the regional community service, which is Communities@Work, actually come to a weekly meeting where, with the family’s permission, families are discussed. The idea of that is to make sure that that family gets access to the best service in order to meet their needs. Sometimes the

conversations are about “The family has a number of issues; we will deal with X, Y and Z. You pick up, and then we will meet and talk about them.” It is about trying to build a responsive service around that family to meet their needs. There is a very good working relationship with the regionals in those areas.

MS PORTER: So you would be anticipating that, if the west Belconnen model goes ahead, that will be the way you will continue to work in that outreach way?

Ms Pappas: Certainly, and in west Belconnen there is a Belconnen community service in UnitingCare Kippax.

MS PORTER: Yes.

Ms Pappas: We are about to go through a consultation process around that. We have done some consultation work with children and their families who are likely users of the west Belconnen centre. The kids have talked to us about colour, design and what they want to see in the centre. Parents have told us about things like what works for them around health services and getting programs through doors and tried to get us to think a bit broadly around the design of the centre. We are about to go back and do a much more detailed consultation with the existing services around what are the gaps, what are the needs and how do we work in partnership to meet those needs.

MS PORTER: Thank you very much.

MS LE COUTEUR: Ms Hunter has got a supplementary on this.

MS HUNTER: Have we identified a site for the new child and family centre in west Belconnen?

Mr Barr: Yes, we have.

MS HUNTER: Are you allowed to tell us that what site is?

Mr Barr: Yes. It is not far from the UnitingCare Kippax site. We can get the block and section number of that.

Mr Hehir: I do not have a block and section number in my head, but it is across the road.

MS LE COUTEUR: “Across the road” is even better than a block and section number.

Mr Hehir: I do not know whether you know that strip of shops opposite the main Kippax shopping centre?

MS HUNTER: Yes.

Mr Hehir: There is a blank block, an empty block, behind that row of shops.

MS HUNTER: Yes.

Mr Hehir: That is it.

MS HUNTER: Thank you.

MS LE COUTEUR: I have a new line of questioning. In budget paper 3, at page 81, you have got play therapy services for young children. This is going to be looking at kids with autism spectrum disorders and others. How is this going to work and how does it link with the commonwealth funding of \$190 million which I believe is available until June 2012 for the helping children with autism initiative? Is part of that part of your funding?

Mr Hehir: The Australian government funding is not part of this, but this is a question we answered with Minister Gallagher. This is her part of the portfolio.

MS LE COUTEUR: Fair enough.

Mr Barr: Not part of my portfolio.

Mr Hehir: Therapy ACT is part of the community services portfolio.

MS LE COUTEUR: Okay ; wrong minister.

Mr Barr: Right department; wrong minister.

MS LE COUTEUR: In that case, I will go for another question. Foster carers—I am advised that there are not enough people in the ACT who want to take on foster caring. Can you tell us more about this situation? In particular, what age groups are missing out and what are you doing to try and arrest the situation?

Ms Mitchell: There is some anecdotal information out there that there may not be enough foster carers. However, we have over recent years increased our foster care pool, as we have increased our kin care pool, as well, significantly. So, while there are periods where it is hard to find placements, there are periods where it is more easy to find placements. Certainly it is an ongoing challenge for all jurisdictions. In terms of what we are doing to ensure we do have a good quality pool of foster carers, we are intending to run a recruitment campaign later this year in concert with the out-of-home care agencies. One of the things we need to focus on is getting a broader range of carers, especially ones with high-level skills to do with the children who are coming into the system with very intense needs.

The foster carers traditionally in the system, the generalist foster carers, find it very difficult to deal with some of the issues that the kids these days are presenting with, and so one of our challenges is to increase the pool of specialist carers.

MS LE COUTEUR: What would be these issues which the kids are now presenting with that you are having problems with?

Ms Mitchell: They come from families, generally, that have multiple issues associated with the abuse that has occurred to the children. In particular, it is usually a

constellation of factors, including domestic violence, mental health issues, drug and alcohol issues. Many of the children are born drug dependent as a result or the children have suffered a great deal of trauma to do with experiencing domestic violence, experiencing physical or sexual abuse. That means that they are poorly attached to their carers. They have often developmental delays and that affects their schooling, language acquisition and capacity to learn and thrive. They often have many health issues associated with their experiences.

Given all those things and the traumas that they have experienced, they can become quite problematic as they grow up, in terms of behaviour. They may be excluded from school. So it is all those sorts of things that lead to very complex issues in these children and young people.

MS LE COUTEUR: I understand that ACT foster carers receive a subsidy which is estimated to be only about 43 to 60 per cent of the cost of actually raising a kid. Given this is a budget discussion, are there any plans by the government to increase that? I understand that New South Wales foster carers get more money. This must be one of the issues for foster carers?

Ms Mitchell: We are currently in the process of negotiating new contracts with the out-of-home care agencies that are the main interface with foster carers. As part of that, we will be increasing the subsidy for foster carers in line with the New South Wales figures.

MS LE COUTEUR: So in line with and compatible with, okay.

THE CHAIR: Thank you. Mrs Dunne and then Ms Hunter.

MRS DUNNE: Minister, in answer to question on notice No 181, you told the Assembly that the Office for Children, Youth and Family Support recruited in two tranches 68 people from overseas in 2004 and 2008, at a cost of \$419,000 for the 2004 venture and \$716,760 for the 2008 venture, a total of \$1.135 million. It is a lot of money, minister, and that does not include the money that I gather may have come from the live in Canberra campaign as part of that. Minister, if you were going to expend that much money recruiting or developing a workforce in Australia, and that there were programs of internships and taking on people and paying their last year of HECS, what has happened to those programs?

Mr Duggan: I helped present numerous occasions around some of the, I feel, innovative programs we tried to put together to track down local students and people attending tertiary institutions to actually take up opportunities in the office. Some of those were a pathway that we created between CIT and the Catholic University where, after two years of attendance on the advanced diploma in community services, you got a direct transfer into the Catholic University in year three in a social work degree course. We also lobbied on behalf of the university and ourselves to get additional HECS-funded places in the ACT.

We also worked very hard to get those extra places, so we got an extra 10 HECS-funded places, and we also then put in the vocational educational support program. What that was to do was to pay the last years of HECS-funded placements.

Unfortunately, we still cannot attract the numbers that we wish to attract into the profession. ACU have actually had to utilise those 10 funded places at other university campuses because people are not attracted to going into the profession of social work. That is our primary area of drawing candidates and applicants into the local industry.

We had a number of students on the vocational program and, even with the attractiveness of having their HECS funded last year, they were able to successfully gain employment with the commonwealth and other jobs that we could not compete with, and therefore opted for those options.

MRS DUNNE: So did you pay out the HECS of anyone—

Mr Duggan: No, we have not actually paid the HECS. We had paid out taking them on board and running them through a 10-week induction and training program and familiarisation within the agency. A number of staff had worked in the capacity of the agencies in their introductory to us. They were paid at a lower level; they were not paid as professional social work staff. But, again, we could not attract them because their offers of employment are significantly better. The offers to social work students in this jurisdiction are high, but when you think of the industries we are competing with—health, corrective services et cetera—they do attract people all the time. It is a different type of work.

Current protection work is very hard work for social workers. It is a very hard business to be in. It is not for the want of competing; we are in there vigorously. We attend quite a lot of vocational education days. I was at the university a couple of weeks ago talking to primary school teachers and sort of hinting that our industry had options potentially for folks like that. I attended the university last year when I heard that there were a number of teachers that had not taken up teaching opportunities, but we were unsuccessful in the recruitment.

MRS DUNNE: So all of the people that there was some notoriety about, that were put on and put off, who were locally trained people—none of those people were qualified to fill the jobs that you recruited for overseas?

Mr Duggan: None of them was obviously qualified to fill the jobs. If I could just talk you through that process: in February of last year, we went out again with another national recruitment campaign. The previous year we had put out four national, one international and four local recruitment campaigns. I think we were successful in getting nine staff externally. In February of this year we went out nationally and locally and we got six external staff. At that stage, we were still tracking 25 staff vacancies. We went out to the international recruitment campaign, so we advertised in Britain and Ireland, and we got, as you know, a significant uptake. We had 650 inquiries on the internet, 150 applications and we had those arranged—

Mr Hehir: Which month?

Mr Duggan: April we went out. Then in May we went out locally and nationally again to fill the positions. Out of that we filled three external applicants. The cohort that we are working for is temporary. Some opted to apply; some opted not. Some had

got jobs internationally, which was ironic, but one had definitely got a job internationally. They actually came to us from an international agency and went back. We offered opportunities. We put people through interview processes and effectively we ended up with three. So then we were still faced with a growing vacancy rate. I think in May of that year we did a census and we had 36 vacancies in the care and protection group. So, having exhausted again, twice, the local and national market, we then started to offer positions while we were in Britain.

THE CHAIR: The \$1.1 million-odd that Mrs Dunne referred to in her question, is there a breakdown of that?

Mr Duggan: Yes, and I think we will provide the breakdown. The key issue about the breakdown is that the relocation allowance is \$12,000 per applicant, but that is the same relocation allowance as for someone from Yass or Goulburn or Western Australia. If you look at the breakdown of the figures, the actual recruitment campaign itself, it averages out at about \$1,800 per applicant in 2004 and possibly estimated around \$2,800 in the second, in 2008. If you then compare that against the 2007 application process, it was costing us \$3,000 per applicant with our advertising. So the bulk of the money is really about relocating people to the ACT.

MRS DUNNE: So the breakdown of \$25,000 is fares—you paid people to come here?

Mr Duggan: No. That is the actual recruitment. That is me and others travelling to the UK, advertising in the UK, living in—

MRS DUNNE: \$27,000 for advertising?

Mr Duggan: Yes.

MRS DUNNE: And nearly \$47,000 for accommodation.

Mr Duggan: Accommodation, yes, so if—

MRS DUNNE: That was in 2008, and on top of that there were the fares—

Mr Duggan: A separate issue is the relocation of each individual recruit, their family, their partner.

MRS DUNNE: That \$12,000 includes their fares?

Mr Duggan: Yes.

MRS DUNNE: So irrespective of whether you are moving from Yass or—

Mr Duggan: Yes. You can claim up to a ceiling of \$12,000, so that includes furniture, travel, fees—

MRS DUNNE: But dependants on top of that, so it is \$12,000 for an individual—

Mr Barr: \$12,000 and then \$2,000 for dependants.

Mr Duggan: Per individual up to four children, and then it drops to \$1,750. I am not sure why but that is the ceiling.

MRS DUNNE: So the answer then in 181 is not complete because it does not say how much was actually spent on relocation, so could you provide the committee with the relocation—

Mr Duggan: I think it does actually say what was provided for relocation.

MRS DUNNE: Yes, sorry, it does. So it is \$101,000 to relocate—

Mr Duggan: No, it is \$101,000 for the recruitment campaign. That is the staff travelling over, that is advertising over there and that—

MRS DUNNE: So there was \$600,000 in 2008 to relocate people?

Mr Duggan: Yes, so it is about \$19,000 per applicant. Why it is that is because this cohort had significantly more partners. There were fewer single people and quite a lot of family members. All 34 of them are here, plus their family and partners, and we are expecting another two in the next two weeks.

MRS DUNNE: Of the people who arrived in 2004, how many have you still got?

Mr Duggan: I still have 15 and that is after five years. In the turnaround that we described earlier, if you measure that cohort I think that is a very significant, stable number of people—

MRS DUNNE: That is 50 per cent in—

Mr Duggan: Just under.

MRS DUNNE: And of the people who arrived in 2008—

MS HUNTER: Are they still all working here in those front-line care and protection jobs—

Mr Duggan: Not necessarily—

MS HUNTER: Or have they moved around to other jobs in the department?

Mr Duggan: I think two are in other jobs in the department, 13 are in the care and protection group. They are not all frontline staff. Some have had a promotion, but they are working within the areas. You have met a few. They do different jobs in the areas.

MRS DUNNE: They were recruited in care and protection, so how many people are actually working in care and protection?

Mr Duggan: Thirteen.

MRS DUNNE: Thirteen. And of the 36 in 2008, how many do you still have with you?

Mr Duggan: There are 34 here; there are 34 still with me.

MRS DUNNE: What happened to the other two?

Mr Duggan: Two are coming.

MRS DUNNE: They are still coming?

Mr Duggan: Yes, one on 11 June and one on 18 June. They will commence work with us. They were the last and they had personal circumstances. It was not a fees issue; it was just personal circumstances. One had a graduation issue with one of their children finishing university and the other had another issue. We have had contact today.

MRS DUNNE: The people who were put off earlier this year, whose contracts finished, have any of those been re-employed?

Mr Duggan: None of them secured jobs with the agency. Some got temporary positions; two went into the NGO sector. We obviously supported the referees. One went into Defence and one went back internationally. They came here internationally, did three months and then alerted us to the fact that they were leaving; they went back internationally. I need to say I am not sure of the status of one of them at the moment. That is because it is a small jurisdiction. I am not sure of one person's status, but I know they were still finishing their degree as well.

MRS DUNNE: The people who were finishing their degree—you have not retained anyone through that vocational support program?

Mr Duggan: I think we retained two or three, but not the numbers we were expecting, which was 10 or 12 per year.

THE CHAIR: Ms Hunter and then Mr Coe.

MS HUNTER: I return to the earlier discussion around children with complex needs. Has there been any movement on a therapeutic facility in the ACT? There has been talk about the refurbishment of Marlow. Can I have an update on where that is at? Obviously it is something that has been missing in our system.

Mr Hehir: If I might just lead that off and then pass it to Mr Duggan. We are looking at a facility which we have talked about previously, the front cottage at Marlow, where we are doing the adaptations. We are also focusing on a service. We want to make sure we keep the facility small.

MS HUNTER: I was lucky enough to get a briefing on this, and I thank you very much for that. If we could just focus on the facility itself rather than the service, that would be great.

Mr Duggan: The facility should be nearing completion in the next couple of weeks. Then we will need to work on setting up standards for the operation of that facility. Given the significance of a therapeutic prosecution order—as you know, it is the highest level of order we can seek—we want to make sure we get the standards correctly administered. We are talking about a therapeutic protection model. I know that is a concept that people get very confused about, because this is only an interim arrangement for a child for a period. It is a reviewable order, as you know. That review starts four weeks after admission—then at eight weeks—and it cannot last longer than a six-month period. It is very important we keep stating that because I think people think it is a facility that will just hold kids constantly.

MS HUNTER: It is about a therapeutic environment for a time.

Mr Duggan: I am probably talking broader.

MS HUNTER: Yes.

Mr Duggan: That is what we are intending to do. We are trying to time it with the introduction of therapeutic foster care into the jurisdiction, because the parallels between high therapeutic foster care and that working and that theoretical basis works. That will then allow us to have the expertise brought into the jurisdiction. We are very much progressing that to run parallel with the residential part of the plan so that we have that interface, because those children will have to come out of that facility. Effectively, you do not need one facility; you need two. A therapeutic protection order can operate anywhere, but there has been a request to have a more secure—

MS HUNTER: It is just that this has been a gap in the system for many years under two different revised acts. I think there has been some concern that it was never going to open.

Mr Duggan: The actual physical structure is nearing completion. As to the actual structure of the program, we are well on in developing that at the moment.

MRS DUNNE: If I could follow up, Mr Chairman, in relation to therapeutic foster care—

THE CHAIR: Yes.

MRS DUNNE: You are proposing to run a pilot. Has that pilot started, or is that what you are talking about?

Mr Duggan: This pilot, again, should be starting very shortly. We have got the program development and all the necessary information with procurement at the moment. We should be able to get that out shortly. The provider should be on board in the next four to six weeks, we hope.

MS HUNTER: Just on the facility—when will that be available for use?

Mr Duggan: Physically it will be available in the next eight weeks, but I need to say

to you that we then have to make it operational.

MS HUNTER: When will it be able to accommodate children or provide a service to children? Is there a time line that has been set down for that?

Mr Hehir: I think we will have to take that on notice. We will get back to you with the time line for that.

MS HUNTER: Thank you.

MRS DUNNE: In relation to the therapeutic foster care, what is the size of the client group that you are envisaging in the pilot?

Mr Duggan: The pilot will be for 12 children. We have run a joint project with an agency that has expertise in this area. We will seek six placements locally through one of the NGOs, and we will work with six placements internally. We thought it would be a very good joint program between the government and non-government agencies. It will facilitate for 12 children. The program itself will be fairly extensively supported by the agency that we engage and will allow for service support 24 hours a day. We will case manage on very low numbers. A case manager will have six children. We will have placement support opportunities so people are supported within the placement. It will have the highest level of wraparound. We will have a lot of case conferencing and we will really try to get the right expertise for these children. The agency we are looking at has had significant success with this and has proved to be able to stabilise children very successfully.

MRS DUNNE: Keeping in mind the points that Ms Mitchell made before about attachment, what happens to the children at the end of the pilot?

Mr Duggan: The children will stay in the current placements. This agency has been dealing with children who have had up to 12 placement breakdowns. It has been able to stabilise them and those children have remained there post the pilot. We hope that the pilot is successful and we will continue with it long term.

Mr Hehir: Certainly the intent is that, if it is a success, we will be able to continue it. It is not contingent on another bid for that part of it.

MRS DUNNE: So there will be ongoing funding for that level of support—or do you envisage that for the dozen children that are in the pilot the level of need or the level of funding will diminish over time?

Mr Hehir: There is an element where you will see some improvement and some people staying within their placement but requiring less intensive support. That is certainly one aspect of the model that we believe has worked very well elsewhere. It will allow for a level of new entrants. The total number will be very difficult to tell. We will just have to see how the individuals respond over time.

MS HUNTER: I am just wondering if this has a link—or it may not have any link—to budget paper 3, page 81. When we go to the initiatives, we see a growth in out-of-home care costs. It starts at \$4 million and goes to \$3 million, \$2 million and

\$2 million. I am wondering why the figures are going backwards over time and what is the reasoning for that.

Mr Barr: It is planning for success around early intervention. We recognise a base amount of additional funding, being the \$2 million going forward, but frontloading some funding now to support early intervention programs with a view to their being successful. Our policy objective here is to intervene early to achieve success and so reduce the number of high-cost clients by early intervention.

MS HUNTER: So that is around recruitment and setting things up. Is that why you are loading it at the front end, or is it because—

Mr Barr: There is a range of factors.

Ms Mitchell: The therapeutic program is part of that. We need to establish that therapeutic service. It will work with kids in the system now that have very high needs and, hopefully, will gradually de-escalate—that is what they have been able to do in other jurisdictions—and wrap the early intervention around those new kids with complex needs coming into the system. At the moment for a lot of these kids they are very costly placements. Once we have established the service and trained the carers and put all of the supports in place, we think we will be able to reduce the costs of those.

MS PORTER: So these are going to all of the foster carers, kinship carers and grandparents across the whole spectrum?

Ms Mitchell: It is primarily about meeting the increased demand of kids in out-of-home care, which has basically doubled since 2002. It is about meeting the needs of the carers, the subsidies—

MS HUNTER: And also taking into account this new program—

Ms Mitchell: The new programmatic approach.

MS HUNTER: Is there an open mind, minister, that if there is a need to increase these figures then obviously we would always be looking to match the need—

Mr Barr: You make an annual assessment. This is an area that is highly demand driven, so you do need to make an annual assessment. It is difficult for anyone to predict now the level of kids in care in four years time.

MS HUNTER: It has been a worrying trend for a while.

Mr Barr: The point I would make is that in this initiative we are drilling into the base an ongoing amount but also planning now for some significant investment in early intervention in an attempt to address some of the most challenging cases. As I said, we are planning to succeed. We do want this to work. That is why we have frontloaded the investment.

MRS DUNNE: Minister, could you take on notice and get back to the committee with

a breakdown of what the \$4 million will be spent on?

Mr Barr: Sure.

MRS DUNNE: That would be useful.

THE CHAIR: We will move to some other questions. Mr Coe and then Ms Burch.

MR COE: Thank you, Mr Chairman. Minister, I have a question about Bimberi. It has now been in operation for about six months, so the systems and processes should be fairly well worked out by now. I was just wondering whether you have had any significant problems or breaches with those systems so far.

Mr Barr: Problems or breaches? No, not that have been brought to my attention.

Mr Reid: In terms of breaches, could you clarify that?

MR COE: Breaches in systems or processes, security breaches—significant breaches.

Mr Reid: Yes. There is daily testing of the security in the IT systems. There has been one incident where two young people gained access to a roof of an internal building. That was responded to in a very sensitive way by staff and was resolved within an hour—safely for the young people involved. A subsequent review certainly indicated that all the technology and alarms associated with that functioned within their normal parameters. There are some recommendations about some slight modifications to the physical structure around climbing points and also some further staff support and training.

MR COE: When was that event?

MRS DUNNE: Did you know about that breach, minister?

Mr Barr: I was advised of that, but I do not consider that a breach.

MRS DUNNE: Okay, right, I was just—

Mr Barr: I was advised of the incident, but I do not consider it a breach.

MR COE: When was that event?

Mr Reid: It was March, I believe.

MR COE: Okay. So you, in effect, had a couple of detainees in an area that they should not be, on the roof?

Mr Reid: Yes.

MR COE: Were they detained after leaving the designated area? Were they detained within the confines of Bimberi or were they outside—

Mr Reid: No. It was all internal.

MR COE: All internal?

Mr Reid: Yes.

MR COE: What building did they get on top of?

Mr Reid: They climbed up on the admissions building.

MR COE: That admissions building, that is adjacent to the wall? Is that correct?

Mr Reid: No. It is an internal building.

MR COE: It is completely internal?

Mr Reid: Yes.

MR COE: Okay. The design issues that you just identified, if you are to apply those same principles right across the facility, are there other climbing points, as you put it, which may need to be addressed?

Mr Reid: Are there climbing points?

MR COE: Yes. Obviously, there are specific climbing points that they used, but are there other climbing points that you think need to be addressed, given this latest vulnerability?

Mr Reid: No, not at the moment, no.

MR COE: No.

Mr Reid: My understanding in terms of the original design was that the level of the roofs was a risk factor in terms of some kids occasionally gaining access to those. But I think the design of most of the facility has nullified that.

MR COE: So if it was a risk factor beforehand and it was identified as a risk factor, how was it mitigated?

Mr Reid: In the design.

MR COE: Yes.

Mr Reid: There is design around how kids cannot get to climbing points with their hands and with their feet, and that is what the modification is as well on this particular admissions building.

MR COE: Yes, but did you say, though, that it was identified before this happened as a potential area for someone to climb up?

Mr Hehir: I think that what Mr Reid is saying is that when you look at the risk factors associated with detention facilities all round, access to the roof is one of the things that you absolutely look at. It is one of the key things that detainees like to do. They do like to get on the roof—

MS HUNTER: It is regularly done at Quamby, I believe.

MRS DUNNE: Did they get ice blocks at the end?

Mr Hehir: As part of the design process, you try and mitigate that as much as you possibly can. Sometimes, unfortunately, it is virtually impossible to completely rule out access to the roof. I have certainly seen some interesting attempts to retrofit systems to stop detainees accessing roof spaces. I think this must have been something that was not picked up.

The architects who worked on the building are very experienced in this area, but even they say that probably the only way you can really test a youth detention facility is when the young people are in there because, quiet frankly, they are as innovative as anybody else about finding the weaknesses. They found one. It was both, I think, from my perspective, a physical design issue and also an operational issue in terms of the experience of the youth worker managing these young people.

Unfortunately, it is impossible to design out risk completely in these types of facilities. You have to manage a large part of it through your operational and your procedures. In this case, I think the combination did not work perfectly to start with. What I personally was pleased about was the fact that it took them a very short time to come down. I am not sure whether you are aware, Mr Coe, but when young people get on roofs or detainees get on roofs, they can go for a very long time. This was managed down within an hour, and that shows a really excellent response from the team and how they managed it. I suspect pizza may have been involved. That is the usual process. It was very well managed in the end. The unfortunate thing is you cannot completely design risk out.

MR SMYTH: But to be clear, before the event you were not specifically aware of that possibility?

Mr Hehir: In that particular site?

MR SMYTH: Yes.

Mr Hehir: I certainly was not. I would need to check—

MR SMYTH: You were not? Was anybody in the department?

Mr Hehir: I can check on that and get back to you.

MR COE: At what point in the process did security become aware that there were a couple of detainees in an area that they should not be?

Mr Reid: That there were—about a minute and a half.

THE CHAIR: Do you have more?

MR COE: No, that is fine.

Mr Reid: Sorry. Could I just add that that has been the only incident in the six or seven months to date. I also think that probably testifies for itself in terms of the way the young people are managed.

THE CHAIR: Thank you, Mr Reid. Ms Hunter has some questions and then Ms Burch.

MS HUNTER: I just wanted to go to page 243 of budget paper No 4. It is the accountability indicators under youth services. Going to b and c we have two indicators there—b is going to be discontinued and c is a new indicator, but the numbers are quite different. Obviously, at the moment we have 615. I am assuming that is changing to a new c in 2009-10 to 280. I am just trying to get an understanding of what this indicator is about and why it has changed.

Mr Reid: Yes. It is around counting rules. The 615 count was around contacts, the number of contacts that we would have with a young person, but also the number of orders. So there was actually quite a lot of double counting in that figure. The 280 actually removes all double counting.

MRS DUNNE: So they are just the people?

Mr Reid: Yes.

MRS DUNNE: They are just the individuals.

Mr Reid: That is the number of individuals.

MS LE COUTEUR: Rather than the number of contacts in a year?

Mr Reid: It is an annualised number of actual young people that we have involvement with, which is probably a better figure to report on.

MS HUNTER: So it is to improve that accountability and that reporting?

Mr Reid: Yes.

MS HUNTER: Thank you.

MS BURCH: I refer to budget paper No 3, page 83. There is some funding over four years for the Youth Advisory Council. Can you just outline the council, its purpose, where you will recruit the members from, and particularly the consultative process with online surveys?

Mr Barr: Yes. The Youth Advisory Council is the peak advisory council for me as minister. They are a broadly representative group of young people aged 12 to 25.

There are around 15 in the group. We all get older, so a number of our Youth Advisory Council members' terms have expired. They have grown old on us, and so we are going out—

MS BURCH: They got to 26?

Mr Barr: Indeed, yes, older—although I am not that far from being 26 myself, only a decade ago.

MR COE: I am going to be applying, Andrew.

Mr Barr: I will move right along. We are now going out and seeking expressions of interest for new members of the Youth Advisory Council. I think applications close at the end of this month and we are hoping, again, for a diverse range of young people to put themselves forward for what is an important community leadership and community service role.

The advisory council takes a leading role in a number of areas, particularly around advocacy for youth issues to government, delivery of a major conference each year and activities around Youth Week and provides a good sounding board for the minister of the day to have some quite significant policy discussions on matters that affect young people in Canberra.

MS BURCH: What is their tenure? How long are they a member? How long are they on for?

Mr Barr: That is a good question. The length can vary.

MS BURCH: Yes.

Mr Barr: It depends on how old someone is when they first sought to apply for membership.

MRS DUNNE: It is not an appointment for life?

Mr Barr: Not an appointment for life.

MRS DUNNE: Well, until you turn 25.

Mr Barr: Yes, that is right. It is a bit like *Logan's Run*.

MS BURCH: The consultative process is around community forums and online surveys, which is really going into social web pages and things like that?

Mr Barr: Yes, everything is heading to Facebook. No, it is not just Facebook. Certainly, we are seeking through this initiative, through the advisory council, to broaden our consultative mechanism for young people. I think it would be fair to say that the majority are not reading the *Canberra Times* or the *Chronicle* or watching WIN news or the ABC. They consume their media in different ways. We are seeking to broaden our consultation mechanisms to get into areas where clearly young people

are more likely to be able to engage with us. Those social networking sites are important, an active web presence is important, and we are seeking to develop that.

This allocation provides the advisory council with a budget, a carved-out budget every year so that they can undertake a range of different activities according to their priorities, working with government, of course, around a number of initiatives, for example, the development of the new youth plan.

MS BURCH: I was asking about the link in to that. Is there a discussion paper or something out on that?

Mr Barr: Yes. We have released a discussion paper. I have a copy here available for the committee. It is available online as well. The discussion paper is just the starting point in the development of a new youth plan. I went back to my old high school this morning and met with the SRC to begin that discussion. We intend to involve school SRCs very heavily in this process. I will be visiting a large number of schools in my capacity as education minister as well and seeking SRCs to take a leadership role within their individual school communities.

That is just one element of the consultation. I am very keen for this to involve a number of other players: the Youth Advisory Council, the Children and Young People's Commissioner, the Youth Coalition, but also direct, face-to-face interaction or online interaction and interaction, through Facebook, with as many young people as possible. This is not a consultation for two or three stakeholder groups. This is a consultation for all young people in the territory.

It is my very strong desire that I, as minister, take on a leadership role in terms of going out to as many schools as possible. That is where the vast majority of our young people are. They are our biggest youth centres. They are the areas where most young people are engaged in their day-to-day lives, certainly in that age group under 18. There is then a separate, and perhaps discrete, set of engagements in terms of younger people beyond 18, post-school, again with educational institutions, so we would seek involvement—

MS BURCH: Through CIT?

Mr Barr: through CIT and through the university student association, but, again, more broadly than just those representative bodies. We want to get out to all young people. That is going to be a big task, but an exciting project over the rest of this year, with an ultimate goal to have a new plan in place by the end of 2009.

MS BURCH: I was asking: the end of this year?

Mr Barr: Yes.

MS BURCH: The new plan in place?

Mr Barr: There is always a balance there in that we want extensive consultation, but we also want to deliver a new plan within that time frame. We are asking for written comments on this discussion paper launched today by 23 July. That is a couple of

months. For some organisations and some individuals, that is a big ask, we recognise that, but this is just the starting point. It is not the only opportunity for engagement. There will be a range of other ways that young people can be involved through representative organisations and as individuals.

MS BURCH: Ms Hunter went to the indicators on page 243 of budget paper No 4. Can I just flick-theme a tad to indicators d and e. Indicator e seems to be a new program or a new indicator?

Mr Barr: Yes.

MS BURCH: We did not have an indicator for that program before?

Ms Mitchell: Could I answer that? Prior to this, the figures presented collated a number of programs together. We have separated them out so you can see how many people are in each individual program.

MS BURCH: Okay.

Ms Mitchell: So it is not a new program.

MS BURCH: But you have just—

Ms Mitchell: It is a very specific program. For instance, the turn around program works intensively across a number of government agencies, working with a young person to turn their lives around. They have usually been involved with youth justice in some way and, to get them back on track and then intensively over a year also, that is a very specific program, and it works very effectively.

MS BURCH: And it is growing, by the look of this?

Ms Mitchell: It is growing, yes.

MS BURCH: On “e”, the figure is 116. That is, again, a growth program or is it a stable program?

Ms Mitchell: Yes, it is a program that has been in place for some time. They provide alternative education and living skills to marginalised youth.

THE CHAIR: Ms Le Couteur has some questions and then Mrs Dunn.

MS LE COUTEUR: Thank you. More indicators: on page 239, indicator “f”, which is client satisfaction, is stable at 85 per cent. Why are we not getting better? Why are we not at least aiming to get better?

Ms Mitchell: I can probably answer that. That is the target. We actually have exceeded that every single year.

MS LE COUTEUR: In that case, make the target higher.

MRS DUNNE: Sorry, the estimated outcome says it is 85 per cent.

MS LE COUTEUR: Yes, you have got 85—

MRS DUNNE: You have got the target as 85 and the estimated outcome as 85. What was the actual outcome?

Ms Mitchell: Is this for—

MRS DUNNE: Client satisfaction.

MS LE COUTEUR: Client satisfaction with services.

Ms Mitchell: It was 93.

MS LE COUTEUR: Take it on notice if this is—

Ms Mitchell: No, I think it can be answered.

Ms Pappas: Yes. I think it was 94. We report on it twice. We report on it in the second quarter and then the fourth quarter. I guess, for us, it is about keeping a standard; so we do not want to drop below 85 but we have achieved above 85. We are doing some work on getting some better feedback from families.

What we are getting at the moment from families is: are they satisfied with the service, yes or no. We are asking that question but we are also wanting to ask what worked for them, what did not work for them, how could we improve service, what could we have done differently, did we meet the needs of your children, did we meet your needs. We are going to trial a more in-depth survey for the next 12 months to see whether we can extract some more quality data that will inform the programs that we run.

MS BURCH: How do you do the survey?

Ms Pappas: We survey parents who attend programs. At the end of each program everyone gets to fill in the feedback form and then we use that to revise the program in order to make it meet their needs. In terms of families who have cases, where we open cases on families, just before closing, the team leader rings the family and asks for their permission to participate in a survey. If they say yes, then we go through a series of questions with them over the phone. They are invited to come in if they like or the team leader could go out to the family home if that was their preference.

MS LE COUTEUR: The indicator below, I suppose from an estimates point of view, is good but why are we actually fractionally managing to reduce the cost per thousand?

Mr Hehir: Normally that will just respond to a growth in the overall population; so it will not be about the fact that there is a projected reduction. It will normally be about a projected population increase; so the domino changes and the budget remains relatively stable. That would be my guess but we can get back to you on the detail of that if that would be useful.

Ms Mitchell: That is my understanding too.

MR SMYTH: But as the population increases, then the unit cost increases, but that assumes—

THE CHAIR: There have been a few other matters and we are running out of time; so I will leave the questioning with Ms Le Couteur and then Mrs Dunne.

MR SMYTH: That assumes that there is no increase in services.

Mr Barr: The population increase is greater than—

MS LE COUTEUR: Just one last indicator, why are we now putting adoptions in? I am told that the number of adoptions you have got in here—

MRS DUNNE: What page is it?

MS LE COUTEUR: Sorry, next page, 240, indicator “e”. We have got a new one, 22 for adoptions. Why is it now an indicator, and why that number? I am informed that this is larger than the outcome last year.

Ms Mitchell: Could I answer that in a preliminary sense. I might ask Mr Wyles to add some information. Again, one of the best outcomes for children at risk is to have stable, long-term placements. Adoption is one option; it is not appropriate for everybody but it is one of those options. So we think it is an important indicator of achieving stability in stable families for people. It had not appeared before and, again, we have been reviewing a number of these items to make sure we have got some better and more meaningful data for people to review.

MR SMYTH: But if the indicator is to show that children have progressed from less suitable arrangements to more suitable arrangements, surely you need to factor out the inter-country—

Ms Mitchell: There are very few inter-country adoptions within that figure.

MR SMYTH: Yes, but I do not know that, and anybody reading that cannot know that.

Mr Hehir: I think you will find a number of indicators and a number of changed indicators in our accountability indicators. We have, over a couple of years, been looking to improve them and trying to make them more relevant to the work we do. While it is a relatively small number, I think that the people who participate and are serviced by that program are quite interested in it and think it is important. It is a reasonable part of the workload of that particular area; so we think it is relevant to report on. Certainly we would anticipate, over time, it will grow, for the reasons that Ms Mitchell has just referred to.

We are working quite hard with some of the parents, some of the potential adoptive parents, to say, “Have a look at some of the young people or the children we are

working with. We know that they are going to be tough but it is a very worthwhile exercise to undertake.” So, over time, we would certainly anticipate that growing through that.

As most people would be aware anecdotally, the number of inter-country adoptions is actually quite low and has been falling. So certainly, over time, we expect that indicator to grow. But in terms of this and a number of other ones, we are actually trying to get a little bit more clarity about the work that we do and are trying to provide the Assembly and members of the community some information on that work.

THE CHAIR: Thank you for that.

MS BURCH: On the indicators, you have got, on page 239, indicator “c” as a new indicator. It was reported previously under 2.2. The numbers are different as well. Is that a similar scenario to what happened? It is how you count it; so that there is more clarification on the counting?

Mr Hehir: That is very much the case. It is also about identifying a slightly different program with probably different client-driven and probably different outcomes. So it is actually important to disaggregate that piece of information.

Ms Mitchell: That particular program is where we go into people’s homes and support the parenting in the home. So it is particularly important to report on that. It is only a yearly figure that we provide but, again, that was subsumed with some other data. It was not very clear which programs were serving what proportion of people.

THE CHAIR: Mrs Dunne and then Mr Coe.

MRS DUNNE: Thank you. Minister, the other day when you were here as the minister for education, I asked you about the CC cares program and you told me how many young women were in the CC cares program. I think the figure was 108. No-one at the time could tell me how many children of those girls were in the program. I said that I would ask you about services that are provided to the children of the young girls in the program. What early intervention programs are provided in the CC cares program for the children of—

Mr Hehir: I think that would depend on the circumstances of the individuals. I do not have a full list of them. There may be some families or young children that we are working with, with the parenting skills. There may be some people whom we contact through our child and family centres. There may be some of those young women and/or their children being worked with by the community organisations, the non-government organisations. But I would not be able to give you any hard facts and I do not have a list of that.

MRS DUNNE: Is there any concerted early intervention programs for those offspring provided at CC cares?

Mr Hehir: I am not familiar with that program since it is not really within my portfolio in terms of their program.

MRS DUNNE: Have there been approaches?

Mr Hehir: My understanding—and it is a very broad understanding; sorry—is that there is a nurse or some specialist education staff with knowledge and understanding of early development. But that is a very broad understanding.

Mr Barr: We will take that on notice and get the information back to you. I do not have that.

MRS DUNNE: Also there are childcare facilities there. Who registers those?

Ms Mitchell: The department and my office license childcare services in the ACT.

MRS DUNNE: So you inspect and ensure that those childcare services—

Ms Mitchell: Indeed.

MRS DUNNE: Who provides the childcare while their mothers are at study?

Mr Hehir: Not us. Sorry, we would need to check. I need to be able to check on the services and see who the licensee is.

MRS DUNNE: Also, when you are checking, can you get back to the committee about whether there have been requests for early intervention programs from the program itself?

Mr Barr: From the program itself?

MRS DUNNE: Whether Canberra college or whatever has asked for early intervention programs?

Mr Barr: Yes, sure.

THE CHAIR: Mr Coe?

MR COE: Thank you. Minister, you said earlier that you will be consulting with CIT and university students as part of your broader consultation and that you could perhaps say that “youth” goes up to maybe 25 or thereabouts. With that in mind, what would you say to a university or CIT student that has just been slugged with a 49 per cent increase on their bus tickets, and what sort of impact will that have on their disposable income and their livelihood?

Mr Barr: What would I say?

MR COE: Yes.

Mr Barr: I would say that bus fares have not gone up for a period of time; that, unfortunately, the provision of public transport does come at a cost to users; that it is probably the most heavily subsidised public transport system in Australia.

THE CHAIR: But 49 per cent, that is a fair slug.

Mr Barr: And that commensurate with extended service provision is some cost recovery; that my understanding, in terms of ACTION, is that fares constitute less than 20 per cent of the organisation's total revenue stream; and that, if fares have not increased for a period of time, then it is not unreasonable for fares to increase. There is a concession rate that is less than a full adult fare. That is as it should be. The taxpayer subsidises all public transport travel in the ACT at a rate above pretty much any other city in Australia, as I understand it.

MR COE: I understand the concession and adult fares went up by about 11.3 per cent, whereas tertiary student fares are going up by 49 per cent. So your arguments may hold for adult and concession fares but, for tertiary student fares to go up by 49 per cent, it seems a bit over and above what you are saying.

Mr Barr: They are linked to the same, as I understand it, concession rate. There is one concession rate.

MR COE: Yes, but the fact is that a fare saver 10 was \$8.20 and now it is \$12.25.

Mr Barr: These are matters you can take up with the transport minister. They are not relevant to—

MR COE: But surely if you are genuine about consulting with young people and surely if you are genuinely taking the consideration of young people seriously, then this would be a key issue. Tell me—

Mr Barr: I would think that access to enhanced public transport would be the number one priority, that running additional services that are continuing to expand public transport accessibility would be an important policy goal. I think you would also need to look at any fee increase in the context of the history—

MR COE: Were you consulted—

Mr Barr: If there had not been fee increases for quite some time, as I understand it, going back to 2006, bus fares go up.

MR COE: Were you consulted about this?

THE CHAIR: It is 49 per cent. That is the point.

Mr Barr: I am a member of cabinet, so, yes, I was aware that fares were going up. I must confess that I did not look into the detail of each individual fare category—

MR COE: Have you taken this to the advisory council—bus fares, transport costs?

Mr Barr: No. Budget decisions in relation to ACTION bus fares are a matter for the transport minister and for the ACTION bus company to organise—

MR COE: Have transport costs come up at Youth Advisory Council meetings?

Mr Barr: Not since I have been minister, no. Accessibility to public transport, more buses, more often, running to more locations have come up, but fares, no.

THE CHAIR: It probably will now. We might leave it there. Thank you very much, minister; thank you, departmental officials. We will adjourn until 9.30 tomorrow morning when we will be back with the housing minister, I think, to start off.

The committee adjourned at 6.03 pm.