



LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON ESTIMATES 2010-2011

(Reference: [Appropriation Bill 2010-2011](#))

Members:

MS M HUNTER (The Chair)
MR Z SESELJA (The Deputy Chair)
MR J HARGREAVES
MS A BRESNAN
MR B SMYTH

TRANSCRIPT OF EVIDENCE

CANBERRA

MONDAY, 24 MAY 2010

Secretary to the committee:
Dr S Lilburn (Ph: 6205 0199)

By authority of the Legislative Assembly for the Australian Capital Territory

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

APPEARANCES

ACT Electoral Commission	902
Auditor-General's Office.....	1012
Department of Justice and Community Safety	902
Human Rights Commission	902
Legal Aid Commission.....	902
Legislative Assembly for the ACT	991
Office of Regulatory Services.....	902
Office of the Director of Public Prosecutions	902
Office of the Work Safety Commissioner	902
Public Advocate of the ACT.....	902
Public Trustee for the ACT.....	902

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Amended 21 January 2009

The committee met at 8.39 am.

Appearances:

Corbell, Mr Simon, Attorney-General, Minister for the Environment, Climate Change and Water, Minister for Energy and Minister for Police and Emergency Services

Department of Justice and Community Safety

Leigh, Ms Kathy, Chief Executive Officer
Goggs, Mr Stephen, Deputy Chief Executive Officer, Statutory Support
Field, Ms Julie, Acting Executive Director, Legislation and Policy Branch
Junakovic, Ms Lana, Acting Executive Director, Strategic Planning and Support
Hinchey, Mr John, Manager, Restorative Justice Unit
Crowhurst, Ms Moira, Chief Finance Officer, Strategic Finance
Garrisson, Mr Peter, Chief Solicitor, ACT Government Solicitor

Office of the Director of Public Prosecutions

White, Mr Jon, Director

Human Rights Commission

Watchirs, Dr Helen, Human Rights and Discrimination Commissioner
Durkin, Ms Mary, Disability and Community Services Commissioner and Health
Services Commissioner,
Roy, Mr Alasdair, Children and Young People Commissioner Commission

Public Advocate of the ACT

Byrne, Ms Sarah, Acting Public Advocate

ACT Electoral Commission

Green, Mr Phillip, Electoral Commissioner

Office of Regulatory Services

Phillips, Mr Brett, Executive Director

Office of the Work Safety Commissioner

McCabe, Mr Mark, Work Safety Commissioner

Legal Aid Commission

Crockett, Mr Andrew, Chief Executive Officer

Public Trustee for the ACT

Taylor, Mr Andrew, Public Trustee
Thompson, Ms Joanne, Finance Manager

THE CHAIR: Welcome to this public hearing of the Select Committee on Estimates. The Legislative Assembly has referred to the committee for examination the expenditure proposals in the 2010-11 appropriation bill and the revenue estimates in the 2010-11 budget. The committee is due to report to the Assembly on 22 June 2010 and has fixed a time frame of five working days for the return of answers to questions taken on notice.

The proceedings today will commence with an examination of the Department of Justice and Community Safety, output class 1, justice services, the Legal Aid Commission, and the Public Trustee for the ACT.

Can I remind witnesses of the protections and obligations afforded by parliamentary privilege and draw your attention to the yellow-coloured privilege statement before you on the table. Could you confirm for the record that you understand the privilege implications of the statement?

Mr Corbell: Yes, thank you, Madam Chair.

THE CHAIR: I also remind witnesses to keep their responses to questions concise and directly relevant to the subject matter of the question. We have a great deal of ground to cover during the hearing and I would like to maximise the opportunity for members in attendance to put their questions directly today rather than on notice.

Before we proceed to questions from the committee, minister, would you like to make a short opening statement of no more than five minutes?

Mr Corbell: Good morning, Madam Chair; good morning, members of the committee. Thank you for the opportunity to appear before you this morning. I apologise for being unavoidably delayed this morning. Thank you for your patience. I do not intend to make an opening statement, but I and my officers are happy to try and answer your questions.

THE CHAIR: Thank you. I want to ask a question about the extra money in the budget for prevention of violence against women. Some ongoing funding of \$162,000 is set aside for a program, as is named, and I want to drill down into this figure to understand exactly where that funding is going to. In particular, there was mention of the Women's Legal Centre. Is part of that going to the Indigenous liaison officer position? How are you splitting up these funds?

Mr Corbell: It is a total of \$162,000 indexed into the outyears, as you can see in the budget papers; \$690,000 over four years. The initiative will provide \$100,000 to the Canberra Women's Legal Centre. That will provide them with funding for one full-time equivalent staffing position to assist the centre with its Indigenous women's law project. So that is the funding there. There is another \$62,000 to supplement the delivery of victim support services by the community sector. Those are currently payments made to VOCAL.

MR SESELJA: I understand that currently the Women's Legal Centre has had funding for an Indigenous liaison officer. Is this a top-up of that funding? Is it over and above what they were already getting?

Mr Goggs: Yes. Effectively, this is a top-up on the payment that was made last year but it returns the Women's Legal Centre to the rate of payment that it was receiving the year before. Two years ago, the payment was made, half by the ACT and half by the commonwealth. Last year, the commonwealth payment ceased but the ACT continued to make its payment. This year, the full payment is being met by the ACT.

MR SESELJA: So it was \$50,000 each, effectively, before, and then the commonwealth pulled out their \$50,000 and we are now topping up what the commonwealth used to put in—

Mr Goggs: That is correct.

MR SESELJA: and paying \$100,000 in total. That is just for the Indigenous liaison position? Is that tied funding?

Mr Goggs: Not specifically tied to either that particular person or role. The funding is for a full-time equivalent position, so there is some flexibility for the centre to engage the services how it best suits their business model.

MRS DUNNE: Could I clarify something, Madam Chair. The \$100,000 for the women's legal service, is that \$100,000 in new money or \$50,000 in new money?

Mr Corbell: It depends how you characterise it.

MRS DUNNE: We were paying \$50,000—

Mr Corbell: What happened was last year that was a one-off, so the government found \$50,000 one-off last year. There was no ongoing funding. So this is now ongoing funding, both to continue our commitment previously of \$50,000 and to pick up the commonwealth's ceased funding of \$50,000. So whether you characterise that as new or existing—

MRS DUNNE: But the ACT had been contributing until—

Mr Corbell: What happened was—

MRS DUNNE: It had been contributing \$50,000. Last year you picked up \$100,000, and now you are continuing that.

Mr Corbell: No, that is not correct. What happened was that, two financial years ago, the centre was receiving funding of \$100,000: \$50,000 from the ACT—Mr Goggs will correct me if I am wrong—and \$50,000 from the commonwealth. Those were both grants provided by the ACT, through the Community Inclusion Board grants program, and also by the commonwealth Attorney-General's Department, through one of their programs.

Both of those grants were due to cease at the end of that financial year two years ago. The ACT continued. I asked my department to continue to find \$50,000 to stay the program on for 12 months. The commonwealth ceased theirs. So we went to \$50,000 one-off, and now this year we have basically said, "Well, we need to continue this in an ongoing fashion," so we have provided \$100,000 recurrent. That is the way it has worked through.

MR SESELJA: With respect to the Women's Legal Centre—I am sure that this would be very welcome, the Indigenous liaison money, but they obviously provide a

much broader service. When I have spoken to them before, they have expressed concerns about—and I am sure they have to you—the fact that it is the ACT Women’s Legal Centre but in terms of their core legal services they do not receive recurrent funding from the ACT government; they get it from the commonwealth. They get money for this Indigenous liaison officer, and that has been topped up, which, as I said, will be welcome. Is there a reason why the government does not see a need to contribute to the other services that are provided by the centre?

Mr Corbell: The government does provide a broad range of support to community legal centres generally. I do not have the exact funding profile for the Women’s Legal Centre in front of me. What I would say is that the government does provide a range of support to community legal centres but we have always recognised that it is a shared funding effort. It is a shared support effort. The commonwealth does provide one-off and grants programs to different community legal centres for different purposes. But, overall, certainly in the analysis we have done, when we have been in discussions with the commonwealth about funding for legal aid and legal services, community legal services generally, the ACT is certainly, in my view, pulling its weight in terms of the contribution it makes both to legal aid and to other community legal services.

MR SESELJA: Have they approached—

Mr Corbell: I can provide some detail on that, if you like. I just do not have that to hand.

MR SESELJA: That would be great. Has the Women’s Legal Centre approached you or your office directly, to talk about funding?

Mr Corbell: They certainly did before the budget, yes.

MR SESELJA: What did they say in those representations?

Mr Corbell: They put forward a detailed budget submission. The government is pleased to be able to fund part of that. I think their submission is a matter of public record.

THE CHAIR: Ms Bresnan.

MS BRESNAN: I want to clarify this: there is the \$162,000, and \$100,000 of that is going to the Indigenous liaison officer at the Women’s Legal Centre.

Mr Corbell: It is to the Indigenous women’s law project.

MS BRESNAN: So that full amount is going to—

Mr Corbell: \$100,000.

MS BRESNAN: And the other \$62,000?

Mr Corbell: \$62,000 has been provided to VOCAL, to expand VOCAL’s activities.

VOCAL currently delivers services under contract to victims of crime. That support program is support to victims of crime through what is called practical volunteer support. They provide what I would characterise as a shoulder to lean on when people attend court, assist with practical issues even in simple things such as getting a house in order following a break-in, and those sorts of things. So they provide that practical volunteer support. They have previously been funded to provide that on four days a week. This funding will allow them to provide that on a five-day-a-week basis.

MS BRESNAN: And that will be ongoing funding as well?

Mr Corbell: That is ongoing funding. VOCAL's contract is up for renewal. The funding is available ongoing for victim support, but VOCAL will need to go through a contract renewal process in the coming couple of months.

MS BRESNAN: With the ILO position, it will be based in the Women's Legal Centre?

Mr Corbell: That is correct.

MS BRESNAN: Were they involved in the process of being aware that they were going to get this funding through the budget? Were they informed?

Mr Corbell: They made a budget submission asking for it.

MS BRESNAN: It is my understanding that they had not officially been told that that funding was coming to them for the position prior to the budget being announced. I was just wondering if they have since been—

Mr Corbell: I do not know what the process has been. We do not tend to tell recipients ahead of the budget process what is going to be in the budget.

MS BRESNAN: What is the process when the budget is announced of actually alerting community organisations that funding is to be received by them? It is my understanding that, with this ILO position, there was some uncertainty that the person would actually stay on, so I guess it creates the situation in these organisations where, if they want to keep staff, they need to have some awareness that the funding might be coming to them.

Mr Corbell: Obviously, the government cannot give commitments ahead of the announcements on budget day.

MS BRESNAN: No, I understand that.

Mr Corbell: With respect to the process from budget day, I would ask Ms Leigh or Mr Goggs to answer that.

Mr Goggs: I am not certain whether or how the legal centre would have been informed, either on budget day or afterwards, that this money had been allocated through the budget process. I can find that out, but it is quite possible that they were not informed immediately.

Mr Corbell: I am aware that they did become aware, because I received an email from them thanking me for the funding. Clearly, they became aware, but I do not know how they became aware. We will take that on notice—

MS BRESNAN: That would be useful, thank you.

Mr Corbell: and provide some advice to you.

THE CHAIR: I just note that that has been taken on notice.

MRS DUNNE: Madam Chair, could I just clarify something. Is the \$62,000 for victim support services in any way tied to prevention of violence against women programs?

Mr Corbell: No; it is—

MRS DUNNE: If not, why is it characterised in the budget as that?

Mr Corbell: Simply because it is such a small amount, and it is funding that is wrapped up in providing support to victims of crime generally. There is some similarity, so just for administrative ease they have been placed together.

THE CHAIR: Over at DHCS—which obviously is not your portfolio, but I am interested—there is a program which is prevention of violence against women. There is some funding in that budget of \$344,000. I am just wondering whether there is any connection to this program or whether they are completely separate programs with no interaction.

Mr Corbell: In the development of this budget proposal and the DHCS proposal, there was close discussion between the two agencies. Even though they are presented separately in the budget papers, they were developed as a combined proposal between my department and Minister Burch's department.

In relation to Ms Bresnan's question earlier, I am advised that my department did email the Women's Legal Centre in budget week advising them of the outcome.

THE CHAIR: So there is some link between the programs?

Mr Corbell: In developing a proposal to provide support to victims of crime and prevention of violence against women—that broad category, if you like—there was certainly discussion between my department and DHCS on the scope and how it could be put together as an integrated bid. It went to cabinet as an integrated bid between the two portfolios.

THE CHAIR: Thank you. Ms Bresnan.

MS BRESNAN: I have a general question about some of the legal funding projects. I know that the Mental Health Community Coalition have been advocating for quite some time for a mental health legal service, and that was part of their budget

submission. I am just wondering, though obviously it has not been successful in this budget, if this is something that the government has looked at having in the future and if you have looked at models in other states—I know that Victoria has a very successful mental health legal service model—and introducing something that would be likely to be funded in the future given that it has not been in this budget. It is, as I said, something they have been advocating for for quite some time.

Mr Corbell: The government is always open to considering proposals from organisations for new and additional services. It is important to reiterate that in this budget there was very little scope for the expansion of new services, let alone the expansion of existing services. We are obviously operating in a tight budget environment this year. That was certainly the case in my portfolio, as it was in any other portfolio. But that does not mean that the government rules out considering those issues further in future budget processes.

MS BRESNAN: Sure. As I said, it is something they have been advocating for quite some time. Has there been some consideration? I appreciate you saying that this budget was a tight budget and there was not that scope for new funding, but is it something which has been considered previously or is it not considered to be economical here in the ACT because of the size of the population? Are there particular models that you have looked at that might actually work here?

Mr Corbell: The government took the decision this year that there really was not scope for significant expansion for new services as a rule, except where they were absolutely deemed to be critical. Unfortunately, that proposal came into the former category. So there really was not any significant consideration of that, because it fell into that category. The base pressures and growth pressures were the primary drivers for this budget.

MS BRESNAN: Just to follow up, there was, I think last year some time, a forum on this, and someone from the Victorian mental health group—

Mr Corbell: Yes.

MS BRESNAN: I think you spoke at that, minister.

Mr Corbell: Yes, I did.

MS BRESNAN: I think at that you did give an indication that it would be something that the government might consider in the future.

Mr Corbell: Yes.

MS BRESNAN: Is the \$150,000 which they have put forward considered to be too high a figure? Are there models which you have looked at—I give the example of the Victorian model—which would be workable in the ACT?

Mr Corbell: It is just a simple case there is very little scope in this budget for any expansion or additional services. It is as simple as that.

THE CHAIR: Mr Smyth.

MR SMYTH: Just on that, could we have a reconciliation, therefore, of the staff chart on page 248 of budget paper 4. I notice that the staffing has gone up by almost two per cent. The note says that that is mainly due to the budget initiatives. Can we have a breakdown of where the staff are going and what they will do?

Mr Corbell: Have you got that?

Ms Leigh: I could give you a breakdown of the additional staffing that came under the budget initiatives. In full-time equivalents, there are 3.5 for the courts, the district court jurisdiction capacity initiative; three for corrections, for the escort of prisoners; five for ORS for the enhancement of work safety regulation; eight for ORS for the increase in base funding; 2.5 to ORS for the liquor reforms; 0.6 to ORS for outdoor smoking at cafes; 3.15 to ORS for the vulnerable people checks; and 11 to the ACT ambulance. Related to capital initiatives, there are three for the Supreme Court management project and one for the Tidbinbilla shed. That comes to 40.75.

MR SMYTH: Note 2 on page 248 says the increase is 29 FTEs.

Ms Leigh: That is relating to total staff movements as opposed to staff allocated in the budget.

MR SMYTH: All right.

Mr Corbell: So 248 is showing you movements in and out.

MR SMYTH: Sure. Could we have a reconciliation showing the movements in and out—where those other staff will come from?

Mr Corbell: Yes. We can take that on notice, Mr Smyth.

THE CHAIR: I note that that is taken on notice.

MRS DUNNE: On the subject of staffing, we have got 40-odd additional staff or 29 additional staff, depending on how you count them, but in the employee expenses there seems to be only an increase of just under half a million dollars over the estimated outcome of 2009-10. How will the additional staff be funded?

Ms Leigh: There has been a transfer from supplies to employees of about \$2 million that will assist in addressing those pressures.

MRS DUNNE: So what is not being bought in supplies?

Mr Corbell: I will ask Moira Crowhurst, our chief financial officer, to come up.

MRS DUNNE: Sorry, just to clarify, Ms Leigh, the budget papers say 29 staff.

Ms Leigh: That is correct.

MRS DUNNE: It is 29 net new staff?

Ms Leigh: That is correct.

MRS DUNNE: Even though there are 41 by your counting.

Ms Leigh: Yes.

MRS DUNNE: So you are saying that you are paying for part of that by \$2 million transferred from supplies?

Ms Leigh: That will assist in those pressures, yes.

MRS DUNNE: And half a million dollars. That still does not add up to enough. But could we have a discussion about what is being transferred from supplies, what is being forgone?

Ms Leigh: I would like to take that on notice if I could, please.

MRS DUNNE: Okay.

THE CHAIR: I note that that is taken on notice.

MRS DUNNE: I thought the CFO was going to answer that.

Ms Crowhurst: As Kathy Leigh has explained, there has been some transfer of expenses in supplies and services up to employee expenses. We also have some one-off costs this year which will reduce next year. We have included in our estimated outcome for this year the impact of the work value case; that is for the ambulance. That is a one-off catch-up that will drop down. So when we are comparing estimated outcome to next year's budget, the impact of the work value case, it is a net change of about \$3.2 million. And we have some other one-offs that have now ceased going into next year. So there is a range of movements with the staffing costs.

Mr Corbell: We will take that on notice and provide a reconciliation.

MRS DUNNE: I think we need to take that on notice and get a reconciliation. Thanks.

THE CHAIR: I want to move on to the issue of funding for community legal centres. We have spoken about the Women's Legal Centre and the new money that is going there. There was not any mention of the other four community legal centres. Minister, are you able to outline how much ACT government funding is given to each of the other community legal centres and what budget line item that comes from?

Mr Corbell: We do have that information; I just do not have it immediately to hand. If we can come back to that question a little bit later in the hearing—we are just getting that information for you now. We have recently done a fairly accurate reconciliation of that.

THE CHAIR: Okay.

Mr Corbell: If I can just take that on notice for now, we will come back later in the hearing.

THE CHAIR: Certainly. The other issue around the community legal centres is that a number of them are co-located over at Havelock House on Northbourne Avenue at the moment.

Mr Corbell: Yes.

THE CHAIR: Three of them are co-located there. My understanding is that it is bursting at the seams and they cannot take in volunteer solicitors because there just is not the room. And even taking on students and other projects has become almost impossible.

MRS DUNNE: And the conditions are squalid.

THE CHAIR: Is there any room in the budget to find some solution here, to maybe find another location—I think they need about 500 to 600 square metres—and facilitate and assist them to cope in relocating?

Mr Corbell: I have met with representatives of community legal centres about that issue, and I have been to Havelock House and spoken to them about their accommodation and viewed their accommodation circumstances. It is certainly the case that Havelock House is very full and is poorly configured for what they now need to do in terms of their services to the community.

I have indicated to the community legal centre representatives that I will ask my department to investigate options. It needs to be viewed as a medium-term project. It will require either a renovation of their existing accommodation or a relocation to a new facility of some sort, a new venue. That is something which I have asked my department to look at and to talk with them about. We do not have any solutions at this time, but I am certainly aware that it is an issue, and it is something that I anticipate we will work on in the coming financial year.

THE CHAIR: So when you are talking about medium-term projects, you would say over the next 12 months; is that the timing?

Mr Corbell: Probably longer than that. There is no money in the budget to provide either a renovation or a relocation at this time, so we need to take the time over the coming financial year to work out what the most viable solution is that meets their needs, and then that can be considered in the forthcoming budget.

THE CHAIR: Thank you. Mr Seselja.

MR SESELJA: Thank you, Madam Chair. Page 248 of budget paper 4 refers to the Aboriginal justice agreement. What are the objectives of the agreement and what is its current status?

Mr Corbell: The Aboriginal justice agreement is a framework for cooperation in the

delivery of support to Indigenous people when it comes to their interaction with the justice system. It identifies a range of measures to assist Indigenous people in the ACT in how they interact with the justice system and, indeed, how we can work to improve the circumstances of Indigenous people and hopefully reduce the need for them to interact with the justice system, particularly the criminal justice system.

That is being developed through the Aboriginal Justice Centre. I might ask if there is someone available to provide some more information about that. Is there someone who can talk about the Aboriginal justice agreement?

Ms Field: We have been developing the Aboriginal justice agreement basically over the last 12 months. It is very close to being finalised. There is a working group that has been obviously working on it. We have involved ACT Policing, Corrective Services, Victim Support ACT, ACT courts, restorative justice, Education and Training, Health—basically everyone.

THE CHAIR: By “everyone”, do you mean all government departments?

Ms Field: All government departments and the Aboriginal and Torres Strait Islander Elected Body. As I said, the Aboriginal Justice Centre have also been quite seriously involved. We are expecting to sign an agreement before the end of this financial year, I believe.

MR SESELJA: So what are some of the strategies that are being looked at to improve access to justice for Indigenous people in the ACT?

Mr Corbell: The focus is on prevention, diversion and rehabilitation. Obviously, a particular focus is interaction with the criminal justice system, so trying to prevent those interactions in the first case, and avoiding circumstances which will lead to Indigenous people having to interact with the criminal justice system, diverting them to more effective resolution processes where they do engage with the criminal justice system and then rehabilitation that flows from that diversion. So it is a very strong focus on that.

The government itself has not yet signed off on the agreement, so I am not able at this time to give you detail in terms of those strategies and approaches. But, once the government does sign off on the agreement, it will, of course, become public and I will be happy to provide further detail at that time.

MR SESELJA: What is the budgeted cost of the development of the agreement?

Ms Field: We are not funded for it. We are basically seeking to do it within the assigned resources already. What it is trying to do is make sure people do not get lost, do not fall through the cracks. So it is about a cohesive process, doing what we already do but more effectively making sure we look after people.

MR SESELJA: Did you say you are working with the Aboriginal Justice Centre in developing the agreement?

Mr Corbell: They are one of the key partners, yes.

Ms Field: And the elected body.

MR SESELJA: So is it taking away resources from the Aboriginal Justice Centre? How much of their resources are being used in the development of this agreement?

Ms Field: My area is doing most of the development. We are consulting with them, so there is a working group that meets regularly.

Mr Corbell: There is no taking away of resources. This is a core piece of work for the department. It is funded through the normal appropriation to the department for policy development and it does not involve seeking resources from other organisations in terms of money, but obviously their engagement, their time and their expertise are being brought to the table.

MR SESELJA: And the Aboriginal Justice Centre is currently funded how much per annum?

Ms Field: The Aboriginal Justice Centre is currently funded by both the ACT and the commonwealth. The ACT government currently provides recurrent funding of \$389,000.

MR SESELJA: Per annum?

Ms Field: Yes.

MR SESELJA: And how much does it receive from the commonwealth in funding?

Ms Field: The commonwealth funding is for a specific purpose. I think it is the bringing them home funding. I can check that and get back to you.

Mr Corbell: Yes, we will take that on notice, Mr Seselja.

MR SESELJA: Thank you.

THE CHAIR: I note that that is taken on notice. Is there any connection between the agreement and the local operation of the Aboriginal Legal Service? Is there any connection, minister? I know that there is an ongoing, I guess, issue in that we have two solicitors here through the Aboriginal Legal Service, but it is a Sydney-run service, and there are different views on whether that is the best model of delivery.

Mr Corbell: Yes, there are a range of views about that, and there are, I think, significant concerns from individuals within the Indigenous community about the appropriateness of that arrangement. Certainly, my feeling is that the commonwealth should be providing funding for services within the ACT rather than relying on a New South Wales based service to deliver that, which is the current arrangement. I have written to the commonwealth attorney about that, indicating that I think we do need to improve that arrangement, if for no other reason than to have greater transparency around what we are getting for the money that is notionally allocated to the territory for legal services provided by that centre to Indigenous people in the territory.

THE CHAIR: When did you write to the federal attorney?

Mr Corbell: A couple of months ago.

THE CHAIR: And have you received a response?

Mr Corbell: I think I have, yes.

THE CHAIR: Was it a favourable response?

Mr Corbell: It would be fair to say the commonwealth attorney is not convinced about the need to change the arrangements at this time but is happy to enter into further discussions about the matter, and that is something that we will pursue.

Ms Field: I have the answer to the commonwealth funding question. The commonwealth provides approximately \$100,000 per annum to AJC to employ a bringing them home counsellor.

THE CHAIR: Mrs Dunne.

MRS DUNNE: Thank you, Madam Chair. I would like to refer you, minister, to the third dot point under the business and corporate strategies on page 248. It refers to a whole-of-government accommodation strategy and I am wondering why JACS is responsible for this strategy.

Mr Corbell: JACS is not responsible for the strategy, but JACS has a very significant stake in the strategy, particularly as it relates to accommodation for one of our large operational elements, the Office of Regulatory Services. The Office of Regulatory Services is currently accommodated in two locations, one in Fyshwick and one in Phillip.

The whole-of-government accommodation strategy identifies a solution to that interim arrangement, which is a single location, a combined location, for ORS to continue to achieve the efficiencies the government was seeking from co-location and a single office of regulatory activity. Seeking an outcome there requires us to be actively involved in the deployment of that strategy to provide appropriate facilities for staff and the public, and that is the particular reference to appropriate facilities for both the staff and the public in ORS and people who use ORS.

MRS DUNNE: So could you, perhaps on notice, minister, provide the committee with a breakdown of how many ORS staff there are and where they are located?

Mr Corbell: Yes.

MRS DUNNE: That would be great, thank you. Are there concrete plans afoot, or are we still in the planning stage, to find a co-located office for ORS, or are we waiting for the one big government building?

Mr Corbell: I will just ask someone to assist you with the status of that work.

Ms Junakovic As the minister has indicated, the ORS accommodation is the last major project under the whole of government accommodation strategy. There are a number of considerations under negotiation at the moment with the property group on options for the co-location of ORS and accommodation that will suit it in terms of the size of its growth. Originally, the strategy was based on the size of ORS, as it was when it was formed. As we indicated in the budget papers, there is some growth in that organisation. So the strategy is being reviewed in light of the growth and the needs that ORS have to ideally be co-located.

MRS DUNNE: So there are another, roughly, 20 staff in ORS?

Ms Junakovic: This financial year.

MRS DUNNE: How many staff are you looking to accommodate overall? How many are in ORS at the moment?

Ms Junakovic: Total? Approximately 200 FTEs in total at the moment.

MRS DUNNE: Have we got to the stage where we have short-listed properties or are we not that far down the process?

Ms Junakovic: There are a number of options that have been identified as possible location outcomes for ORS, yes. That has been identified. There is a process at the whole-of-government level that involves consideration by a number of agencies, not just JACS, in confirming what the preferred strategy is. And we are hoping that a decision will be made on that, certainly before the end of this financial year.

MRS DUNNE: How long has the process been going on?

Mr Corbell: The whole-of-government combination strategy?

MRS DUNNE: No, the process about ORS. Ms Junakovic says that this was the last of a series of—

Mr Corbell: ORS's proposed move was part of a broader strategy, obviously, which commenced in 2006 with the rationalisation of government services. However, the movement of building blocks, if you like, to allow ORS to fill that last gap has taken a significant period of time. That is something you would have to ask the Department of Land and Property Services about.

MRS DUNNE: It is a sort of human Tetris?

Mr Corbell: Yes, indeed.

MRS DUNNE: What are the criteria, apart from size, for the sort of building that you want?

Ms Junakovic: A number of considerations come in—obviously, accessibility in terms of the services they deliver, a location that could ideally fit the entire

organisation in one place and that is cost effective.

MRS DUNNE: What is the most important? What is the paramount criterion? Is it accessibility or is it having all the people in the one place?

Mr Corbell: In any event, it is a balancing of those various requirements with what is physically available.

MRS DUNNE: Thanks, Madam Chair.

THE CHAIR: Mr Smyth.

MR SMYTH: Minister, if we go back to page 271 of budget paper 4, which is back into the balance sheet, there are a number of references in the notes on page 275 and over that the change in the estimated outcome from the original budget is mainly due to the 2008-09 audited outcome flow-on effects. What does that mean, and what happened in 2008-09 that it needed an audit?

Mr Corbell: I will ask Ms Crowhurst to assist you with that.

Ms Crowhurst: Every year, our financial statements are audited at the end of the year. When we do our budget estimated outcome, it is based on estimates prepared at that time, at that point of time in the financial year. Following the end of the financial year, we recognise any changes that may have occurred to our financial statements.

This could be the impact of, say, the revaluation of our assets, changes in the accounting measurement of our leave provisions or the final balance of our accounts payables or accounts receivables at the end of the financial year. So what we do at the beginning of a new financial year, one of the early adjustments that are processed in your building up of your budget for the following year, is that we reflect in our base budget the changes, including in both the operating statement and the balance sheet, that have occurred as at the end of the financial year.

So it is not saying that there is anything wrong with the audited statements; it is just saying that we have looked at our final audited statements that we report in the annual report and then we flow through any changes that may have changed from our previous estimates that were in our base budget.

MR SMYTH: For instance, in cash and cash equivalents, the estimate was \$9.8 million and it dropped to \$5.5 million. What would cause such a significant change?

Ms Crowhurst: I think it is just representing the cash balance at the end of the financial year. As I said, we have an estimate of what our cash may be at the end of the year. And that depends on accounts payable, whether we have a large amount of accruals or if we receive cash at year end that we may not have been expecting. I have not got any specific reason here. It is just a reflection of the cash at that point of time.

MR SMYTH: Four million dollars is a fairly significant change.

Mr Corbell: If you would like me to do so, we can take it on notice and get some more explanation for you.

MR SMYTH: That would be kind.

MRS DUNNE: There is a substantial drop for the property, plant and equipment as well; so it would be good to have that reconciled as well.

Mr Corbell: Again, we will take that on board.

MR SMYTH: I would rather go through it line by line. Perhaps as a result we could find out why there were such significant changes. For instance, even your payables have dropped from \$6.5 million to \$4.8 million. Maybe I missed it but I cannot see a note. Your intangibles dropped from \$7.6 million to \$2 million and then bounced back to \$6.6 million. What could be the explanation for that?

Ms Crowhurst: Most of the movements in our property, plant, equipment and our intangibles relate to the rollover of our projects. If we expected that a project would be completed at the end of the financial year, we would show in the balance sheet that the asset would move out of capital works in progress and up to intangibles if it is a software-type asset, an IT asset; or into property, plant and equipment if we are constructing a physical asset. And we have had rollovers of a number of our projects, which means that project has been completed at year end. And that results in having less in property, plant and equipment than we would expect.

MRS DUNNE: But there is less in capital works in progress as well.

Ms Crowhurst: Our estimated outcome compared to budget is in our capital works in progress. It is \$15.6 million and it has gone up to \$22.5 million.

MRS DUNNE: Sorry, there is less in the non-current assets. That should be a zero sum gain. If your explanation is correct that you are moving from one to the other, then in fact it is not. The total non-current assets are still down substantially.

Ms Crowhurst: Less, yes, and that is because, in the main—there are a range of movements—the actual projects have not been completed to the stage that we thought they would be; so part of it is the expenditure has not been recognised at the end of the year. If the project had been completed we would have moved it up to a completed asset in our property, plant and equipment, for example; or if it was almost finished we might have it sitting in capital works in progress pending finalisation and then we would capitalise it in the new financial year. But due to the delay, the capital expenditure in total has not been achieved at year end as expected; so that is representing in the main the rollover of our capital works to the following year. That is why they step back up again in the following year.

MRS DUNNE: Could the department provide the committee with a list of the delayed works and where those delayed works appear in the balance sheet, or are they on somebody else's balance sheet?

Ms Crowhurst: Yes.

MRS DUNNE: Thanks.

MR SMYTH: Before we move off that page, on your current liabilities, I notice that payables, finance leases, other provisions and other are static for the five years of the estimates. Payables are all \$4,481,000; finance leases to 30 June 2010, 2011, 2012 2013 and 2014 are all \$1,608,000; other provisions are all \$128,000; other is, remarkably, \$1,145,000. How can it be so precise over four years, with absolutely no movement?

Ms Crowhurst: It just represents that we have had no new approved funding in the outyears that would relate to those types of either assets or, in the case you were just using, liabilities; so we are not aware of any change that would mean that we would change our liability estimate in the outyear. Generally in the budget papers we flow through approved initiatives or known changes in our estimates—for example, if there was a certified agreement increase that was going to step up in the outyears or a known change—so it is just representing that that is the balance as at the end of the one particular year and there is no expected change in the outyears that we have predicted.

MR SMYTH: The last line is employee benefits. Why are employee benefits expected to drop seven per cent? What benefit is disappearing or what staff have you lost or what change has been made?

Ms Crowhurst: I might need to take that one on notice.

THE CHAIR: So that has been taken on notice. Mr Rattenbury.

MR RATTENBURY: Thank you. I want to ask about restorative justice. We discussed this during the hearing last year, minister, when I asked about the inclusion of adult offenders in the program. At the time you said you were keen to expand the program. I do not know that that is an exact quote but you indicated that you were interested in expanding the program. I wonder whether you could give us an update on what consideration the government has given to that over the last 12 months and whether any new work is funded as part of the current budget.

Mr Corbell: No, there is no expansion to restorative justice services in this budget. As I have indicated to Ms Bresnan in relation to the question she was asking about mental health, legal services, this is a very constrained budget. There is little scope for the creation of new services or the expansion of existing services. Unfortunately, restorative justice is in one of those categories.

MR RATTENBURY: What do you understand to be the budget implications of expanding it to adult offenders?

Mr Corbell: There is a cost associated with the increased delivery of those services. I do not have the figures in front of me. They were certainly considered in the budget process but it is not something that the government decided it was able to fund this financial year because of the significant budget pressures we are facing.

MR RATTENBURY: Do you actually have a costed proposition of what it might take or has the government actually done the work on considering that proposal?

Mr Corbell: Yes, we have.

MR RATTENBURY: Do you know what the cost of that program would be?

Mr Corbell: Not at hand, no.

MR RATTENBURY: Is that something you can take on notice?

Mr Corbell: I can. I just need to see whether or not I can provide that, given that it was subject to the budget cabinet process. But I would be happy to provide that if I can.

MR RATTENBURY: As it was rejected, I assume it is not too much of a problem with cabinet-in-confidence now.

Mr Corbell: In some respects, actually it is because it has not been publicly released with the budget papers. I will, nevertheless, see what I can do.

THE CHAIR: So that is taken on notice.

MR RATTENBURY: In that process of weighing up a decision about whether or not to fund a program, how do you take into account the benefits that arise from restorative justice programs such as victims requiring fewer days off work on health grounds and some of the more difficult to measure ones?

Mr Corbell: Certainly those are all issues that are taken into account but there is still a direct impact on the government's bottom line in terms of additional expenditure. And that is also taken into account.

MR SESELJA: How much does it currently cost the government to conduct the restorative justice program?

Mr Corbell: Someone can answer that question for you.

Mr Hinchey: The budget is in the vicinity of \$600,000, but I would have to get specific details—

MR SESELJA: So how many restorative justice sessions would have occurred during this financial year to date?

Mr Hinchey: For the 2009-10 financial year a total of 108 conferences were conducted.

MR SESELJA: Following on from Mr Rattenbury's question, how do you measure the success? Obviously there are some indicators there in terms of, I think, satisfaction with it, but how do you measure the success in terms of recidivism and issues around the wellbeing of victims? How is that measured in an ongoing way?

Mr Hinchey: It is measured in two ways. We conduct a survey process. We ask every victim, every offender and one of their supporters a number of questions ranging from their perception of the process to their satisfaction. There would be approximately 30 questions in each of those surveys and they are different for each type of participant.

In the legislation, under section 75, there are a number of indicators that we have to report against when each phase of restorative justice is introduced. We have done so in 2006. That report was tabled in the Assembly and it has a recidivism measure in it. In the next expansion stage we would be required to report against those indicators as well. That is reintegration of offenders within the community, the recidivism rates and satisfaction rates. That is why we conduct those surveys—to ensure we have the data to report.

MR SESELJA: That is something you will be reporting on in future years—the recidivism and the like?

Mr Hinchey: The legislation requires that when phase 2 is commenced a report is tabled in the Assembly within 18 months.

MR SESELJA: Remind me: when does that commence?

Mr Hinchey: That is at a date to be fixed and that is a decision for government.

MR SESELJA: Just getting back to the \$600,000, how is that broken down? How much of that is administrative costs for the unit and how much is direct costs of conducting these sessions?

Mr Hinchey: The unit employs 5.4 full-time equivalent positions or engages those. That is one office administrator position, a manager position and 3.4 full-time equivalent convenors. They are responsible for receiving referrals and determining suitability and conducting conferences. The fact that we run approximately 100 conferences per year does not fully reflect the workload of the unit. The unit received 147 referrals, which involved 171 offenders who had committed 282 offences, and 241 victims. So there are a lot of people that we need to talk to, and that is part of the process.

MRS DUNNE: Just on that, if I could, Madam Chair: Mr Hinchey, how often in the last financial year—and you might have to take this on notice—have those conferences involved multiple victims, or do you only match one offender with a particular victim?

Mr Hinchey: I will take the question on notice. The scheme is designed to refer offences to restorative justice. It is quite common for us to receive a case with multiple victims, multiple offenders and multiple offences. We make a determination on each offence, and there are some complex links that can occur.

MRS DUNNE: That is why I thought you might take it on notice. Thank you for that.

THE CHAIR: Thank you. Mr Smyth.

MR SMYTH: Just going back to some of the numbers and the employee expenses, I find it interesting that on page 270 the amount for employee expenses is only half a million dollars. We learn from supplies and services that there is a transfer of some \$2 million. Then if you go to employee benefits on page 271, the employee benefits actually drop \$4 million. We have got 29 new FTE yet it is only costing us half a million dollars, despite the \$2 million being transferred. Employee benefits are going down. Is there a logical reason for this? It does not seem to make sense.

Mr Corbell: Employee benefits are going up.

MR SMYTH: I am sorry?

MRS DUNNE: Employee benefits are going up this year, the current financial year we are in, but they are going down for next financial year.

MR SMYTH: They go down seven per cent.

Mr Corbell: No, they go up each financial year.

MR SMYTH: For employee benefits it says minus seven per cent, minister, and \$53 million is less than \$57 million.

Mr Corbell: Which page are you referring to? I am referring to the balance sheet on page 271.

MR SMYTH: Yes, my balance sheet says it is going down.

Mr Corbell: Employee benefits, non-current liabilities, a 48 per cent variance.

MR SMYTH: Benefits go from \$57 million to \$53 million. That is a smaller number, minister, which is why you are not the Treasurer, I guess.

MRS DUNNE: It is down minus seven per cent.

Mr Corbell: No, I am saying—I may be reading the wrong line, but the line I am reading has got 6 million, 7 million, 9 million, 11 million.

MRS DUNNE: Yes, you are reading the wrong line. It is \$57 million and \$53 million.

Mr Corbell: I will ask Ms Crowhurst if she can assist you.

Ms Crowhurst: Under current liabilities, employee benefits—this is the one that I said I would take on notice previously but I have found the answer since—move from \$57.2 million down to \$53.2 million next financial year. That is the \$4 million I believe you are looking at. On page 276 there is an explanation. It mainly relates to the fact that at the end of this financial year we expect the estimated impact of the ambulance work value case and also the certified agreement increases. The current certified agreement finishes at 31 March this financial year. So for the clerical,

ambulance and fire brigade certified agreement there is an accrual for the offered amount of 2.25 per cent.

MR SMYTH: So the accrual shows up in which figure?

Ms Crowhurst: It shows up in the estimated outcome as at 30 June 2010. Then, of course, the expectation is those payments will be made in the new financial year. So our liability to our staff will reduce and our employee benefits reduce back down to the planned budget for 2010-11—for June 2011—down to 53, and then it increases, which is indexation in the outyears.

MRS DUNNE: Also there is a big jump from this year's budgeted employee expenses to the estimated outcome. When you take those on notice, Ms Crowhurst, could you give the committee a breakdown of what has caused that?

Ms Crowhurst: Yes. A summary of it is on page 276. We have got flow-on impacts from the end of the last financial year in terms of our audit outcome which largely impacted on our leave provision balances at the end of the last financial year. Also there are our increased wages that I was just talking about for the ACTAS work value case and the estimated impact of the clerical, fire brigade and ambulance certified agreements.

MRS DUNNE: I do not understand how we could not know that the clerical certified agreement money was there because it is a three-year agreement.

Ms Crowhurst: Yes, that is right, and it would apply to other agencies as well. The normal budgeting guideline is that we include in our budget estimates only the approved certified agreement increases. The last quarter for this financial year was subject to a new certified agreement which was not in place when we did our 2009-10 budget estimates, so it is not reflected in our estimated outcome at year end.

MR SMYTH: You might not have the 2009-10 budget papers with you, but the 2009-10 budget papers simply show this line as \$38, \$38, \$39, \$39, \$40 million. If the accrual that appears in the estimated outcome at 30 June 2010 was known, why does it not appear in the previous budget papers?

Ms Crowhurst: It was not known at the time that the 2009-10 budget was done. The work—

MRS DUNNE: But the certified agreement has been in operation for—

Ms Crowhurst: Yes, but it ceased at 31 March 2010. So any future wage increases are not included in the budget estimates. There is a 1.3 per cent safety net, which is the slight indexation that you are talking about. As the wage agreement has not been agreed, the new pay increases are not reflected in our budget estimates. It is similar with other agencies.

MRS DUNNE: That does not therefore describe why there was a jump from 38.6 to 57.2 from the budget to the estimated outcome. Are you saying that you cannot take account of the EBA? Unless I misheard—

Ms Crowhurst: When we did the 2009-10 budget it did not include that. We would have done our 2010-11—this budget's—estimated outcome. We have taken into account the known changes to our leave provisions at the end of the last financial year following our audited financial statements. Then we have taken into account the provisions as at the time we were doing our estimated outcomes and the ambulance work value case had been announced. We have taken into account the estimated cost of that, which included back payments.

MRS DUNNE: But we do not have a new EBA. So you cannot be taking that into account, by your description.

Ms Crowhurst: That is right, but the Treasury guideline for the 2010-11 budget, as the next certified agreement offer had been made, was to base our estimates on including the offer amount. So we included the offer, the 2.25, in our future employee expenses.

MRS DUNNE: Okay. Could I just go back to the known changes to the legal provisions? What does that mean? Why is legal provisioning in staff employee benefits rather than somewhere else?

Ms Crowhurst: That would have been leave provisions.

MRS DUNNE: Sorry.

Ms Crowhurst: Leave provisions—rec leave and annual leave.

MRS DUNNE: Okay. I misread that several times.

Ms Crowhurst: Rec leave and long service leave.

MRS DUNNE: So why is there such a big jump in that?

Ms Crowhurst: In our leave provision?

MRS DUNNE: It is \$11 million.

Ms Crowhurst: At the end of the last financial year there was an accounting measurement change for the whole of government in how we recognise our leave provisions. We had an impact last year of approximately \$10 million. It has now flowed through to our rec leave and long service leave provisions. It related mainly to recognising salary leave, including salary on-costs, at the end of the financial year. It took into account changes with the bond rate at the time. I am sorry—it was salary on-costs and also super on-costs in our leave provisions. Previously the leave provision was taken into account more in terms of what an employee would get when they departed. It is now taking into account the cost of the whole leave accrual as if they were taking long service—

MRS DUNNE: The opportunity costs and things like that.

Ms Crowhurst: Yes. So if someone is taking their long service leave while they are in service, they are still accruing additional rec leave, an entitlement to long service leave and making superannuation payments. There was a change to the ACT Treasury accounting measurement for leave liabilities at the end of last financial year.

MRS DUNNE: Thank you.

THE CHAIR: Mr Rattenbury?

MR RATTENBURY: Thank you. I want to go to output 1.5 on page 254, the protection of rights. I want to ask a starting broad question. There is a budget line there of \$8.7 million approximately. Can you tell us how this is distributed across the five organisations that are listed, please?

Mr Corbell: Mr Rattenbury, we are not able to give you a break-up of that. It is obviously provided to the range of agencies that are outlined in 1.5, but to give you a break-up we will have to take that on notice.

MR RATTENBURY: While we are on the topic, before we go back to another output class, attorney, I am interested in the work program of the Human Rights Commission. You will recall that last year I wrote to both you and the human rights commissioner to see if the forward work program could include an inquiry into the human rights and discrimination issues faced by the gender diverse community.

Mr Corbell: Yes.

MR RATTENBURY: I wonder if I could have an update on the prospects of that and also what the general forward work program is.

Mr Corbell: I have received some advice from the Human Rights Commission in relation to that matter. I am currently considering how to progress that issue. I think there is the prospect that I could give a referral to the Law Reform Advisory Council on that issue and also on a broader review of the Discrimination Act more generally. I think that might be a very effective way to utilise the expertise that is present on the LRAC to advance consideration of this issue.

MR RATTENBURY: Do you have a sense of timing for that or what is your consideration?

Mr Corbell: I have discussed the matter with the human rights commissioner and with the chair of the Law Reform Advisory Council in general terms. The LRAC is due to complete its current referral and report to me in the next couple of months, I think. So certainly I would expect to make a reference later this year to the LRAC.

MR RATTENBURY: Does that come within existing funding or does it require additional funding? Is it specific—

Mr Corbell: No. The LRAC is already funded for its operations, so it is a matter for me to determine which matters are referred to it.

MR RATTENBURY: Thank you.

THE CHAIR: Mrs Dunne?

MRS DUNNE: I want to touch on some of the policy advice, presumably in output class 1.1. Where are we with the unit titles review? There was a commitment for a review of the Unit Titles Act for September; I was wondering whether there was any preparatory work being done for the review of the Unit Titles Act and how it is going to be handled.

Mr Corbell: The review is an operational review. It will be conducted in-house by my department. I have been briefed on options for that review. The timing of it—

Mr Goggs: I may be able to assist, madam chair. The review is due to commence 12 months after the commencement of the amendments to the unit titles regime, which commenced in a phased way, so the 12-month review will commence 12 months after the last of the amendments commenced.

MRS DUNNE: Which is September?

Mr Goggs: Which is September.

MRS DUNNE: Minister, you say that it is going to be an in-house operational review?

Mr Corbell: Yes.

MRS DUNNE: Does that preclude any substantive policy changes as a result of the review? Are we just oiling the gears and giving ourselves a general grease and oil change?

Mr Corbell: It would involve more substantive policy changes only if the review identified that there were problems with the current policy settings.

MRS DUNNE: What involvement will there be with ACTPLA, because it has carriage of substantial parts of the act?

Mr Corbell: My department will consult with relevant officers in other agencies.

MRS DUNNE: How will that formally happen?

Mr Corbell: They will talk to each other.

MRS DUNNE: What are the terms of reference, if any, for the review?

Mr Corbell: The terms of reference are yet to be formally agreed by me. The review is not—

MRS DUNNE: Will you do that in consultation with Mr Barr?

Mr Corbell: If necessary. It is not something I have contemplated at this stage. I have responsibility for large parts of the Unit Titles Act?

MRS DUNNE: Large parts, but not the entire act?

Mr Corbell: Not all of it. I would expect that terms of reference that are briefed to me would take account of issues involving other relevant ministers and portfolios.

MRS DUNNE: When do you propose to sign off on the terms of reference, and will they be made public?

Mr Corbell: The terms of reference will be made public; I will agree to them prior to the commencement date of the review. But I am sorry; I am having to sort of forecast what is going to occur when it is some months away yet.

MRS DUNNE: Will there be any possibility for public involvement in the review?

Mr Corbell: Yes, there will.

MRS DUNNE: How will that be facilitated?

Mr Corbell: We will seek public comment and submissions as part of that process.

MRS DUNNE: Will you listen to the public if they make a contribution?

Mr Corbell: I always listen to the public if they make a contribution.

MRS DUNNE: Thank you.

THE CHAIR: Has there been money put aside, or what sort of resourcing have you put aside, to engage with people who are living in units across the ACT? You sent out a letter when there were some legislative changes not too long ago. I am wondering whether you are intending to send out, say, a survey to that same mailing list. I am wondering what the cost of that was, by the way.

Mr Corbell: It is a very difficult exercise to contact people who are living in unit title properties either as owners or as occupiers in rental arrangements. There is no single database or list that we can draw on. It is not as simple as punching a number and getting a mailing list. The way we did it before was to draw on the last known owners and their addresses in unit title properties, but that was far from 100 per cent accurate. We also did letterbox drops to large unit locations—so unaddressed mail, effectively—advising residents of the changes.

It is a difficult exercise. There is no central point where government stores that information. We do not require it of people. We do not need people to register with us that they are living in a unit title property. We will rely predominantly on those organisations that have good links with owners' bodies—the owners network, for example. We will rely on those types of groups to seek feedback, as well as public advertisement of the process.

I have to say that, since the government went through that process—the feedback we have had since we went through the last mail-out, which was to a very large number of addresses, was very small. The amount of feedback was very small compared to the number of addresses.

MRS DUNNE: Doesn't the Registrar-General's Office have information about who owns properties?

Mr Corbell: Yes, it does, but I do not know whether it identifies it in a way that makes it practical. I am not familiar with all these issues.

Mr Goggs: I think the issue is that, as distinct from owners and occupiers, many of the unit title developments are owned by people who may be geographically far removed from the property, so through the Registrar-General's Office we may have details about the owner of the properties but making contact with them does not necessarily mean that we reach any of the individual occupiers of a particular unit title development.

MRS DUNNE: We do have information about who the owners are, though not necessarily the occupants?

Mr Goggs: Yes, I believe that is correct. The other difficult time, of course, is in that phase between the transition from the development to the ownership of the inhabited unit title development. We may have contact details for the developer, but at that stage not even the subsequent long-term owner.

MRS DUNNE: When a unit plan is lodged with, presumably, the Registrar-General, and when ownership is assigned by the purchase of individual units, does that information become available to the Registrar-General?

Mr Goggs: Mr Phillips no doubt will assist you with that.

Mr Phillips: When a plan is lodged for a unit title or unit title area, the titles are issued in the name of the owner at the time of the lodgement of the plan and when the plan is deposited. Very often what then happens is that there is a considerable sale that occurs after the lodgement of the plans and the issue of the title. So whilst we have information in a particular snapshot point of time that we can collate when those titles and the plans are lodged, they become out of date almost immediately.

MRS DUNNE: But do you not maintain information? For single-dwelling leased land, you have a register which changes every time it changes hands.

Mr Phillips: Yes.

MRS DUNNE: Do you not have that same information for unit plans?

Mr Phillips: We have the same information. We do not have it collectively. We do not say, for example, there is the Oracle. Every time there is a change of ownership in one of the titles, there is a transaction lodged and there is a change of registered proprietor or crown lease lodged on the title. We do not necessarily continue to

compartmentalise that title as being part of that block so we always have that information available.

MR RATTENBURY: Given that this is an issue that has—

MRS DUNNE: So they are not cross-referenced? Is that what you are saying?

Mr Phillips: We do not do that, Mrs Dunne.

MRS DUNNE: Okay.

MR RATTENBURY: This is an issue that has come up a number of times in the course of the unit titles review. As the city moves towards a greater number of unit titles, is this something that you are exploring in terms of being able to actually cut the information this way, given the needs and the specific issues related to unit titles?

Mr Phillips: We are always looking at ways that we can improve our service delivery in relation to the business that we operate. At the present time, we have not looked at that; it is something that we could contemplate looking at in the future.

MR SMYTH: Surely Treasury owns a complete list for the collection of the rates due on every property?

Mr Goggs: We considered using rate notices as a vehicle for the dissemination of information in relation to unit titles, but the Revenue Office is not keen on that device being used as a mechanism for the delivery of information other than in connection with rates. There are many people who might like to communicate with ratepayers on the basis that they are ratepayers, but the information is collected for the purposes of the assessment and notification of rates and not for other purposes. So it was considered to be an inappropriate use of that as a dissemination mechanism for this piece of information.

MR SMYTH: Minister, is that perhaps a discussion for cabinet? If the complete list, and apparently the only complete list, is held by Treasury, what would be the objection of the government to using that list for the dissemination of this information?

Mr Corbell: It is not something that has been raised at cabinet level, but I would be happy to explore that issue further. I would appreciate there may even be some legislative constraints around that; I do not know. But it is something I would be happy to consider further. I think it is worth making the point that even that approach does not capture everyone who actually lives in unit title properties—in fact, it probably does not capture most of the people who are resident in those properties, or a large number of them, anyway, because they are tenants. That just highlights the difficulty of engaging with this constituency. There is no single way that we can do so.

MR RATTENBURY: It strikes me that not a whole lot of effort is being put into trying to work it out, though. Mr Goggs has just indicated that—

Mr Corbell: I disagree. It is a difficult task.

MR RATTENBURY: It is a difficult task, but Mr Goggs has just indicated that Treasury has the entire list, yet there has been no cross-government discussion to work out how to get access to that list despite the very significant changes.

Mr Corbell: There has been discussion, and Treasury have indicated that they do not want to make that available. That has not been brought to my attention previously, but I am happy to pursue the issue.

MR RATTENBURY: Do you have the figures on the cost of the mail-out to unit titles that the government undertook last year to advise about the changes to the act?

Mr Corbell: I do not have that immediately to hand, but we can take that on notice for you.

THE CHAIR: I note that is taken on notice.

MR RATTENBURY: That would be helpful, thank you.

THE CHAIR: That might be a good time to break for morning tea.

Meeting adjourned from 10.01 to 10.25 am.

THE CHAIR: We will now resume the public hearing of the Select Committee on Estimates. Minister, I want to go back to the strategic indicators. For many of the strategic indicators, reference is made to trends over time. How will this information be collated and be publicly made available?

Ms Leigh: It will vary according to the indicator, of course, because there is a wide range of indicators. Some of them are linked to ROGS. They are all based on the particular service that the area is delivering; so I do not think I can give a generic answer. It will depend on the particular thing that we are measuring.

THE CHAIR: Would that be something that you report on annually?

Ms Leigh: They are reported half-yearly and then we put it in the budget for the full year.

MRS DUNNE: But in this budget there are no strategic indicators reported on.

THE CHAIR: No, it all just says “trends over time”.

MRS DUNNE: What are the strategic—

Ms Leigh: I beg your pardon; I was confusing the strategic and the accountability indicators. The strategic indicators are recorded in the annual report.

MR SESELJA: Why do we not put some numbers to some of these? If we look at strategic indicator 1—average number of days to finalise civil cases, average number of days to finalise ACAT cases—surely there would be some national best practice on

some of these. Why would we not have a target and some reporting on this other than “trends over time” and no numbers?

Ms Leigh: There is a general approach across ACT government; so the strategic indicators are a high level. The accountability indicators are the ones where we have specific targets.

MRS DUNNE: But other agencies, Ms Leigh, have data in their strategic indicators. I am wondering why JACS is a standout, why there is page after page of strategic indicators and no information.

MR SESELJA: And page 249 refers to the Auditor-General’s findings but the Auditor-General’s critique seemed to be that we had meaningless indicators in some cases and these seem to me to be relatively meaningless this year—

MRS DUNNE: These are pretty meaningless.

Ms Leigh: I would also add that a lot of the indicators are new; so we are still gathering data in relation to them.

MR SESELJA: So we do not have that data?

Ms Leigh: They are new indicators.

MR SESELJA: Sure, but are you saying that, for instance, if we look at strategic indicator 1, do we not have data on the average number of days to finalise civil cases from time of lodgement?

Ms Leigh: I would imagine that we should be able to put that data together, yes.

MR SESELJA: So we do. What would be the problem then with having the data and some targets within these strategic indicators?

Ms Leigh: I think what I would like to say to that is you have raised a very important point and I am happy to look at that for the future.

THE CHAIR: Any more on that?

MR SMYTH: Perhaps you would like to take this on notice. For anything where it says “trend over time” could we have the last two years data and the projection for this year, please?

Ms Leigh: To the extent that that is available. I would be happy to.

MR SMYTH: Thank you.

THE CHAIR: I will just note that that has been taken on notice.

MR SMYTH: And that would be through all of the indicators.

Ms Leigh: If I could take it on notice on the basis that I will look at exactly what that would entail and what we can actually provide that we can rely upon to be accurate, then I will provide a response about that.

MR SMYTH: Thank you.

MR HARGREAVES: I have a supplementary question.

THE CHAIR: Yes, Mr Hargreaves.

MR HARGREAVES: Minister and Ms Leigh, the request that Mr Smyth has given you, of course, is going to involve quite a deal of work. Would you be able to, where it is not possible to meet the time frames because of the amount of work that you are actually looking at, indicate to the committee that that would be the reason for any delays, please?

Ms Leigh: Yes, thank you, Mr Hargreaves.

MR HARGREAVES: Thank you.

MR RATTENBURY: It does beg the question, picking up on Mr Hargreaves's point, as to why this work was not done. Minister, did you find it acceptable to present a budget in this form?

Mr Corbell: Yes, I do because it is the commencement. These are new measures and the phraseology there indicates that as we move forward, year to year, we will be able to provide more, if you like, specific detail about what the movements are. This is the first time we have had indicators in this form—these particular measures. This reflects that this is the starting period and obviously it will become more specific as we have points of comparison over time.

MR RATTENBURY: But you are comfortable presenting essentially an opaque budget that has no starting point for any of these figures.

Mr Corbell: I think that is over-egging it, Mr Rattenbury.

MR RATTENBURY: Sorry?

Mr Corbell: I think you are over-egging it.

MR SESELJA: How is it over-egging it? Which part of this is transparent?

Mr Corbell: I do not think you could argue that the budget is opaque.

MR SESELJA: But on these indicators it is.

Mr Corbell: These are strategic indicators and, as Ms Leigh has indicated, there are specific and detailed performance measures as you drill down into greater detail in the budget.

MR SESELJA: But if you look at the accountability indicators in comparison, they do not give us any of those types of numbers. There are a lot of things like timely legal services and the like which are fairly broad statements but they do not give us anything like the specific numbers that are alluded to here but not actually provided. Is there a reason why you did not want to provide this information in the budget?

Mr Corbell: These were the measures that were identified and the most practical for measuring the performance.

MR HARGREAVES: Minister, could I ask you, in your position, about the way in which these have been presented this year by the presentation of strategic indicators? The way in which they have been presented is something new. It is not the way they have been presented thus far in the past. Am I correct in assuming that you have not been particularly happy with the way in which the budget transparency has been presented in the past and you feel that this is a better way to go about it? In fact, these indicators that you have put in here are an improvement—

MRS DUNNE: Leading the witness, Madam Chair.

MR HARGREAVES: Mrs Dunne, the day you become a member of this committee, you can actually interrupt so rudely as you have been all this morning.

THE CHAIR: Mr Hargreaves, could you get to the—

MR HARGREAVES: You have really upset my sandwich this morning upstairs; so get—

THE CHAIR: Could we get to the question?

MR HARGREAVES: Yes, I am trying to find out whether or not the minister believes that this is, in fact, an improvement on the way that this has been presented in the past—whether or not this is going to be a helpful way and whether or not the criticisms thus far are particularly helpful or not.

Mr Corbell: Mr Hargreaves, my department has taken the decision to put in place these new measures in response to feedback from audit reports and other feedback about the need to provide more practical ways of measuring performance and more meaningful ways of doing so.

MR HARGREAVES: Thank you.

MR SESELJA: Minister, going back to last year, we see virtually the same statement in the budget papers. It was stated that the department went on to review its performance and address the Auditor-General's audit findings. Then we get the same response, which is trends over time and no numbers. Why is it that this is the second year in a row that we are getting nothing of value in these strategic impacts?

Mr Corbell: I think I have answered that question, Mr Seselja.

MR SMYTH: So when will the trend stop and the data start to flow in the budget

papers?

Mr Corbell: This is an ongoing process. You will see further detail as budget papers continue to develop.

THE CHAIR: Ms Leigh, you have mentioned before around the collection of information for ROGS data and so forth. Was that to do with the strategic indicators or were you getting confused between that and accountability indicators?

Ms Leigh: I was referring to the accountability indicators.

THE CHAIR: Thank you. Ms Bresnan.

MS BRESNAN: Thank you, chair. Budget paper 4, page 247, lists completing the review of the Coroners Act and the Victims of Crime Act as a priority. Because those two specific acts are listed, I wanted to ask about the review of the mental health legislation and whether that is still a priority going forward. I did ask a question of the minister on this and the answer we got was that it was scheduled to be completed by the end of 2011. I am just wondering if we—

Mr Corbell: Which one are you referring to?

MS BRESNAN: Mental health legislation.

Mr Corbell: Mental health.

MS BRESNAN: I am just wondering whether that time frame is still there. I know it is an ongoing process but it has not been listed there as a priority. As I said, in response to the question we did ask, the answer we got was that 2011 was the expected completion of that review.

Mr Corbell: 2011 for the mental health act?

MS BRESNAN: For mental health legislation, yes.

Mr Corbell: Yes. That is still—

MS BRESNAN: Which included issues like advance directives.

Mr Corbell: That is still the expectation, yes.

MS BRESNAN: I am just wondering because it was not actually listed as a priority in the budget.

Mr Corbell: It is obviously an ongoing body of work, Ms Bresnan. It is expected that that work will be completed in 2011. It is a body of work that is jointly administered between my department and ACT Health. ACT Health has been tending to act, if you like, as the lead coordinating agency. But obviously my department is closely involved as well.

MS BRESNAN: There was not anything further?

Mr Corbell: No.

MS BRESNAN: So 2011 we can expect that that will be completed?

Mr Corbell: Yes, I understand the government will make a decision and put forward a proposal for 2011.

MS BRESNAN: Thank you.

THE CHAIR: Mr Smyth.

MR SMYTH: Minister, page 99 of budget paper 3 lists the efficiency dividends and it has for JACS that in the outyears \$1.8 million, \$2.8 million and \$3.8 million are required. Could you please detail for the committee what the savings are this year and where they are coming from and what the savings will be in the outyears and where they are coming from?

Mr Corbell: I will ask Ms Leigh to answer that question for you, Mr Smyth.

Ms Leigh: First of all, in relation to the 2010-11 year, we looked at a range of measures across the whole of the department and we are going to improve our efficiencies in areas such as administrative expenses, the internal ACT government expenses such as the shared services expenses and also some specific improvements in how we conduct our business.

MR SESELJA: That is the second time we have heard about shared services being part of the efficiency. I think the education minister told this committee that. What are these apparently large inefficiencies in shared services at the moment that have been identified?

Ms Leigh: I am not suggesting there are large inefficiencies, but we have looked across the entire department and that is part of the expenses of the department, and so, like all the other parts of the department, we have sought to find efficiencies there.

MR SESELJA: Could you give us some more detail because, as I say, we did hear it from the education minister. It is sort of easy to say “shared services”; but in what aspect are we going to find savings in shared services that are not there at the moment?

Ms Leigh: I think that would be better directed to Shared Services, but they have agreed that they will find those efficiencies.

MR SESELJA: How much have they agreed to find on behalf of JACS?

Ms Leigh: Roughly one per cent.

MR SESELJA: Roughly one per cent of the total shared services budget for JACS?

Ms Leigh: For JACS.

MR SESELJA: So what does that amount to?

Ms Leigh: I will take that on notice, if I could, please.

THE CHAIR: I just note that that has been taken on notice.

MR SMYTH: Sorry, you do not know what your shared services budget is this year?

Ms Leigh: I am sure I can get it for you in a minute, if you would like me to.

MR SMYTH: There is nobody here who knows what the shared services budget is?

Mr Corbell: If you want to stop for five minutes, Mr Smyth, I am sure we can find it for you. We will try to provide it to you later this morning.

MR SMYTH: So you are going to save one per cent of that?

Ms Leigh: That is correct.

MR SMYTH: How much is the amount of the savings in the coming financial year, 2010-11?

Ms Leigh: The total for the department?

MR SMYTH: Yes.

Ms Leigh: \$1.842 million.

MR SMYTH: 1.842?

Ms Leigh: That is correct.

MR SMYTH: And what is the split between admin and shared services?

Ms Leigh: I would need to get that breakdown for you.

MR SMYTH: Okay. Minister, I find it amazing that we have got a budget where there are savings being made and the committee cannot be told of the nature of those savings.

Mr Corbell: You are asking for a fairly detailed break-up of those. We just do not have those immediately to hand. But, as I have indicated to you, Mr Smyth, we will provide them to you.

MR SMYTH: I make the comment that you seem very ill prepared on what are quite obvious questions to be asked in a budget where savings are essential.

Mr Corbell: The government has outlined the savings effort. Ms Leigh has been able

to tell you where that effort will be applied. You have asked for some more detail and we are happy to provide that detail to you.

MR SMYTH: All right, that is 2010-11. What about in 2011-12? Where will the money come from?

Ms Leigh: In 2011-12 we have allocated it across the department, but we will make the detailed decisions in time for the 2011-12 budget.

MR SMYTH: In what way has it been allocated?

Ms Leigh: It is simply on the basis that we are to find a further one per cent, so across the total departmental allocation.

MR SMYTH: So there is nothing specific at this time?

Ms Leigh: No. That is correct.

MR SMYTH: And 2012-13?

Ms Leigh: The same.

MR SMYTH: And 2013-14?

Ms Leigh: The same. I do not mean in terms of percentages but in terms of how we will handle it.

MR SESELJA: Just following on from that, page 346 of budget paper 3 looks at the general government sector expenses by function. Presumably the JACS budget falls within "Other Public Order and Safety" in that list under public order and safety. The overall budget there actually goes down from 2010-11 to 2011-12 in nominal terms and I think it goes down in real terms every year. How does that fit with the efficiency savings? Have they been factored into those broad projections for other public order and safety spending?

Mr Corbell: This particular information is developed by Treasury, I think, Mr Seselja, so you probably should direct the question to Treasury.

MR SESELJA: But obviously they would base it on the budgets of the various components that go into these broad areas. Where does JACS fit into public order and safety?

Ms Leigh: Mr Seselja, I understand that Ms Smithies took that question on notice during the Treasury estimates, so I think it would be preferable if I defer to the Treasury expertise.

MR SESELJA: Okay, so we do not know what proportion of this budget relates to JACS or where JACS fits within that and how the efficiency dividend within JACS will play out in terms of the overall spending on public order and safety?

Ms Leigh: As I said, I think it is better if I defer to Treasury, because they have the primary overall responsibility, and as Ms Smithies has already taken that on notice.

MR SMYTH: What is the total budget for the department this year?

Ms Leigh: In the order of \$240 million.

MR SMYTH: \$240 million?

Ms Leigh: In the order of, yes.

MR SMYTH: So what is the difference between the \$240 million and the \$320 million detailed in table F.18?

Ms Crowhurst: Were you after the operating budget for this financial year?

MR SMYTH: Sorry, for the coming year, the 2010-11 year.

Ms Crowhurst: Total expenses are \$238,778,000 as shown in budget paper 4 at page 270. The tables at the back would also include the policing contract, which is part of the territorial budget, so it is not in our departmental expense.

MR SESELJA: So that is that difference, is it, the—

MRS DUNNE: Is that the only difference?

Mr Corbell: The policing contract is over \$100 million, so it is probably close to that.

MR SESELJA: That would add to more than 320.

Ms Crowhurst: For the departmental and the territorial budgets for JACS, it is best to look at our BP4 statements because they are the budgets for the department. As Kathy Leigh has explained, these tables are prepared by Treasury and there is some difference in accounting measurement that they use for the ABS-type measurements. So I think it is best that we wait for the response coming to the question that has previously been asked.

MR SESELJA: Just in terms of the question that was taken on notice, I understand the question was specifically about what sort of factors in the national accounts and apportionment would see spending on public order and safety going backwards. It was not actually about a breakdown of some of these figures, so that has not been taken on notice by Treasury; just one aspect of the discussion around these numbers has. It is unclear to me what role JACS has. Obviously, Treasury are responsible in the end, as they are for the entire budget, but what role does JACS play when Treasury is trying to estimate how much the territory will be spending on public order and safety in the coming years?

Ms Crowhurst: We provide them with various information at different times during the year in response to a range of questions and reporting that they do. Some of that information I assume is used in putting together these reports.

MR SESELJA: So you are not aware then, when we look at this breakdown, what actually entails other public order and safety in this list?

Ms Crowhurst: No. I would need to take that on notice just to confirm that I give you the correct answer.

THE CHAIR: I note that it has been taken on notice.

MR SMYTH: Just following on from that, if the total public order and safety budget is \$320 million and you take the \$140 million off for police services, that does not come to \$240 million. Can we have an indication of what is in this or what is not included in public order and safety that is included in the department's budget?

Ms Crowhurst: Okay, yes.

THE CHAIR: I note that that has been taken on notice. Are there any other questions?

MRS DUNNE: I have got ones on 1.1. Could I go to the new policy on liquor licensing which has had some discussion. I hope I have not jumped in on your question for the morning, Mr Hargreaves, but—

MR HARGREAVES: I will let you know if you have, Mrs Dunne. You can bet your little life on that one. Being facetious with me ain't gonna work.

MRS DUNNE: Thank you. Can I ask: how many staff and what are the operating costs of the liquor licensing area in ORS?

MR SMYTH: Spell "facetious".

MR HARGREAVES: I can spell facetious; she just cannot say it.

THE CHAIR: Mr Hargreaves.

MR HARGREAVES: If you rile the man, you are going to get it back.

Mr Corbell: Is that in the context of currently, Mrs Dunne, or what is proposed?

MRS DUNNE: The current staff and the current operating costs for liquor. That is where I would like to start.

Mr Corbell: I will ask Mr Phillips to give you that information.

MRS DUNNE: This is about the policy but I need to set some context.

MR HARGREAVES: We will grow old while you set that context. I had dark hair when I came in here.

Mr Phillips: We have staff spread across the licensing function. We have four staff

that relate to liquor licensing and a number of other functions.

MRS DUNNE: And a number of other—

Mr Phillips: And a number of other functions.

MRS DUNNE: Can you tell me what the FTE is for liquor licensing?

Mr Phillips: You would put perhaps 1.5 licensing staff for liquor and perhaps four to five FTE for compliance work, so that you end up with a budget of about \$700,000.

MRS DUNNE: So what is the compliance?

Mr Phillips: The compliance is the inspectorial work. The compliance officers will go out on nights and during the days and have a look at the compliance levels of the liquor industry across the ACT.

MRS DUNNE: Did you say four to five or—

Mr Phillips: Four to five—so 4.5.

MRS DUNNE: I was wondering whether it was somewhere between four and five or 4.5.

Mr Phillips: The liquor licensing team is based as part of a broader compliance area that does fair trading and licensing compliance work.

MRS DUNNE: That is what you allocate to liquor licensing?

Mr Phillips: That is what we allocate.

MRS DUNNE: What do you allocate currently to the cost of administering liquor licensing—the current cost of administering those 5½ staff and the work that they do in relation to liquor licensing?

Mr Phillips: The 5½ staff would cost out at about \$550,000.

MRS DUNNE: And there are no other costs—cars?

Mr Phillips: There would be vehicle on-costs, perhaps two vehicle on-costs. So that would be another \$25,000. And there would be a portion of our enforcement on-costs of perhaps another \$30,000 or \$40,000.

MRS DUNNE: So there is no hard figure?

Mr Phillips: No.

MRS DUNNE: But it is roughly in the area of just over \$600,000.

Mr Phillips: Yes.

MRS DUNNE: In addition there are another 2½ liquor staff in the budget. Are they for the implementation of the proposed changes?

Mr Corbell: Yes, they are.

MRS DUNNE: And that is the \$280,000 in the budget; then there is the police, and you are looking to offset those costs in the budget by revenue of \$1.2 million. Are you looking also to offset the costs of the people who are currently in ORS?

Mr Corbell: No.

MRS DUNNE: So the money that is currently expended on liquor licensing in ORS is not sought to be offset by the revenue from—

Mr Corbell: No, it is effectively the expanded effort that is being covered by the proposed changes to revenue.

MRS DUNNE: Are you aware, minister, that the Australian Hotels Association has been told that they expect that the revenue would cover not just the expanded effort but the current effort from liquor licensing?

Mr Corbell: I do not know who would have told them that.

MRS DUNNE: The officials who have been dealing with the Australian Hotels Association, so—

Mr Corbell: That must be a misunderstanding because that is not the case. The government is not seeking to recoup the total cost of the licensing effort. What you do have to remember, though, of course, is that the existing licensing effort is already offset by the existing fee regime to a degree. Maybe it is in that context that the comment has been made, and that would be accurate insofar as the existing licensing effort is offset to an extent by the existing fee regime, and that remains the government's general approach in this area.

MRS DUNNE: How much money will the government expend under the new regime on liquor licensing?

Mr Corbell: In total?

MRS DUNNE: In total.

Mr Corbell: \$2.8 million, I am advised.

MRS DUNNE: That is what I was advised by the AHA that they had been advised by officials of JACS that they would have to stump up in liquor licensing fees.

Mr Corbell: This is where there is some misunderstanding. The AHA, in some of their assessments about what the new fee regime will be, have not taken into account that there still remain a number of existing fees. They have not taken account of the

one-off fee that they pay for their licence and then the additional fees that they will pay if they choose to trade late. In some of the calculations the AHA have done, they have taken into account the fees that the government is proposing to charge for premises that trade late but they have not taken into account some of the existing fees.

MRS DUNNE: No, that was not my question, minister. The AHA have told me that they have been told by officials that the full cost of the administration of liquor licensing is expected to be recouped from licensing fees—the full cost. I am not particularly interested in the breakdown about up-front fees and late trading fees. Is it the case that you propose to recoup the full \$2.8 million, roughly, for the administration of liquor licensing?

Mr Corbell: Consistent with the approach to date, the government already offsets the cost of liquor licensing. I am advised that the government already effectively offsets the cost of liquor licensing through a fee regime, and that will remain the case under the new regime.

MRS DUNNE: So, although the budget says there will be revenue in relation to the liquor licensing reforms of \$1.2 million in the first year and \$1.8 million in successive years, you actually propose in the outyears to recoup \$2.8 million?

Mr Corbell: Yes. I am advised that we do intend to recoup in total—

MRS DUNNE: Minister, what is your intention rather than what is the department's intention? This seems to be the problem. The AHA is getting one message from you and a different message from the department.

Mr Corbell: No, there is no problem. The—

MRS DUNNE: There was a problem a minute ago because you were saying that that was not the case and now you are saying it is the case.

Mr Corbell: I think I misunderstood your question. Is it the government's approach to recoup the cost of the regulatory effort from those who benefit from the regulatory effort? The answer is yes.

MRS DUNNE: So although you have been saying that you propose to achieve revenue of \$1.8 million—

Mr Corbell: It is important to make the point here that the full cost of the regulatory effort in terms of licensing and the new police component is met through fees, but you have to appreciate that the current regime does not reflect the full cost to the taxpayer, particularly in terms of the policing effort. At the moment, for example, the current licensing regime does not pay for the city beats team that is out on the street every Thursday, Friday and Saturday night.

MRS DUNNE: Have you been consistently telling the AHA and other interested people in the industry that you will be recouping \$1.8 million in revenue, and you are now telling the committee that you will be recouping \$2.8 million in revenue?

Mr Corbell: I think we are having a semantic argument. I have made it clear—

MR SMYTH: A million dollars worth of semantics.

Mr Corbell: I have made it clear that the government is increasing the cost. There is no hiding of that.

MRS DUNNE: No, there is no hiding. But Mr Phillips is saying—

Mr Corbell: If I can just answer your question, we are increasing the total amount of money that licensees will pay to have a liquor licence and, in particular, to trade late. We have made it very clear to the industry throughout that that is in addition to some of the existing fees that they already pay. So we have made that quite clear.

MRS DUNNE: But you have consistently said, and you say here, that the revenue from the liquor licensing reform will be \$1.8 million in a full year.

Mr Corbell: Yes.

MRS DUNNE: You and Mr Phillips are now telling the committee that you expect the revenue to be \$2.8 million in a full year.

Mr Corbell: This is additional revenue, Mrs Dunne, not that which is already in the budget.

MRS DUNNE: Answer my question—

MR HARGREAVES: So what we are talking about, minister, is that there is a base amount—

MRS DUNNE: minister, would you?

Mr Corbell: I just did, Mrs Dunne.

MR HARGREAVES: already contained within the context of the budget, the base amount, and what we are talking about is in addition?

Mr Corbell: We have got an existing base and we are adding to that.

MR HARGREAVES: An incremental budgeting process?

Mr Corbell: Yes.

MRS DUNNE: Can I go back to what Mr Phillips said. It is very unclear, and, by Mr Phillips's own evidence, it is about \$600,000 which is currently expended on liquor licensing in ORS.

Mr Corbell: Yes.

MRS DUNNE: You are adding to that the police component, which is \$1.3 million,

but, in fact, you just said that you expect to collect \$2.8 million in revenue in a full year. So there are still extra fees on top of that; there are still extra costs on top of that. Where do we get the extra million dollars from? You are saying that there is a million dollars in revenue here, but at the moment Mr Phillips is saying that roughly liquor licence administration costs \$600,000. So there is still another \$400,000 somewhere. Where is that revenue coming from and what is that revenue for?

Mr Phillips: Mrs Dunne, in relation to the regulation of liquor licensing, not only do ORS currently regulate, but also the police have a city beats team. Quite consistently, there are joint operations between the AFP and ORS in relation to the compliance work. The fees would also cover the current effort that is provided by the AFP in relation to liquor licensing.

MS BRESNAN: With respect to the revenue, we have got the \$1.25 million; is that the revenue from the new licensing system, from the pubs and the clubs?

Mr Corbell: Yes.

MS BRESNAN: Is that what that revenue is from?

Mr Corbell: Yes.

MS BRESNAN: So what are the other sources of revenue?

Mr Corbell: They will continue to pay some existing fees, application fees and so on, and the payment of an existing fee. So they pay their existing fees for applying and renewal, and then there are new fees in relation to trading hours, risk-based fees.

MRS DUNNE: Could we have a breakdown, please, of what the revenue would look like and the sources of that revenue?

Mr Corbell: The government is still in discussions with the industry about how the revenue effort will be shared, if you like, across the industry, across which type of licensed premises, so I am not in a position to give that detail at this stage as we have not determined that.

MRS DUNNE: No; I am not asking that. I am asking for a breakdown of the current costs of administering the current scheme, the expected increases in revenue. I do not need that broken down by types of licence, because I think that is still a bit of a moving feast and subject to discussion, but you must have some projection, because you can put projections in the budget.

Mr Corbell: Yes.

MRS DUNNE: And where that money will be allocated.

Mr Corbell: Yes, we can do that. I can tell you where the new revenue will be allocated now, if you like.

MRS DUNNE: Yes.

Mr Corbell: In relation to ORS, there is approximately \$196,000 for two positions for the administration of liquor licensing applications and renewals, as well as half a full-time position to assist with review of the responsible service of alcohol arrangements and development of new guidelines for the industry. This is in terms of assessment of risk management plans and so on. There is also \$20,000 for ICT maintenance and support and \$50,000 for an independent review of the new legislation two years after operation.

MRS DUNNE: Why is that in the budget now?

Mr Corbell: I beg your pardon: commencing 18 months after operation.

MRS DUNNE: So why is that money in this year's budget?

Mr Corbell: That is just a notional allocation of the total amount of revenue and where we are going to spend it.

MRS DUNNE: Okay.

Mr Corbell: And in relation to ACT Policing, \$5.068 million over four years, one team of two units of five officers each to undertake their respective enforcement duties, and then \$100,000 in capital to upgrade the relevant databases to deal with the new system.

MRS DUNNE: Could you describe for the committee the demarcation between ORS and the police—this new group of police—in relation to enforcement and compliance.

Mr Corbell: There are some areas of detail to be sorted out in discussion between ORS and the police, but primarily, and perhaps conceptually, the proposal is that ORS will undertake the administrative functions associated with the licensing regime: issuing of licences; assessment of risk management plans; relevant issues around occupancy loadings and so on; development of policies and procedures that will guide the implementation of the new arrangements, such as interpretation of some of the provisions around intoxication and so on, so that respective guidance and information can be provided to licensees; definitions of things such as what is the inappropriate promotion of alcohol; discounting of drinks and so on; and some guidance on those types of things. ACT Policing will have the responsibility for enforcement during operational hours. So when premises are trading, particularly late at night, they will have powers to inspect premises, take appropriate action and issue on-the-spot fines and so on whilst premises are trading.

There will be some overlap between these two functions, and there will still be instances where civilian inspectors will work with police during the operation of licensed premises. But in general terms that is the demarcation.

MRS DUNNE: When you proposed for this to all come into effect later this year, in November—I think that is the terms of the motion in the Assembly.

Mr Corbell: Yes.

MRS DUNNE: When the legislation is passed, do you propose that, by the time the legislation is introduced for debate, or at least before it is passed, the regulations that underpin all of this and the standard operating procedures and manuals will be available—so that before this all comes into effect there is an opportunity, while we consult on the legislation, to consult on the detail that underpins those bills?

Mr Corbell: I appreciate that the regulations are a significant part of this legislative proposal; I do propose to make draft regulations available to the Assembly at the time the bill is introduced.

MRS DUNNE: What about the manuals and the standard operating procedures? The manuals, as they currently exist for the licensing manual, have pages that say, “This is still under construction.”

Mr Corbell: It is not something I have considered at this time.

MRS DUNNE: Could I ask you to consider it seeing that we are having a new regime and licensees are scratching their heads as to—

Mr Corbell: I am happy to consider that. In any event, ORS will need to consult with the industry about the development of those documents.

MRS DUNNE: The point is that, if it is all going to come together magically in November or December this year, those documents are going to have to be out there and known so that they can be operational effectively.

Mr Corbell: Yes, I understand that. I just make the point that these documents are developed in a cascade of precedence. Obviously, the legislation and the regulations guide the development of more detailed policies. There is just a logical sequence to the work that goes with that. But I will take your suggestion on notice.

MR SESELJA: What analysis has been done of the individual costs to the operators, particularly, for instance, looking at the ones who are going to have the highest costs as a result of the new regime? What is going to be the cap or the most that any individual establishment will be paying?

Mr Corbell: There are a range of options that are currently on the table. I am having detailed discussions with industry about those at the moment—about what different types of venues might end up paying. Those discussions are ongoing.

MR SESELJA: Are we talking \$15,000 extra or \$20,000 extra for large establishments? Is it in that vicinity?

Mr Corbell: I would be reluctant to give a precise figure, because they are consistently moving as we have discussions, but the structure will reflect and be consistent with what we are projecting in terms of the total revenue take.

MR SESELJA: What analysis, if any, has been done on the potential impact on issues such as live music, as we saw in Melbourne recently—issues around that?

What analysis has been done to ensure that we do not see a negative impact on things like live music in the ACT?

Mr Corbell: In developing the policy more broadly, my department has looked at the experience of other jurisdictions, particularly Victoria, and some of the issues that they have faced there. I have had no advice to date that would suggest that the proposed regulatory responses here will have any detrimental impact on live music venues. In fact, I would say that in many respects the regulatory regime will potentially create a greater variety of venues, and indeed more small venues, that are best suited to live music. The licensing regime is designed to provide a more favourable environment for smaller venues to be established. These tend to be the boutique bars and other venues that are often quite conducive to live music and are something which we are trying to encourage in the new regime.

MR SESELJA: How broad is that definition of live music, though? Obviously there are some venues that specialise in bringing out guest DJs and the like who are very popular. Is that the type of live music or are you talking about the traditional live music as we might understand it?

THE CHAIR: I was waiting for you to get to that bit.

MR HARGREAVES: Just how do you understand it, Mr Seselja? Are we talking about classical music or pole dancing?

MR SESELJA: I would like to know how the minister understands live music. I want to know how broad the definition is, because it is an issue.

Mr Corbell: We do not have a definition of live music.

MR SESELJA: But it is relevant to the discussion because—

Mr Corbell: We are not regulating venues on the basis of a live music venue. You will not find any explanation in the draft bill that says, “Venues have live music if they meet these criteria.” We are not doing that. We are simply making the point that it is often the case that for live music—that is, where people are playing instruments that generate music—

MR SESELJA: The DJs would argue; they would make an argument.

Mr Corbell: as opposed to computer generated.

THE CHAIR: Maybe we could have this discussion outside later.

Mr Corbell: I guess what I am talking about is bands—bands, performance groups.

MR SESELJA: The traditional live music that we would—

THE CHAIR: I want to go back to the analysis—

Mr Corbell: Obviously there are other types of live music, but they tend to be

performed, as I understand it, at venues such as nightclubs and so on, where people are able to dance.

MR HARGREAVES: Are you an expert on this one too, Mrs Dunne?

MRS DUNNE: I am not.

MR HARGREAVES: I am sure Mrs Dunne is an expert in club tripping.

THE CHAIR: Thank you, Mr Hargreaves.

Mr Corbell: The issues in relation to live music in Victoria, as I understand it, related to some of the requirements the government there put in place around security and the cost of security for venues. We already have here in the ACT security as a common provision at licensed venues. Security will be something that will be assessed according to the risk management plan for a venue, and the requirement for security will be dictated by that risk assessment.

THE CHAIR: Minister, can I just go back to the projected revenue that is going to be raised by this measure. There has been detailed analysis that underpins the figure you have put into the budget?

Mr Corbell: Yes.

MRS DUNNE: And it is?

THE CHAIR: That is right. Are we able to see that analysis?

Mr Corbell: This comes back to the point I made to Mrs Dunne and Mr Seselja earlier: the government has a proposal which it has put to industry about what the fee structure should look like in terms of what types of venues pay what types of fees or what amount of fees. This is the subject of some ongoing discussion and negotiation with the industry. I have agreed with industry, and industry have agreed, that we will conduct those negotiations in confidence, because they are sensitive. But I will undertake to provide what detail I can without wanting to compromise what is an ongoing negotiation at this time with the industry.

MRS DUNNE: What figure did you put to the industry that you were looking to raise?

Mr Corbell: That I was looking to raise? In total?

MRS DUNNE: Yes.

Mr Corbell: The figure that is in the budget.

MRS DUNNE: The \$1.8 million?

Mr Corbell: Well, \$1.2 million in the first year and then \$1.8 million, yes.

MRS DUNNE: So when you went out looking at licence fees you did not tell industry that you wanted to raise \$2.8 million?

Mr Corbell: No. I made it clear to the industry that these fees were in addition to existing revenue measures that were already in place. What you have got to understand is that the existing fee structure at the moment is a very simple one: you pay once according to the volume of alcohol you sell. You pay a one-off fee each year, and it is according to the volume of alcohol you sell. What is it? Under 100,000 litres, isn't it?

Mr Phillips: Yes.

Mr Corbell: You pay a set rate if you sell under 100,000 litres of alcohol a year, and you pay another set rate if you sell over 100,000 litres of alcohol a year. And that is it. We are creating a much more differentiated fee structure, but we are not taking away what is already in place, because what is already in place—

MRS DUNNE: You told the industry that you were looking to raise \$1.8 million from the fees?

Mr Corbell: Additional, because what is already in place is one of the most generous and cheapest licensing regimes in the country. That is one of the problems with our existing liquor licensing regime. It is relatively cheap and very easy to get a liquor licence without any regard to the broader impact that that licence has on the community. That is why we are moving towards a risk management, risk-based, approach to licensing. But there is still a base that we are operating off, and it is reflected in the government's overall assessment.

MRS DUNNE: When you looked at the risk management approach, what other approaches did you look at? You have come up with something that means, if you operate after a particular hour, you are at high risk. Did you look at other more complex or sophisticated models?

Mr Corbell: Risk-based licensing is considered to be best practice.

MRS DUNNE: Yes, but there are plenty of ways of looking at—

Mr Corbell: Nationally and internationally, risk-based licensing is considered to be best practice. In that regard, no, we did not look at other models outside of risk-based—

MRS DUNNE: No, I asked you: when you looked at the risk-based model, did you look at a different set of risks? You have picked on a fairly simple and unsophisticated one: if you operate late, you must be at high risk.

Mr Corbell: It is a simple and telling fact that the majority of risk in the majority of harms in the community from the operation of licensed venues occurs from around 1 am to 2 am. This was rammed home to me on Saturday night when I went out with the police. It was pretty quiet at 11 pm or midnight but it started to get busy after that. And by about 2 and 3 o'clock in the morning, that is the ugly hour. So it is quite clear

that the harm is coming from early morning trading. And the proposed new regulatory regime reflects that.

THE CHAIR: I am aware, members, that we do have a number of output classes still to get through, plus the Legal Aid Commission and the Public Trustee before 1 pm. While we have Mr Phillips here, maybe you want to continue with any other questions around regulatory services, and then we will go back to make sure that people are happy with the questions they have asked around other output classes.

Mr Corbell: If I could conclude my answer, pardon me, Madam Chair. There are a range of ways you can cut it. At what point the high-risk period starts, what types of venues are high risk and what types are not—these are all things that I have had extensive discussions with the industry about. But there is no getting away from the fact that the antisocial behaviour, the violent behaviour, the property and criminal damage—the bulk of it—is reported to police as occurring in the early hours of the morning. And a licensing regime has to reflect that.

THE CHAIR: Does anyone else have any questions around regulatory services?

MR SESELJA: Yes.

THE CHAIR: Mr Seselja.

MR SESELJA: Thank you, Madam Chair. I have some questions in relation to food vans. I want to get an idea of how many food vans operate in the ACT and what kinds of licences the operators of food vans are required to hold.

MR HARGREAVES: It is risk based.

Mr Corbell: I understand there are about six. There are six.

MR SESELJA: And they all have hawkers licences?

Mr Phillips: The six food vans that we regulate as hawkers.

MR SESELJA: And how many of them remain permanently parked in their locations?

Mr Phillips: Could I clarify the previous answer? There are about six that are semi-permanent structures that we regulate. There are a number of others that are coffee vans, or whatever, that pull up and go home every day. I cannot tell you how many of those itinerant coffee vans or doughnut vans or whatever we have.

MR SESELJA: So six are semi-permanent structures. How does that operate differently from the vans? Those other vans do not need licences at all, or do they get some sort of licence as well?

Mr Phillips: They are licensed as hawkers if they pull up and are undertaking business in excess of 30 minutes at a time. There are a number of hawkers licences for vans that come and spend three or four hours a day and then go home. But there are

six in relation to semi-permanent. Some of the coffee vans around the place that come and park outside your work, stay there for 20 minutes, serve everybody coffee and then go on their way are not necessarily licensed.

MRS DUNNE: I saw one of those outside ORS the other day.

Mr Phillips: Yes, twice a day at Callum and once a day at Fyshwick.

MR SESELJA: Are vans that are permanently parked or semi-permanently parked required to be registered as a vehicle or do they operate under a different regime?

Mr Phillips: They are registered under the Hawkers Act as a vehicle.

MR SESELJA: They are registered as their vehicle.

MRS DUNNE: Do they have to be roadworthy?

Mr Phillips: I am just trying to think of the requirements of roadworthiness under the legislation. There is a reference to vehicles. I am not sure the legislation goes too much further than that.

MR SESELJA: When does the current licence for the Brodburger van expire?

Mr Phillips: End of this month.

MR SESELJA: What is the process for renewing that licence?

Mr Phillips: For that licence, there has been an application for renewal. And on the basis of all things being equal from the previous licence application, that licence will be renewed.

THE CHAIR: Mrs Dunne.

MRS DUNNE: Thank you. I want to get back to liquor licensing. Does the Office of Regulatory Services provide any educative assistance for someone who might be a new licensee or looking to become a licensee about the requirements of becoming a licensee and how they might run their premises?

Mr Phillips: We provide materials on our website in relation to liquor licensing. If somebody contacts our office, we will assist them in relation to determining what their needs are to assist them in obtaining the licence they might want. In relation to our education role in relation to licensing, we predominantly target schools and organisations like the AIS, where we have quite an extensive education program. We do not at this stage run programs for new starters, so to speak, in relation to the liquor industry.

MRS DUNNE: Why is that?

Mr Phillips: We do not tend to get that many new starters on a yearly basis. Whilst people come in and out of the industry, people buy and sell businesses and people

start up businesses and whatever, we have a relatively consistent number of licensees from year to year. And it is something we have not looked at previously.

MRS DUNNE: If a licensee asked you, “I am starting a new business or taking over this business; could you come in and run a seminar or an information session for my staff so that there is an understanding of how we need to go on?”, would you be in a position to do that?

Mr Phillips: I think it would be a useful thing to look at. I would say that was something that we would strongly consider doing.

Mr Corbell: We would also make the point that for a range of things, particularly around the responsible service of alcohol, training is provided through existing training providers. And the ORS would direct licensees or prospective licensees to those sources of information as well. In relation to the new regulatory regime, it is envisaged that there will need to be a significant component of education and information to both existing and prospective licensees about their obligations and duties under the new regime. And that has been calculated into the work that we need to do.

MRS DUNNE: Thank you. What are the provisions for someone who is not currently a licensee and who wants to take over a licence? What is the process?

Mr Phillips: It is not so much taking over a licence as applying for a licence fresh over, on the relevant premises. They would—

MRS DUNNE: Even if the premises is currently licensed?

Mr Phillips: The licensed person, I am sorry. Somebody who gets out of a business would forfeit their licence. Somebody who comes into business would apply for a new licence. So it would be a new licence—application forms, police checks to determine whether they meet or have the relevant requirements under the act to be able to operate a licence.

MRS DUNNE: It has been put to me—

THE CHAIR: Mrs Dunne, we will need to move on in a moment. One last question and then I need to move to Ms Bresnan on another output.

MRS DUNNE: It has been put to me that there is a problem if someone might want to take over a business, because they have to buy the business before they can apply for the licence. There is no guarantee that the licence will be granted and they are stuck with a business that they cannot operate because they do not have a licence. Have you encountered occasions where someone has bought a business which they cannot operate because they do not meet the fit and proper person test or whatever?

Mr Phillips: Not to my knowledge.

MRS DUNNE: Okay.

Mr Phillips: Personally, not to my knowledge.

MRS DUNNE: Thank you.

Mr Phillips: I am not saying—

THE CHAIR: Ms Bresnan.

MS BRESNAN: We have got the new budget initiative about additional staff for workplace safety regulations in the ACT. Looking at output 1.7, we have got the percentage of compliance. I would have thought, looking at the percentage going into 2010-11, the target would have been higher, given that the very purpose for this staff is to actually increase compliance. Do we expect to see an increase in percentage there?

Mr Corbell: Sorry, could you tell me the page you are on?

MS BRESNAN: Yes, page 259, budget paper 4. It is output 1.7. There is the percentage of businesses, the number of workplaces.

Mr Phillips: I would suggest that would be the result of the increase in staffing numbers. One of the matters that we will need to work through next year is the staff and the level of expertise of the staff when we take them on board, getting a range of people that are currently qualified and a range of people that we want to train and how we then train them. And one of the matters that I have noticed in the past is that, when we have new starters on board, you do not necessarily see those high levels of compliance as the starters become familiar with their own positions. So over time, yes. Not next year.

MS BRESNAN: When do you expect to have those five staff on board?

Mr Phillips: We advertised on Saturday for a couple of vacancies. We advertised for several vacancies. So we would hopefully be in a position almost to commence on 1 July.

MS BRESNAN: Of the five positions, did you say there are going to be two filled and is it going to be a gradual filling of those other positions, or will the five come on board together?

Mr Phillips: There are currently two vacancies in the existing staffing levels that we have advertised, but we have advertised for several, to be able to use that recruitment process to identify those people that we need to recruit over the next 12 months as well.

MS BRESNAN: When do you expect to have the full complement of five staff?

Mr Phillips: We would anticipate having that by the end of August.

MS BRESNAN: Just on that, do you have the actual number of current work safety inspections that you undertake?

Mr Phillips: Work safety inspections?

MS BRESNAN: Yes.

Mr Phillips: Yes. We are currently in—

Mr Corbell: On the figures I have, Ms Bresnan, 1,716 workplace visits were conducted between 1 July 2009 and 30 March 2010. Visits were carried out in 18 different industry groups. Surprisingly, mining, finance and insurance were the only areas that no visits were recorded for. The visits included 125 inspections of lifts, 196 boiler and pressure vessel inspections, 10 brothels, 13 audits on manual handling and manufacturing and 21 visits in relation to scaffolding. In terms of the breakup across industries, 921 of those visits were in construction, 355 in retail, 71 in personal and other services, 56 in cultural and recreational services, 54 in health and community services and 48 in transport and storage.

MS BRESNAN: Is it possible for the committee to get that information?

Mr Corbell: Yes.

MS BRESNAN: Have you set a target for the number of workplace inspections you want to have done when you have these new staff on board?

Mr Phillips: Once new staff are up and operational we normally look at something like 300 a year per staff member. We are looking at filling one of the positions with a senior management role, so if the others are locked in as inspectors' positions you would think there would be an increase of around 1,000.

MS BRESNAN: So it would be an additional 1,000?

Mr Phillips: Yes.

MS BRESNAN: And four of the positions will be inspectors?

Mr Phillips: Yes, four of the positions.

MS BRESNAN: The other will be a senior manager. Are those figures reported in your annual reports?

Mr Phillips: Yes. Ms Bresnan, the current inspections are equivalent to the last year.

MS BRESNAN: They are equivalent?

Mr Phillips: Yes.

MS BRESNAN: Thank you.

THE CHAIR: Mr Smyth.

MR SMYTH: What percentage of those visits would have been to places that sell alcohol and what category did they fall in?

Mr Phillips: Mr Smyth, the liquor licensing is considered on the fair trading side.

MR SMYTH: It is different from those visits?

Mr Phillips: Yes.

MR SMYTH: Okay.

Mr Phillips: Around half of the fair trading inspections relate to alcohol, liquor licensing.

MR SMYTH: So how many fair trading visits?

Mr Phillips: There have been over 900 this year in relation to liquor.

MR SMYTH: 900 in relation to liquor?

Mr Phillips: Yes.

MR SMYTH: On the same output class against the same measures, the second and the third dash points show percentage and number of workplaces. What do the words “and number” mean there? I notice the first dash point just says, “Percentage of individuals, businesses, workplaces.” In the second and third one, what does “and number” add or mean?

Mr Phillips: I think in relation to the percentages, Mr Smyth, that those two hyphenated points are similar and will be interpreted the same as the first one, even though—

MR SMYTH: “And number” we can worry about next year?

Mr Phillips: “And number” we will report against the annual report—

MR SMYTH: I am sorry?

Mr Phillips: “And number” we will report against the annual report physically in relation to the number of places—

MRS DUNNE: But you do not report them here?

Mr Phillips: No.

MR SMYTH: Maybe they are superfluous. How many businesses or workplaces are there in the ACT?

Mr Phillips: I cannot tell you off the top of my head, Mr Smyth.

MR SMYTH: Could that be taken on notice? What percentage of your 1,716 visits represents—

Mr Phillips: I understand, Mr Smyth, there are about 30,000 workplaces.

MR SMYTH: All right. What is that—about five per cent? As to the second hyphen, the percentage of workplaces that comply with OH&S legislation, why is it that only 75 per cent of the territory's workplaces comply?

Mr Phillips: Mr Smyth, the first percentage point refers to fair trading compliance. Fair trading compliance seems to be at the present time a lot more proactive in relation to getting out and about. At present the work safety visits tend to result from complaints or notification of injuries.

MR SMYTH: So if they are only responding to complaints then the businesses that they are visiting apparently have issues. How do we know that the other 95 per cent—

Mr Phillips: That is part of the performance of the additional staff members, Mr Smyth, to be able to develop a proactive campaign to get out to more business premises in the ACT.

MR SMYTH: Minister, are you concerned that only 75 per cent of ACT businesses comply with OH&S legislation?

Mr Corbell: The government is concerned to raise the total level of compliance when it comes to occupational health and safety legislation, and that is why we have provided \$2.8 million, I think, in funding to boost the regulatory effort in this area. We want more inspectors being more proactive and engaging with employers and employees. That is why we have restructured WorkCover. We have rebadged it. We have created a new structure and leadership team. We have moved the Work Safety Commissioner into a dual role—the head of the new WorkSafe ACT as well. That is why we have undertaken these reforms, to be much more proactive in this area.

MR SMYTH: So what percentage of the additional money and, as a separate figure, what percentage of the all-up budget goes to education to raise the level of compliance?

Mr Corbell: That will be something that will be determined by the new organisation and by the new senior director-commissioner. He will have the responsibility to determine his budget and to set the appropriate balance between education and enforcement.

MR SMYTH: What percentage is currently devoted to education concerning these issues and how much is that?

Mr Corbell: Previously education and compliance were separated. Under the current financial year the Office of the Work Safety Commissioner was responsible for the education role and WorkCover was responsible for enforcement, investigation and compliance. The functions were split. The relevant costs are outlined in the current financial year's budget papers.

MR SMYTH: What percentage was spent on education?

Mr Corbell: I cannot tell you off the top of my head, Mr Smyth. It is publicly available. I just do not have it immediately to hand. I will see if I can get that for you.

MRS DUNNE: Could I just ask for clarification. I may have written this down incorrectly before. Ms Leigh, I think you said that 2.6 of staff would be allocated to outdoor smoking compliance. Did I get that right?

Mr Phillips: Mrs Dunne, it is 0.6 of staff.

Ms Leigh: Yes, it is 0.6.

MRS DUNNE: It is 0.6. I wrote it down incorrectly.

Mr McCabe: If I could respond to your earlier questions—virtually all of the commissioner’s budget, prior to this mix, was involved in education. It is very hard to say what would be the mix in the new organisation because even inspectors who go out and do enforcement do education activity when they go out. If they go to a workplace and suggest that there should be certain changes that in itself is education activity, especially if they choose at that stage not to issue notices. It is very hard to get a strict definition between the two. I would see the large bulk of the new inspector resources augmenting the education side of that activity as opposed to the enforcement side. The reactive side is pretty much already covered. The need is to build up the proactive side.

MR SMYTH: Is there a figure on how much we spend on education at this time?

Mr McCabe: I do not think that you can put a figure on it at the moment from the existing ORS resources. As I said, virtually all of the commissioner’s budget is spent on education in some way or another.

Mr Corbell: Can you indicate what your current budget is, Mark?

Mr McCabe: The current budget for the commissioner’s office is \$450,000, plus an additional \$120,000 which was allocated this year for the first time.

MR SMYTH: So, minister, there will be no decrease in the education effort?

Mr Corbell: No. There is an absolute net gain in the total amount of funding for OH&S—the OH&S effort, to put it that way, to follow Mr McCabe’s lead. Mr McCabe’s current budget for the Office of the Work Safety Commissioner will be consolidated with the budget of the new WorkSafe ACT—the old ACT WorkCover—into a single budget.

MR SMYTH: When a complaint is received, how quickly will an officer respond?

Mr Corbell: It will depend on the circumstances of the complaint.

MR SMYTH: Within an hour or within half a day—

Mr Corbell: It depends on the nature of the complaint and what relative priority was given.

Mr Phillips: Mr Smyth, if it is a complaint that deals with a serious injury or death it will be responded to instantly, as soon as we can get in the car and get there. As to complaints where the matters are a bit less significant, they will be responded to over a period of time. If you have a look at one of the JACS strategic indicators, indicator 4 on page 252, note 3 sets out the initial response types and times.

THE CHAIR: Thank you. Are there any further questions on regulatory services?

MRS DUNNE: I have got a few but I will put them on notice.

THE CHAIR: Could I just check with the committee if there are any more questions on 1.1, policy advice and justice programs? Would the committee like to move to 1.2, legal services to government? Mr Seselja.

MR SESELJA: Thank you. Minister, in relation to legal services to government, is the Government Solicitor's office now advising the government on all major contracts prior to them being signed?

Mr Corbell: I understand that is the case, yes. I will ask Mr Garrison. My recollection is that the government has agreed, at a whole-of-government level, new requirements in relation to major contracts.

Mr Garrison: Mr Seselja, we have now in place a formal policy with ACT Procurement Solutions in relation to outposting of staff from my office into Procurement Solutions. As effectively all major government contracting goes through Procurement Solutions, we are actually involved almost from the outset in relation to all major procurements.

MR SESELJA: When was that arrangement put in place?

Mr Garrison: It was formalised towards the end of last year. But we have actually been running an outposting for some little time.

MRS DUNNE: Last calendar year or financial year?

Mr Garrison: Last calendar year.

MR SESELJA: Okay. So what additional resources has that meant and where are those resources reflected? Are they reflected in your budget or are they reflected in the Procurement Solutions budget?

Mr Garrison: My budget, in the sense that that is where the resources lie. But we are also funded by Procurement Solutions in relation to our outposting arrangements.

MR SESELJA: Okay. What is the additional cost to your office of these new

arrangements?

Mr Garrison: It is approximately \$180,000 a year.

MR SESELJA: Okay. So we have not had to see any other parts of your operations impacted by these new arrangements?

Mr Garrison: We manage within our resourcing capacity and to ensure that there are appropriate resources for major contractual arrangements and major projects.

THE CHAIR: Mrs Dunne.

MRS DUNNE: Mr Garrison, I was wondering if you could tell the committee: were you involved in providing advice to, I presume, Treasury in relation to the proposed reappraisal of levying the change of use charge?

Mr Garrison: I believe there has been an investigation into that, Mrs Dunne. Could you clarify your question?

MRS DUNNE: The minister and department say that they received advice that the way in which the change of use charge was being levied was not strictly legal, and I was wondering whether your office had been involved in providing that advice.

Mr Garrison: As to the detail of my advice, of course, that would be a matter for the Under Treasurer or for the Treasurer. My office, as with most major undertakings, has provided some advice. I do not know that, with respect, your recitation of it precisely reflects the advice that was given, but I would rather leave that as a matter for the Treasurer perhaps to respond to as it was within her portfolio.

MRS DUNNE: When did you give that advice?

Mr Garrison: It would be several weeks ago.

MRS DUNNE: Could you get back to the committee with when that advice was given?

Mr Garrison: Certainly.

MRS DUNNE: Thank you.

THE CHAIR: I note that that has been taken on notice. Mr Seselja?

MR SESELJA: You talked about an investigation. What was the nature of that investigation?

Mr Garrison: That is a matter for the Treasurer, with respect, Mr Seselja.

MR SESELJA: We are talking about advice, but has the Government Solicitor's office been asked to conduct any sort of investigation into the levying of the change of use charge over the past few years?

Mr Garrison: No.

MR SESELJA: So what was the nature of the investigation?

Mr Garrison: That is an internal matter for Treasury.

Mr Corbell: You would have to ask the Treasurer.

MR SESELJA: I am asking the Government Solicitor. I am just not quite sure what—

Mr Corbell: The Government Solicitor's job is to advise you on what actions he and his officers take in relation to advice to other agencies. On the broader conduct of matters that are the responsibility of other agencies, you should ask the responsible minister.

MR SESELJA: But he mentioned an investigation. I am just trying to get to the bottom of—

Mr Corbell: He has said to you that he is not involved in an investigation.

MR SESELJA: So what was the investigation you referenced in your answer earlier?

Mr Corbell: It is a matter for Treasury. You would have to ask Treasury.

MR SESELJA: Hang on. Has the Government Solicitor been involved in that investigation or not?

Mr Corbell: He has already answered that question. He said no.

MR SESELJA: Okay. So there has been no involvement in that investigation that you mentioned?

Mr Garrison: Correct.

MR SESELJA: Okay. In terms of this advice that has been provided on the change of use charge, has that advice been tested anywhere in practice or is that still something we are waiting to see?

Mr Garrison: My office was asked for legal advice on certain issues and I have provided that advice about the interpretation of legislation. It was in the nature of preliminary advice and really there has been very little involvement beyond that.

MR SESELJA: So there was preliminary advice that the government was acting on in relation to change of use?

Mr Corbell: No. The government is acting on a broader suite of advice that has been provided to it—not just of the legal variety but in relation to implementation of policy. It would be best if you ask the responsible minister about that progress.

MR SESELJA: Sure. But just finally was the legal advice that has been acted upon preliminary legal advice? From your perspective, and not being able to speak for what the Treasurer has done, the advice you provided on the change of use charge was preliminary in nature?

Mr Garrison: Correct.

MRS DUNNE: Was it written or verbal?

Mr Garrison: Written.

THE CHAIR: Are there any other questions around legal services to government? Ms Bresnan?

MS BRESNAN: Yes. On page 517 of budget paper 4, \$46,000 has been allocated for the Indigenous liaison officer.

MRS DUNNE: That is not Mr Garrison's—

Mr Garrison: That is not in our commission.

MS BRESNAN: Sorry. I am asking the wrong question.

THE CHAIR: Any other questions, while we have Mr Garrison, in relation to legal services to government?

MRS DUNNE: There is a thing of burning curiosity that was reported on in the annual reports. There was a large sum of money recovered which was reported on in the annual reports. Without giving too much away, Mr Garrison, is that—

Mr Garrison: No movement at the station, Mrs Dunne. It is an ongoing matter.

MRS DUNNE: When do you think that you might conclude that matter?

Mr Garrison: That depends on a range of factors involving actions by taxpayers and the like.

MRS DUNNE: Okay.

THE CHAIR: Thank you, Mr Garrison. Are there any questions under output class 1.3, legislative drafting and publishing services? Mr Smyth?

MR SMYTH: No, I am fine.

THE CHAIR: Public prosecutions, 1.4?

MRS DUNNE: Yes, please.

MR RATTENBURY: Yes, please.

THE CHAIR: Mr Rattenbury and then Mrs Dunne.

MR RATTENBURY: I note on page 258 of budget paper 4, under note 4, that you have changed some of your indicators. Could you, Mr White, give us an insight into those changes?

Mr White: We are introducing a computerised case management system into the DPP. As a result of that, when it is fully operational, we hope that we will be able to report more against results of cases and the success rate or otherwise in relation to various categories of cases. That will be something that we will be instituting in future years. The changes referred to in the budget papers were really very minimal redefinitions of existing measures, but we hope to move to a more output-based reporting system when we get our new computer system up and running.

MRS DUNNE: Which will be when?

Mr White: It is due to be commissioned on 15 June, so we hope that we will be able to capture the data for the next financial year.

MRS DUNNE: So you will have a whole year report?

Mr White: So that we will have a whole year's report by the next reporting round.

MRS DUNNE: These targets for 2010-11—are they fair indicators? How robust do you think those targets are, especially the dollar target?

Mr White: The dollar target is very robust. That is really just a way of measuring our efficiency. It is essentially referring the number of prosecutors we have to the amount of our budget. The amount of prosecutor days is just a way of refining that to take account of the number of days that people are on deck. That is prosecutors, basically.

MRS DUNNE: I was actually reading the cost per finalised matter, which looks as if it is a new indicator. How robust is that?

Mr White: That will be robust when we are able to identify with certainty the matters that are actually finalised. That is one of the difficulties we have under the present system.

MR SESELJA: Just quickly if I could, is the case management something that is being developed in house or is it something that you are purchasing off the shelf?

Mr White: It is largely the system that is existent in the New South Wales DPP at the moment. There was a tender process and the tenderers were successful. The system is partly owned by the New South Wales DPP and partly by a private company which has developed it. It has been customised to a certain extent to fit into our requirements, but those requirements are pretty similar to those of other prosecuting agencies.

MR SESELJA: What was the cost of purchasing it and what were the costs broken down with the modification needed for the ACT?

Mr White: The overall cost is something like \$250,000. Part of the tender process comprehended that that would take account of any modification that was needed.

MR RATTENBURY: Just on these indicators, are these indicators used in other jurisdictions?

Mr White: No. I think it is fair to say that generally in other jurisdictions they relate to the number of cases that have been finalised and outcomes in relation to those cases broken down into different categories—for example, theft, property offences, sexual assaults, homicides et cetera.

MR RATTENBURY: So why have you chosen this one in particular?

Mr White: These outputs really are a function of the office to date not having had effective management in relation to its cases because of the lack of a computerised case management system. In terms of our statistics, we are reliant on statistics kept by the court in relation to those matters. We have not had any way of assessing those matters in-house.

MR RATTENBURY: I am unclear then. It seems to be an interesting measure—average cost per matter finalised. Obviously the matters are going to be very diverse. As an office, what are you learning from that figure, given that other jurisdictions do not use that figure? What does it give you?

Mr White: I might have to take that on notice. I am not sure whether that is a measure that is used in other jurisdictions, but there is always a difficulty in comparing us to other jurisdictions because of the very simple matter that in this jurisdiction we do all the summary matters within my office and as a general rule that is not done in other jurisdictions. And there are many other differences between the directors of public prosecutions which lead to these kinds of rather facile comparisons not being of terribly much value. There has been some discussion arising out of SCAG as to whether there might be a way of measuring the work of the directors, but I think it is fair to say that so far the difficulties in the face of that are quite considerable.

MR RATTENBURY: I see your point and I accept those comments. I am just interested in the fact that you have chosen a particular benchmark—the rationale behind that benchmark and what your office will learn from having that benchmark.

Mr White: It is an attempt to express an efficiency in terms of our total budget to our total throughput. That is the best I can probably say.

MRS DUNNE: Do you have an idea of the average cost of, say, all summary matters as opposed to all matters that go to the Supreme Court?

Mr White: No, we do not, but I can make some general observations about that. Clearly, every matter that goes to the Supreme Court is in effect double-handled in my office in the sense that it has to find its way through the Magistrates Court and then have a life of its own in the Supreme Court. Obviously, Supreme Court matters are far more resource intensive, but apart from that I cannot really put a dollar figure on it.

MRS DUNNE: Is it desirable that you cannot put a dollar figure on the heavy end of your costs?

Mr White: With the new case management system, we will have some insight into that in the sense that we will at least be able to say the amount of time that matters have taken to go through the system in the various jurisdictions—in the various summary and indictable jurisdictions, I mean—and the amount of court days that will be required for matters in different jurisdictions. Those are the sort of figures that really do get to the nub of what your question goes to.

MRS DUNNE: Are you envisaging that in the future you will be able to refine these figures that you report on?

Mr White: Yes. I am very confident of that, because the system captures all of that information and can report on anything that you really want it to report on. It is a fairly straightforward system from that point of view, so we should be able to report on those sorts of things.

MRS DUNNE: Do you envisage, therefore, that in the future you may be able to report on issues like the number of offences in a particular category and how many have been successfully prosecuted?

Mr White: Yes, I do. I do anticipate being able to do that—although I perhaps slightly defensively strike a note of caution in relation to the concept of what a successful prosecution is. Clearly, the job of the prosecutor is to get a case to a jury. Once that is done, the prosecutor would generally think of themselves as having conducted a successful prosecution. What the jury does with it is a matter for the jury. So those sorts of terms of success are ones which prosecutors do bridle at. But having said that, we would obviously be reporting about outcomes, which would be—

MR SESELJA: The reports are prepared currently on failed and discontinued prosecutions, are they not? Is that done from the police perspective or from the DPP's perspective?

Mr White: The police generate those reports, as I understand it, for their own internal purposes, using information in part provided by my office.

MR SESELJA: Are they provided to the DPP?

Mr White: No, but they would be available to us if we wanted them, I am sure. There is an ongoing dialogue between us and the police as to the reason for a failure in prosecution. We do conduct a huge range of prosecutions, and there may be all sorts of reasons why prosecutions fail—from technical reasons possibly to do with failures of the police to adhere to technical requirements, for example, and there have been some recent incidents of that, up to incidents where there might have been a significant failure in relation to forensic services or something like that. All of those matters are liable to be discussed between us and the police on all sorts of levels.

MR SESELJA: In trend terms, what are the main reasons that are coming out as to

why some prosecutions fail? I accept your reticence to describe them as failures; I agree that sometimes you can do your job and the person is not successful in prosecuting but you have still done your job. What would you see as some of the reasons why there are those “failures”, perhaps?

Mr White: I do not think I can say anything useful generally about that. Each case has to be looked at on its own merits. We try to learn lessons from each unsuccessful prosecution if there are any to be learned. Sometimes there are not; many times there will be. If there are lessons to be learned, we try and learn them; but I cannot really talk of any particular trends. One does occasionally have a situation where there are rulings of the court on technical matters—typically in drink-driving matters and the like, where a number will be struck down for what are essentially technical reasons. Obviously, the police and my office have to look at that and revise their procedures and so on. But I do not think I could say anything sensible about overall trends in relation to prosecutions generally.

THE CHAIR: During the annual report hearings, we spoke around the sexual assault reforms that were going on within the DPP. I was wondering how that was going and where it is up to.

Mr White: We have a unit within the office where all sexual assault prosecutions are vetted and the progress of those is monitored. That is working very well. In conjunction with that, we are attempting to centralise our resources in relation to sexual assaults—for example, any legal submissions to do with particular issues that arise just in that area and so on. Also there is a close association between that unit and our witness assistance service; we are always looking at ways in which we can increase our services to victims of sexual assault to make the process more amenable to them and more amenable to achieving results. And of course the recent reforms in the area, which are now fully operational, are starting to have an impact—particularly things like pre-trial hearings and those sorts of things. We are building up a body of expertise in those sorts of areas in our new unit.

THE CHAIR: What is the FTE of that?

Mr White: Two, but that is really a coordinating unit—although both those persons are senior lawyers; they both spend most of their time actually prosecuting sexual assault matters, but they also supervise other lawyers who have sexual assault matters.

MRS DUNNE: I want to touch on something else if I could, Madam Chair. It relates mainly to the time before you came into the position, Mr White, but over the past few years there has been considerable comment in the media about the operation and performance of what is now your office. Do you think that the changes that we have seen in the last couple of years have ameliorated the problems that have been identified?

Mr White: Yes, I do. Frankly, a lot of those issues go down to an issue of morale, which is a fairly difficult matter to define and possibly difficult for a director to capture. But I make bold to say that the morale in the office is greater than it was when I started and that there is a greater confidence within the office—and also, if I might say so, within the profession generally about the way in which the office

operates. That is for a whole host of reasons. We have really tried to look at every aspect of the work of the office and make reforms in it. I do think that it is having an effect, and a positive effect.

MRS DUNNE: One of the areas that I wanted to touch on—and you have expressed views on this in the past—is that there is an outstanding policy paper in relation to a number of matters in relation to access to justice, including what to do in relation to judge-alone trials.

Mr White: Yes.

MRS DUNNE: Where is that policy at the moment—I suppose it is for you, minister—and what input has Mr White had into that policy?

Mr Corbell: About a year ago I asked for comment on that matter. Mr White and other stakeholders in the justice system provided me with their views. It would be fair to say that there is a divergence of opinion about whether there should be reform in the area of election for trial by judge alone. It remains my view that there is scope for being more concise in those matters that should be eligible for judge-alone trial—that is, restricting the opportunities for election by judge alone. I have recently given direction to my department on which policy option I wish to pursue, and that will be considered by the government in due course this year.

MRS DUNNE: This year?

Mr Corbell: Yes.

MRS DUNNE: This financial year or this calendar year.

Mr Corbell: This calendar year.

MRS DUNNE: Thanks.

THE CHAIR: Are there any other questions for Mr White, the Director of Public Prosecutions? Thank you, Mr White. We will now move on to output class 1.5, protection of rights.

MRS DUNNE: Is this where we might ask questions of agencies like the Human Rights Commission and the Public Advocate?

THE CHAIR: That is right.

MR SESELJA: So we are going to have the Public Advocate here, are we?

THE CHAIR: Yes.

Mr Corbell: Sarah is the Acting Public Advocate. Anita Phillips is currently on leave. She has also undertaken some secondment to DHCS. So Sarah Byrne is currently acting in the position of Public Advocate.

MRS DUNNE: I did not know that.

THE CHAIR: Mr Seselja.

MR SESELJA: Thank you. I have a question or two for Dr Watchirs in relation to the prison and some of the human rights aspects of the prison. There has been a lot said in the media in recent times, particularly around lockdowns, after the protest we saw some weeks ago at AMC. What is the status of any investigation that you have undertaken into issues around lockdowns and some of the human rights implications for prisoners of those lockdowns?

Dr Watchirs: Under the Corrections Management Act, I have a power to inspect the prison, which I have done on a number of occasions. After those inspections, I write to the department and ask for figures and how they have been resolved. Any outstanding issues, I then refer to the Attorney-General.

My concerns at the moment are about the operation of the management unit, with the mixing of remandees and sentenced prisoners and protected and mainstream prisoners. And my colleague Mary Durkin is looking at the crisis support unit.

In terms of lockdowns, we do have figures. I do not have them with me but I am happy to take that on notice.

MR SESELJA: Okay.

THE CHAIR: I note that that has been taken on notice.

MR SESELJA: You have looked at the mixing of sentenced prisoners and remandees, which is, I think, prohibited under the Human Rights Act.

Dr Watchirs: It is allowed in exceptional circumstances but I think the management unit is something that can be predicted, with the size of the prison population, which I think is over 200. The capacity is about 300.

MR SESELJA: Indeed. Are you finding in your visits and your investigations that there are probably greater pressures, as it applies to female prisoners, because of the smaller numbers? Are you able to talk us through what you have seen there as opposed to the male prisoner population?

Dr Watchirs: I think the issue with females is more rehabilitative, and access to programs. I am not finding a problem with mixing.

MR SESELJA: Have you seen any evidence, in relation to some of those lockdowns, that they have in any way prevented programs being provided at the AMC? We have had some anecdotal feedback from organisations that do provide services to prisoners that that has affected their ability to get in from time to time.

Dr Watchirs: I have written to corrections about this but I do not think I have got an actual response. There are differing stories. In some cases, it has been confirmed; in others, it has not. This is on a case-by-case basis. We usually refer those kinds of

issues to the Official Visitor.

MR SESELJA: So you have not spoken directly to any of these groups that may have been affected in the delivery of any of these services?

Dr Watchirs: Not directly. There is an oversight agencies group that meets quarterly at the AMC, and the Human Rights Commission is represented on that group, as are the Ombudsman and the Official Visitor and, I think, the Public Advocate as well.

THE CHAIR: Ms Bresnan.

MS BRESNAN: Thank you, chair. You mentioned the female prisoner population. Is the inability to access programs because of the number of women who are there, or is it because of the service provision in terms of those rehabilitative programs?

Dr Watchirs: It is in relation to the small number of women there. Some courses, such as barista and bar, are meant for small groups, and hairdressing, that kind of thing. But for the bigger groups that the men participate in, my understanding is that they are not mixing.

The other issue in relation to detainees is that we gave advice to the department on their mothers and children policy, given that there are pregnant women currently there. Ms Durkin has also been involved in the healthcare access.

MS BRESNAN: Is that advice on the ability of the women in there who might have children and who are pregnant to access those programs?

Dr Watchirs: Exactly the policy, yes.

MS BRESNAN: Has that advice been taken on board, do you think? I appreciate if you cannot talk about it.

Dr Watchirs: We had a recent letter back. We have not considered it as a commission yet. It only arrived, I think, on Friday of last week.

MR SESELJA: What did that advice go to? Are you talking about changing certain practices in order for such female prisoners to be properly accommodated?

Dr Watchirs: A lot of it involved access to care for the child, apart from the mother. The mother needs to nominate two people apart from herself outside the prison, and it is an issue with the department whether that can be provided by an NGO as opposed to just a family member.

MS BRESNAN: I have one general question about resourcing for the commission and the other commissioners as well. With the current budget, are you able to undertake the number of investigations that you would like to? Are you able to, I guess, cope with the demands that are placed on you to actually undertake particular investigations within the current budget?

Dr Watchirs: I have not conducted an audit since 2007, and there is no capacity to do

another human rights audit.

MS BRESNAN: Is that a staffing capacity or actually a funding capacity?

Dr Watchirs: Both.

MS BRESNAN: A bit of both.

Dr Watchirs: My colleagues will have other projects that are not completed. Human rights fact sheets are an uncompleted project, in my case. It was due this annual report but we will not be able to deliver.

MS BRESNAN: So it is the audits and that information provision that are being impacted?

Dr Watchirs: Yes. And with a large number on maternity leave, we have not backfilled some positions or only filled them part time.

MS BRESNAN: Is that ability to actually attract and retain staff impacting on that as well, or not necessarily?

Dr Watchirs: No, we have got very good applications; so it is not a problem.

MS BRESNAN: Within the budget or the framework you have now, do you have the capacity to do that?

Dr Watchirs: That is correct.

MS BRESNAN: Thank you.

THE CHAIR: I might follow that up with the Children and Young People Commissioner. What sorts of projects have you not been able to complete on time or undertake that you may have had in a work plan because of what appears to be the limits of the budget?

Mr Roy: There are a number of them. I suppose it is worth saying that I have a number of functions. I can receive inquiries and complaints about services for children and young people. I am required to consult with children and young people, to undertake community education with children and young people and to provide advice. As my community education activities increase and, therefore, my complaints and inquiries increase—they have increased again; they have doubled this year again—that impacts on my capacity to provide advice, which I am particularly worried about. I would like to provide more informed advice on some of the policies, programs et cetera that are being developed by government and by the community.

There are also specific things in terms of developing more strategic consultation mechanisms. There is child safe, child friendly training, for example, that I want to do. There are a number of projects I would be keen to do.

THE CHAIR: You were saying that the number of complaints has doubled. What

number are you looking at at the moment? Have you got a figure?

Mr Roy: As of this week, we are at about 32 formal complaints and about 170 formal inquiries. A formal inquiry can take a significant amount of time as well; so that needs to be taken into account. That needs to be compared to two years ago when we had eight complaints and 30 inquiries. So it is increasing exponentially.

THE CHAIR: What is the nature of these complaints? Do they fall into some broad categories?

Mr Roy: I do not want to tell tall tales out of school but the top two punters would be DHCS and education.

THE CHAIR: Thank you. I would ask the same question around health complaints.

Ms Durkin: The complaint numbers in the health services field have also increased this year, as well as with my other hat on—Disability and Community Services Commissioner. As at the end of April, we had received the total number of complaints in the health area that we received for all of last year. Probably the opening of the AMC has contributed to that. We have had around 30 inquiries, complaints, in relation to health services at the AMC since it opened.

Again, I am a bit like the other commissioners: my ability to do commission-initiated considerations like I did with psychiatric services a couple of years ago has just been compromised with us focusing only on complaints. We have got national registration coming in with health professions in the next year. That will impose a lot more processes and work on staff to deliver in that area, as well as coping with increased complaint numbers. I am meeting with the chief executive of Health this week and hoping to discuss how we might manage to undertake that additional work without having received additional resources for that component of our work.

THE CHAIR: You just mentioned about 30 complaints from the AMC around the health area.

Ms Durkin: Yes.

THE CHAIR: That was from prisoners at AMC, remandees?

Ms Durkin: Yes.

MR SESELJA: What is the nature of the concerns being expressed there about the services?

Ms Durkin: I would probably have to take that on notice. We have initially had a number of complaints about access to methadone programs and how that operated. I think some teething problems have been sorted out since that started. There have been complaints around accessing services outside the community when they may not be available in the AMC. But I have not got a breakdown with me at the moment.

MR SESELJA: And how have these complaints been resolved?

Ms Durkin: Generally, we will write to the relevant department, Corrections Health or Corrections, depending on what the issue is, and seek a response. That is a feature of our legislation—that we have to have complaints in writing. A number of our inquiries we deal with quickly, even though we have not got them in writing, and confirm them in writing afterwards because often they will be about access to services that people want immediately.

We have recently written, or the commission has, to the attorney seeking a number of amendments to the legislation. One of the amendments we have sought is to ease up on the requirement that complaints must be in writing, because it does not quite fit for services complaints as well as it does for other complaints. The attorney has recently written to us saying that the department will be talking to us about those.

THE CHAIR: Ms Bresnan.

MS BRESNAN: I just have a follow-up on the national registration and accreditation. As you mentioned, that could potentially impact on the number of complaints. How is that progressing? Has the legislation been introduced?

Ms Durkin: All of the commissioners from around the country met with APRA—the authority that is going to be managing the new boards—in Melbourne last week. We are hoping to develop an MOU on a national basis with some tweaking for New South Wales and the ACT to represent the different measures that we will put in place. It is going well at this stage. I am managing it myself at the moment and leaving staff to deal with the other business.

MS BRESNAN: Do you feel that, within your scope and because of your responsibilities, if there is that increase you will be able to cope within the current structure?

Ms Durkin: I have concerns about being able to deal with the increased processes that will arise out of national registration, as well as deal with complaints. We will have to look at whether we can do any commission-initiated considerations or cut back on our education programs or whatever to increase our capacity to deal with that. As I said, I am hoping to speak with the chief executive of ACT Health this week and, hopefully, get some support from the department in relation to the additional processes.

MS BRESNAN: Thank you.

THE CHAIR: Back to the Children and Young People Commissioner, you mentioned that you have a list of organisations that complaints come in around and that DHCS and education were higher up that list.

Mr Roy: By “education”, I mean both private and public.

THE CHAIR: Certainly. I can understand that. I am just trying to understand a little bit more about the complaints around DHCS. What are they related to? Could you just give us a bit of a broad—

Mr Roy: Within DHCS, most complaints would be about the service provided to children and young people by care and protection services, or the Office for Children, Youth and Family Support, more broadly, and that includes youth justice. There would also be complaints about services. A lot of the complaints would overlap. For example, if you get a complaint about services provided to a child who has a disability within a school, there is an element of disability which is DHCS and an element which is education. So sometimes there is a bit of overlap. Sometimes the children and young people who are subject to these complaints are also known to a range of different agencies. There may be any number of agencies involved. But predominantly it would be the Office for Children, Youth and Family Support.

THE CHAIR: Thank you.

MRS DUNNE: Madam Chair, I have some questions for the Public Advocate. With the introduction of the new legislation in relation to children and young people, there have been some changes to the reporting that is done in relation to children who are in the care of the chief executive who are then subject to substantiated reports. I was wondering, Ms Byrne, whether you had figures on the number of reports that were received by your office in that category—I think it is 507 or 502, or something like that—since the act has been introduced. It is 507, my notes tell me.

Ms Byrne: I do not have a precise number, but we have been working with the department to monitor the overall number. I can take the number on notice, but we are planning to report on the end-of-year figure in our annual report. We are seeing an overall improvement.

MRS DUNNE: An overall improvement in the number of reports?

Ms Byrne: The number of reports and the timeliness of reports.

MRS DUNNE: And the timeliness of reports. So that means that there is a decline of substantiated incidents? Do they need to be substantiated incidents?

Ms Byrne: I am sorry, I cannot answer that.

MRS DUNNE: Could you just check?

Ms Byrne: Yes.

THE CHAIR: I note that that will be taken on notice.

MRS DUNNE: Thanks. In addition to the Public Advocate being involved in court matters in relation to orders and the like, how many instances have there been of the Public Advocate being involved in hearings in relation to orders concerning children in the care of the chief executive?

Ms Byrne: That would depend, I suppose, on how you classify “involvement”. We attend as a matter of course, but we are not very often called upon, I suppose.

MRS DUNNE: You attend all of those?

Ms Byrne: Yes.

MRS DUNNE: As an observer, or are you joined? How does it work?

Ms Byrne: Generally as an observer, unless there is some requirement. But we are not litigation guardians per se. We are not joined as a matter of course.

MRS DUNNE: How do you become aware if someone who is in the care of the chief executive is involved in a matter before the court which is not related to orders, when they may be brought before the Children's Court on a criminal matter? Do you become aware of that? How do you become aware of it, and what is your role if that happens?

Ms Byrne: Any order that is made we are copied into by the chief executive, or she will send us a copy once the order has been issued.

MRS DUNNE: But if a child who is subject to orders is brought before the courts on a criminal matter, are you informed about that?

Ms Byrne: Yes.

MRS DUNNE: How?

Ms Byrne: The relevant officer from DHCS will notify my children's advocate.

MRS DUNNE: And then what happens?

Ms Byrne: The children's advocate will normally attend, or one of the other advocates will attend, I believe. My understanding is that we would attend as a matter of course.

MRS DUNNE: You do attend as a matter of course?

Ms Byrne: I can verify that.

MRS DUNNE: The committee heard earlier from a community group that there were cases of older children in the care of the chief executive who were living relatively unsupervised in some of the housing commission, housing trust flats and things, particularly in Allawah Flats. Are you aware of that? If that is the case, do you know how many children were involved?

Ms Byrne: I am not aware of that, Mrs Dunne. There might be some information in individual cases, but we are not the guardians of those children.

MRS DUNNE: What is the status of the relationship between the chief executive, the Office for Children, Youth and Family Support and the Public Advocate's office in relation to children in care who have reports against them? If someone appeared in the Children's Court it would automatically be reported to you. What do you do in

response to that?

Ms Byrne: That will vary according to the circumstances of the case. We would normally then be in contact with the justice, but we do not represent the child. We are not the child's guardian.

MRS DUNNE: I understand that. You have an oversight role. I am wondering what is done by your office to actually oversee the administration of the care and protection of children in the care of the chief executive.

Ms Byrne: We have a single advocate dedicated to that role. She will attend where necessary. She will make regular visits to Bimberi, for example. She will try to attend where those children are living if she has time to go out on visits. We use what resources we have to keep across those incidents, but sometimes those resources only enable us to attend the most urgent cases, or the ones that are brought to our immediate attention.

MRS DUNNE: Does the Public Advocate's office have a view in terms of policy about whether it is appropriate to house young people at risk in a relatively unsupervised fashion in public housing?

MR HARGREAVES: Madam Chair, I just wonder if I can have a ruling on this. I do not know whether it is appropriate to put the Public Advocate under a policy spotlight.

THE CHAIR: Yes, I do think we need to ask questions that are within the role and remit—

MRS DUNNE: Well, I am asking whether the Public Advocate has a policy in this area.

Ms Byrne: I should point out that I am not the Public Advocate per se.

MRS DUNNE: Yes, I understand that.

Ms Byrne: As a public servant, I am really not in a position to make comments on matters of policy.

MRS DUNNE: No, I am not asking you to comment on policy. I am asking whether there is a policy and, if so, what it is.

Ms Byrne: I am not aware of one, Mrs Dunne. I would imagine that would be a matter for the Minister for Children and Young People.

MRS DUNNE: I am sorry, my understanding is that there is supposed to be a close interaction between the chief executive and the Public Advocate in these cases. The housing of children at risk seems to me to be an area of particular concern. So I am wondering, seeing that you are the Acting Public Advocate, whether you could check to see whether there is such a policy and get back to the committee as to whether such a policy exists and whether it could be made available to the committee.

Ms Byrne: I am happy to take that on notice.

MRS DUNNE: Thank you.

THE CHAIR: I note that that has been taken on notice. Mr Roy, how many human rights complaints have come from residents of Bimberi?

Mr Roy: I would point out we do not actually take human rights complaints but, with respect to complaints about services for children and young people, we get contacted. In terms of formal complaints, there are two. In terms of inquiries or approaches from residents of Bimberi, I cannot give you the exact figure but it was reasonably regular.

That may just be a young person phoning up for a point of clarification or, to be honest, just wanting to talk about something or they do have a particular concern. I have a relationship with both the Official Visitor and the Public Advocate; so I would, if appropriate, send it back to the Official Visitor and ask that person to visit the young person in Bimberi. The Official Visitor can likewise do the same. With formal complaints, obviously I would investigate.

THE CHAIR: Thank you. I am just wondering—

MR SMYTH: Sorry, before we move on, what was the result of the two formal complaints?

Mr Roy: One of the complaints is closed. I am not quite sure how to answer that without giving away the details of the complaint but, when I receive a complaint, I tend to look at two things. One is assisting to resolve it for the complainant, obviously without becoming an advocate, and drawing from the complainant the issues to then go back to the agency.

I say: “Why did this happen? Was this a momentary lapse of reason? Was this a breach of policy? Is this something that happens once, twice, 10 times, 20 times?” I then speak to the relevant people within the agency to address it. And that might be the department. It might be the chief executive. It might be a minister, depending on the issue.

In terms of the complaints, one of them, as I said, has been resolved in that the complainant received an explanation from the agency. There were some changes in practice with respect to service delivery for the child. I then spoke to the chief executive about making sure that that change of practice was rolled into ongoing policy.

THE CHAIR: I have a general comment for the Human Rights Commission. Did the Human Rights Commission put in a bid to increase its resourcing in this budget process?

Ms Durkin: Only in relation to the health side of things as a consequence of the national registration amendments and indicating that there may be resource requirements for the commission with the new healthcare identifiers legislation. The impact on the commission in relation to that is unknown at this stage.

Dr Watchirs: There can be budget bids that were not successful in getting up in the department. Mine was in relation to the optional protocol against torture in terms of the inspection of both Bimberi and AMC and of course PSU.

Mr Roy: And I had one seeking a small amount of funding to progress to the child safe, child friendly initiative, which was unsuccessful.

THE CHAIR: Ms Bresnan.

MS BRESNAN: Ms Durkin, just to clarify, you said there had been an increase in the number of disability complaints as well.

Ms Durkin: Only 14 complaints were received last year, that is, written complaints. And this year, there have been 15 so far; so that is marginal. The year is not over yet. It has been a trend each year that complaints have marginally increased as people get to know who we are and what we do. But as I have noted in my last annual report, it is difficult for people with disabilities to complain. They often fear repercussions; so developing that relationship of trust is something that we have to work on to ensure that people realise they can trust us and our processes and that they will not suffer consequences as a result of complaining.

Dr Watchirs: If I could add, under the Discrimination Act, of course, the highest ground of complaint is disability, and that is a national trend.

MS BRESNAN: Are they in particular areas that you have noticed, or is it just in general in relation to access to programs or—

Ms Durkin: I have not looked at this year's data yet but I can certainly take that on notice.

MS BRESNAN: Thank you.

THE CHAIR: Mr Hargreaves and then we might need to move on, because we do have Legal Aid and the Public Trustee, and we also have electoral services.

MR HARGREAVES: Thanks very much, Madam Chair. This actually goes to the theme that Ms Bresnan was getting to. I am interested to know whether or not the predominant issues brought to various commissioners' attention are, in fact, episodic in relation to individuals' difficulties or whether or not there is a predominance of systemic issues. I would also like to know, in the context of the systemic issues, whether or not the issues have been addressed, in your view, by the various agencies you deal with, and addressed particularly well. This is like a preselection ballot, is it not? Could we start with Dr Watchirs?

Dr Watchirs: In relation to systemic issues, probably in the disability area they are continuing. One is the wheelchair accessible taxis and the issue is revisited each year, sometimes with success and sometimes not. There is currently, I gather, a discussion paper that we are doing generally on transport by TAMS.

MR HARGREAVES: Is there a split, in a sense, between individuals' complaints about an issue and ones where you feel that there is starting to become a theme, so issues need to be addressed?

Dr Watchirs: There is a big difference between discrimination complaints and the other commissioners' services complaints. The biggest area is employment in relation to discrimination, and then goods and services. So those services are often private rather than public. Some themes have been problems with security guards, racism, restaurants, treatment of employees, particularly Filipino migrant workers. So there are systemic issues but I do not have the resources to address them. I just deal with the individual complaints.

MR HARGREAVES: Is it therefore dangerous to assume that, because there is a systemic theme going through something, it is actually a government service delivery which is the issue? Is it wider than that?

Dr Watchirs: Yes.

MR HARGREAVES: Thank you. Mr Roy.

Mr Roy: If we are talking specifically about children with a disability and services for children with a disability, a lot of them would be picked up by Mary. I mentioned before that we get a number of complaints and inquiries from, generally, parents of children with a disability in schools with respect to receiving the appropriate services for their special needs. Again, you can say that is a systemic issue. We get a number of complaints about it, and the general complaint seems to be the same.

But again, as I said before, we work at it to try to address it individually for the individual young person. We also then have discussions with the department of education about how to address it. With any systemic issue, sometimes we are successful, sometimes we are not. But as Dr Watchirs said, a lot of high-level systemic work takes resources and we frequently do not have the resources to do it completely.

Dr Watchirs: Sorry, could I add one extra which I had not mentioned. There had been a systemic issue of access by people with disabilities to government housing, and I have noticed a change in that. NGOs have been doing human rights training and there seems to be a definite improvement in terms of having accessible houses.

MR HARGREAVES: That is good news.

Ms Durkin: As I have said, there are a small number of disability complaints per year. Unfortunately, I was not around for some of this financial year. So I have not got all of the complaints in my head. Because there are a small number of complaints, it is hard to identify systemic trends. In the health area, I will certainly pick up systemic trends as they appear from complaint numbers. But generally, I would say it is probably a bit of a cross-section of individual issues and systemic issues in the disability area at the moment.

We have also been conducting a commission-initiated consideration into case

management in disability group homes. We have been looking at both the public and the private sectors. That project was flagged to be completed this year but I am not sure that it will be. We had one person working on it. Then another person returned from maternity leave. She has had to pick it up. It has proven to be very difficult to pick up and run with; so that is going to take a bit longer to complete.

THE CHAIR: Thank you.

MR HARGREAVES: Last one.

THE CHAIR: I am sorry.

Ms Byrne: From the Public Advocate's perspective, we would have picked up on the things already raised by the commission, in particular, the issue of housing for people with mental health disabilities who need significant support. And one particular issue for us has been the lack of appropriate therapeutic facilities for teenagers, young people with significant psychiatric problems. But there is a facility under construction.

MR HARGREAVES: Are you getting a feeling that a lot of them are individuals who are requiring assistance, or are you seeing that there is actually a need for systemic attention? The theme I am getting coming through is that, whilst most of the issues have a common thread about disability or housing, something like that, they are actually individual people having individual problems which need an individual solution to them. That is the theme I am seeing come through.

THE CHAIR: Is that a question, Mr Hargreaves?

MR HARGREAVES: I want that confirmed or not, because that is the essence of it all.

Ms Byrne: I suppose my perspective about it would be that, if you have sufficient individuals with similar problems, that becomes a systemic problem. And certainly one way of addressing the needs of young people with psychiatric disability will be the construction of a facility, which is a systemic response. So they are individuals with individual problems but there is enough commonality there that sometimes they can reflect a systemic problem.

THE CHAIR: We are going to have to move ahead. Thank you to the Public Advocate and to the commissioners.

MR RATTENBURY: Madam Chair, before we go on to the next topic, earlier the minister indicated, when we asked about funding for community legal centres, that he might be able to come back during the session today with the detail. Would now be a suitable moment to ask for that?

THE CHAIR: It could be, or that advice could be tabled.

MR HARGREAVES: We have not got it.

MR RATTENBURY: The minister indicated he might bring it back during this

session.

THE CHAIR: Right. I am aware that—

MR RATTENBURY: I am happy for him to take—

THE CHAIR: It can be tabled. We are moving on to 1.6, electoral services.

MR SMYTH: Sorry, I think there is an answer coming, Madam Chair.

THE CHAIR: Yes. We can still get organised for our next one.

Mr Corbell: Madam Chair, I am happy to try and provide that further information. It depends on whether you take account of the moneys provided from the statutory interest accounts. What I will do is provide figures with and without the statutory interest account dollars. The total of community legal centres without funding from the statutory interest account—my department provides \$1.172 million. With the statutory interest account, it is \$1.348 million to community legal centres. Community legal centres that are provided with funding by the government directly are the Women's Legal Centre, the Consumer Law Centre and the tenants advice service. We also include victims of crime, VOCAL, in this category as well, and the Aboriginal Justice Centre. Funding is also provided by other government agencies to the Conflict Resolution Service, the Domestic Violence Crisis Service, the Welfare Rights and Legal Centre and the Canberra Rape Crisis Centre.

THE CHAIR: Could we have that tabled?

MRS DUNNE: It would be useful to have that, or a version of it, tabled.

Mr Corbell: Yes. I will take that on notice. I cannot provide you with this document, but I will provide you with something.

THE CHAIR: That would be great. Welcome, Mr Green.

MRS DUNNE: I have one question, Madam Chair.

MR HARGREAVES: Who is going to win the next election?

THE CHAIR: You have got one question for Mr Green?

MRS DUNNE: One question for the minister.

MR HARGREAVES: I can tell you now, if you would like, and save Phil Green the trouble.

THE CHAIR: I have a question. Mr Green, during annual reports, I think, you were looking at the issue of technology and the rollout of technology. I am wondering how that is going. Obviously there were more people who were using the electronic voting and so forth. How is the Electoral Commission progressing with implementing some of those changes?

Mr Green: In the budget last year, the commission was given \$1.37 million over the next three or four years to upgrade and introduce new IT systems for the 2012 election. We have spent something like \$180,000 to \$200,000 of that so far with the work that has been done to date.

We have got two members of the Electoral Commission staff who are project managing the IT systems that we are working on. We are working with InTACT. InTACT has supplied us with a project manager and a business analyst as well as other assistance to work on those projects. With IT projects, there is an awful lot of work that has to go into writing the specifications and doing the contracting and so forth before you actually see concrete things happening. There has been a lot of work proceeding with those systems, but there is not much by way of product that we have been able to complete yet, because we are aiming for 2012.

One project that we are hoping to implement this year is an online electronic voting system for enterprise bargaining ballots which we are hoping will be ready in time for the round of ACT agencies when they get around to having one of those ballots. It is not certain that that will happen yet; we are still working through issues with the contract and with security issues and so forth to make sure that we deliver a quality product.

The systems that we are looking at for the 2012 election—we are looking at using electronic voting again, probably still in the same type of situation that we used in 2008. So we will be looking at the pre-poll voting centres only. One in five voters used the electronic voting system in 2008; we would like that to be, hopefully, exceeded in 2012 if that is possible.

We are also looking at the scanning of the ballot paper system. We would like to re-use that system with some enhancements. That system worked well. We are thinking of replacing the electronic rolls in polling places which we used in 2008 on PDAs, personal digital assistants, that we borrowed from Queensland. We are looking at implementing that on a Netbook solution in 2012. The Tasmanian Electoral Commission has bought enough Netbooks that we should be able to borrow to use in our system here; we are not only thinking that that will make it quicker and easier to find people's names on the electoral roll when people arrive at polling places but also hoping that, because we are providing every polling place with computing facilities, we will also be able to use a computerised solution for capturing the first preference count of candidates and electronically transmitting that to the election night counting system, which, hopefully, will be quicker and more accurate than the system that has been around for the last 100 years or so, of ringing the tally room and phoning through the results. So we are hoping that will be an improvement. We are also going to put money into the election night result system to get that more robust.

MRS DUNNE: So that we do not have the usual half past nine glitch?

Mr Green: That would be the aim, yes.

THE CHAIR: I think it was the hour-long glitch last time, which you have mentioned before.

Mr Green: It would be nice if we had an election night without something going down at some point in the evening. We are also wanting to upgrade all of our behind-the-scenes election management systems as well.

MRS DUNNE: The money that is in the budget—is all of that new money? There is \$100,000—

Mr Corbell: It is all new money, yes.

MRS DUNNE: It is all new. So that \$2.7 million in 2012-13 is in addition to the usual bump up in resources that the Electoral Commission gets in an election year?

Mr Corbell: No, that is the bump up in resources.

MRS DUNNE: So that is not new money.

Mr Corbell: It is new money that has been—

MRS DUNNE: But what you—

Mr Corbell: The government does not make provision—has not since the 2008 election—for the conduct of the 2012 ACT election. We are now doing so in this year's budget.

MRS DUNNE: So that \$2.7 million there is for the operation of the election, the 2012 Assembly election? There is nothing else in that money?

Mr Green: There is some additional funding for the commission, all of which is ultimately intended for our operation around the election. But in this coming financial year, we have got an additional \$100,000 which is continued over the next four years. A component of that 2.7 would include that extra \$100,000 that we are getting for those kinds of things.

MRS DUNNE: And what is that \$100,000 for?

Mr Green: In the next two years we have got money for the conduct of the redistribution of boundaries which is required to kick off at the end of this year.

MRS DUNNE: So that is essentially not new money, because you have to do that? That is timetabled in—

Mr Green: No, it is—

Mr Corbell: No. It went through the cycle. It is new money.

Mr Green: It is effectively money that was not there.

Mr Corbell: It is additional appropriation for that fund.

MRS DUNNE: It is additional appropriation but you have to appropriate a sum of money like that in every electoral cycle to do a redistribution?

Mr Corbell: We do, but we do not build that in. Perhaps to clarify: it is not in the Electoral Commission's base; it is provided as and when required.

MRS DUNNE: But it is always required at this time of the electoral cycle?

Mr Corbell: Indeed.

MRS DUNNE: Okay.

THE CHAIR: Mr Seselja?

MR SESELJA: You talked about the roughly one in five that did electronic voting last time—that was the pre-polls—and you said that you were hoping more would happen next time. Can you just clarify the pre-polling? Is it still the policy position that it is meant to be broadly for people who cannot, for whatever reason, do it on the day or has it just become a de facto three-week voting period?

Mr Green: It is the legal position that people who vote at a pre-poll centre have to declare that they are unable to get to a polling place on polling day. An aim for increasing the number of electronic votes we get would be to increase the proportion of people who turn up at those centres to vote electronically. It is still something like either 40-60 or 30-70. Some people still choose to use paper. If the same number of people come but we get more people to use the electronic system then the number of electronic votes would go up. We also have electronic voting on election day in those same five centres which are in the main town centres, so they get quite a large number of people going through them.

MR SESELJA: How will you encourage people to choose the electronic version?

Mr Green: In the polling places, we would equip the staff who are dealing with the voters as they come in with skills to persuade the voters as they come in that the electronic voting is something that is reliable and fast and not something to be scared of. That is certainly a strategy we employed last time to great effect.

THE CHAIR: Thank you. Are there any other questions for the Electoral Commission before we go to Legal Aid?

MR SMYTH: Just on the nature of pre-polling, when you are displaying the results are the pre-poll votes finished as of the Friday afternoon before the election day and then the number on the day itself are just counted as ordinary votes?

Mr Green: That is correct, yes.

MRS DUNNE: Whether they are electronic or not?

Mr Green: The electronic and the paper votes are recorded separately. In some of our statistics we show them separately. In the polling place statistics, they get rolled into

one.

THE CHAIR: Thank you, Mr Green. We will now move to the Legal Aid Commission. I want to start with a question around the funding allocated to the Indigenous liaison officer position. I am wondering whether it is sufficient, because it appears to be only \$46,000 per annum. I am wondering how many hours of that position will be able to be funded and what the officer will be expected to do.

Mr Crockett: It is only half the funding we need for a full-time position. Given it was for Indigenous services, we thought it was appropriate to ask the commonwealth for 50 per cent of the funding of the position. The commonwealth has not provided that funding in the most recent budget and so we are left with sufficient for a 0.5 full-time effective position. I believe it is still enough to make this position worth while.

The person will be working within Indigenous communities in the ACT to establish links between those communities and the Legal Aid Commission, but also other mainstream legal services, including the community legal centres. So it will be very much a coordination role between the centres to try to ascertain what problems Indigenous people are having and then to refer them to the appropriate service that can best meet their particular needs.

THE CHAIR: How will this work in with, say, the Indigenous liaison officer over at the Women's Legal Centre?

Mr Crockett: They would be working very closely in cooperation with that existing position. That, of course, is a model, really, for the position that we will be creating. So, between the two of them, I would see that we have got a resource of 1.5 positions, which will work across legal assistance agencies, and I think we can achieve quite a lot.

THE CHAIR: Thank you. Mr Seselja.

MR SESELJA: Thank you. The commission, I understand, has undertaken a relocation. Has that relocation now been completed?

Mr Crockett: It is completed, yes. We have been in the new premises for four weeks.

MR SESELJA: Okay. What was the total cost of that relocation?

Mr Crockett: The total cost is still being ascertained. There are still some items that we do not have a final costing of, including the furniture, which has just gone out to tender. The figure I can give you, which includes estimates by quantity surveyors for those amounts, is \$3.274 million.

MR SESELJA: Is that a cost to date or that is an estimated final cost?

Mr Crockett: That is an estimated total cost. We would still expect to come in under the figure.

MR SESELJA: So how much of the \$3.274 million has been expended to date?

Mr Crockett: In actual expenditure, only a relatively small part of that. We are still waiting on invoices from ACT Procurement Solutions for the bulk of the work.

MR SESELJA: Okay.

MRS DUNNE: Can I ask on that question, Mr Crockett: why are you just going out to tender for furniture, and what are you currently using for furniture?

Mr Crockett: We are currently using the furniture we brought across with us from the old premises in Mort Street, most of which is past a useful use-by date.

MRS DUNNE: Why are you going so late to tender? Why wouldn't you have got the tender and the furniture ready for the move? Then you would not have had to move the furniture.

Mr Corbell: They have still got to move the furniture out of the old premises.

Mr Crockett: Yes, we still had to move the furniture.

MRS DUNNE: But you are going to have to move it out of these premises as well.

Mr Crockett: No, it has been sold to an organisation called Recon, who will sell it as second-hand furniture. Their contract price included the removal.

MRS DUNNE: Okay. Thank you. One more on the relocation: where did the funding come from for the relocation? My recollection of conversations we have had, Mr Crockett, was that the ACT government provided \$2 million for the relocation?

Mr Crockett: Just over \$2 million, yes.

MRS DUNNE: So where is the rest of it coming from?

Mr Crockett: The rest of the money came from the commonwealth government, which provided some funding for the family dispute resolution facility. The balance came from the owner of the building that we are occupying, in the form of an incentive payment.

MR SESELJA: What will be the ongoing costs of the new accommodation as opposed to the old accommodation?

Mr Crockett: The annual rental increase is about \$300,000, but we would have been facing a significant increase in rent to market anyway even if we had stayed at Mort Street. The additional annual cost of moving to the building we are in compared with Mort Street is about \$100,000 a year, but we felt that we were justified in paying extra because the new building is not only far more energy efficient and therefore we will have lower running costs; it also enables us to be located over two floors, whereas in the other building we were across three floors. The old building also required a major upgrade to bring it up to a four, 4½-star standard.

MR SESELJA: What are those lower running costs that you will save on energy?

Mr Crockett: I do not have a figure yet, because obviously we have only just moved in, so that is still being monitored. But one would expect a significant reduction in electricity costs.

MRS DUNNE: Could I just clarify, Mr Crockett: you said that the annual increase was in the realm of \$100,000. Is that net of rent and outgoings or is that just rent?

Mr Crockett: That is just the rent.

MRS DUNNE: Okay.

THE CHAIR: Mr Smyth.

MR SMYTH: Minister, on page 6 of the statement of intent, I notice under the Youth Law Centre it makes the statement that during the year one of the YLC's partners, Clayton Utz, has given notice of its intention to withdraw a substantial component of its pro bono staffing contribution at the end of this financial year. How much is that, and how will the shortfall be covered?

Mr Crockett: The contribution that Clayton Utz were making was a lawyer, which they sent to the centre each half-day of the week that the centre opens. That contribution has been withdrawn, which left us one lawyer short for running the centre. That is made up for with additional funding that the ACT government is providing us with to employ a full-time supervising lawyer for the Youth Law Centre, and there is also sufficient money for a part-time administrative support officer and community legal education worker.

MR SMYTH: All right. In the next section on page 6, it talks about risk and the statement is made that the commission's primary risk in 2010-11 is its financial liquidity. What is the problem and what steps are being made to address this risk?

Mr Crockett: The problem was initially a shortfall in funding as a result of the reduction in statutory interest account money. That is being resolved through an additional appropriation by the ACT government. There has also been uncertainty about the level of our commonwealth funding. It now appears that there will be no reduction in our commonwealth funding, but there will be no increase either. The commonwealth has made available \$108 million over the next four years for legal aid commissions nationally, \$26 million next financial year, and, unfortunately, the ACT will see none of that money.

So the risk and the challenge I refer to there are really to try to manage within a budget which is only being indexed, essentially, when we have very significant cost pressures, particularly on the legal services side; the cost of legal cases continues to rise.

MRS DUNNE: Could I follow up on that, please, Madam Chair. Mr Crockett, do you have any estimate of the unmet need for legal aid services?

Mr Crockett: Not in the terms of figures, Mrs Dunne. As you might be aware, there has been a survey conducted by national legal aid into legal need in Australia. We are still waiting for the final report, which will not, unfortunately, be available until September 2011. But the preliminary results of that are showing that there is a significant level of latent demand in the community for legal advice and assistance. That is showing consistently across the country. The figure for the ACT is, in very rough terms, just under half the people surveyed in the ACT—some 2,000 people—reported that they had experienced at least one legal event in the preceding 12 months and a quarter of them reported multiple legal events over that period. A very small proportion of those people actually sought legal advice about dealing with that issue.

THE CHAIR: Mr Crockett, what was the reason given by the commonwealth that they were not going to increase money to the ACT?

Mr Corbell: The commonwealth have established a new funding formula which they have indicated to all the states and territories they intend to apply across all of the state and territory legal aid commissions. The result of that formula is that the large jurisdictions get significant increases in their legal aid budgets, although I note that Victoria and New South Wales still consider that those increases are not sufficient to meet the pressures on their legal aid commissions.

But the unfortunate effect of that funding formula, which I and other attorneys from small jurisdictions have raised objections to with the commonwealth, is that we get effectively no net gain. We do not go backwards, fortunately, although there was, I think, at first reading, the possibility that we were going to go backwards; but we do not go backwards in terms of our funding. But we certainly do not get anything additional, so basically it is the status quo for us when it comes to funding for grants of legal aid from the commonwealth.

I have raised this matter with my colleague Robert McClelland. I have indicated to him that I am not at all happy about that arrangement, and Ms Leigh and Mr Crockett have been in conversation with our counterparts in smaller jurisdictions to discuss these issues and to see whether or not we can, together, achieve a better outcome. What would appear to be the case at the moment is that that is unlikely because the large jurisdictions will not agree to a situation where they get less than is currently proposed at the moment.

THE CHAIR: How many jurisdictions are in this situation along with the ACT?

Mr Corbell: Ourselves, the Northern Territory and Tasmania.

MRS DUNNE: Could I just go back to the question—

Mr Corbell: Sorry, just to complete what I am doing on this, we are in discussions with the commonwealth. My colleague Mr McClelland has indicated his willingness to discuss the matter further and to see whether there can be some improvement in the ACT's position, and those discussions are ongoing.

MRS DUNNE: Going back, if I could, to the question of unmet need, Mr Crockett, it is reported in the annual reports the proportion of applications for legal aid that are

declined. Can you quantify the number of cases that would be, and can you quantify the amount of resourcing that would be required to fulfil that unmet need?

Mr Crockett: It is very difficult to quantify the amount we require to meet unfulfilled need, because the only demand we are seeing at the moment is what is called apparent demand, manifest in the form of applications for assistance that we are actually receiving. The level of applications received is very sensitive to the supply of legal assistance, so, if it is known within the legal profession that we are applying the legal assistance guidelines tightly, which we have now been doing for two years, they will advise their clients that it is not worth applying for legal assistance. So that tends to have a dampening effect on the number of applications.

We have seen that over the last two years; the number of applications has dropped slightly and the number of grants has also dropped. There has been an increase over the last two years in the rate of refusal of applications, and obviously we do not like to see this. But the alternative is to be granting at a rate that we cannot sustain at our current level of funding.

MRS DUNNE: So you are seeing fewer applications but a higher rate of refusal?

Mr Crockett: Yes.

MRS DUNNE: Irrespective. Given the rate of refusal, can you quantify what you would need to meet that demand?

Mr Crockett: I would have to take that on notice. I could do a calculation, certainly.

MRS DUNNE: Thank you.

Mr Corbell: I would just like to make one other point, if I can, about the statutory interest account moneys, which Mr Smyth asked about earlier. There has been a decline in the overall amount of moneys held in the statutory interest account, which is administered by the Law Society. The Law Society advised the government quite late in the process of the formulation of the budget that there would be a significant shortfall in the total amount of moneys they proposed to make available to legal aid from the statutory interest account. I asked the society to consider drawing on their reserves. They have substantial reserves in the statutory interest account holdings. They did draw on their reserves to some degree, but not to the degree that I felt they could have, and as a result the government has had to supplement that shortfall, and that is what is reflected in the budget papers in the order of \$400,000.

It is a matter of some disappointment to me that the Law Society chose not to draw on its reserves at this time to the extent that I felt they could have, given that they are anticipating an improvement in the statutory interest account holdings, all things being equal, in the forthcoming financial year.

MR SMYTH: That is the decrease of \$339 million?

Mr Corbell: Thousand.

MR SMYTH: Sorry, \$339,000. I have one last question of Mr Crockett. In the last line on page 6, you say that the commission's risk mitigation strategy is to manage demand consistent with existing resources. Is that turning people back? Is that rationing it over a monthly amount?

Mr Crockett: Yes. It has not got to that stage yet, fortunately, where we are actually having to ration month by month, but it has meant, over the last 18 months, we have been applying the eligibility criteria quite strictly; so there is X room to exercise discretion. Whereas in the past we might have erred on the side of liberality, now we would be a bit tougher.

We have also cut back on things like approvals for cost of expert reports, which is something that is causing a great increase in the cost of cases. The courts consistently want more and better expert reports, and they are very costly, particularly in this jurisdiction.

Mr Corbell: Madam Chair, if I may, a question was taken on notice earlier today in relation to the restorative justice unit, the budget for that unit, the number of conferences held and the make-up of those conferences. If I could quickly provide that information, the restorative justice unit's budget for 2009-10 was \$602,664. In addition, ACT Policing funds one convenor position to conduct conferences for police referrals. The cost to ACT Policing is \$103,348.

In terms of conferences held, 559 conferences have been held since January 2005, and that is as at 15 April this year. Of these, 135 involved multiple victims, and 108 conferences involved multiple offenders. For the current financial year to 15 April, RJU has conducted 108 conferences. Of these, 91 had one victim participate, 17 had two victims participate and, in relation to offenders, 97 of these conferences had one offender participate, nine had two offenders participate, and two had three offenders participate.

THE CHAIR: Thank you, minister. Members, the Public Trustee has been waiting all morning. Are we able to take another 10 minutes? I believe there are a couple of questions.

MRS DUNNE: Yes.

THE CHAIR: I have checked with the committee. Thank you, Mr Crockett. We will finish off with the Public Trustee for the ACT. Mrs Dunne, I believe you have a question.

MRS DUNNE: Yes, if I could. In relation to government outputs, is the long-term aim of the Public Trustee to be financially independent from government? Is that a Mr Taylor question or a Mr Corbell question?

Mr Taylor: I can answer that. It definitely would be something that we would aim at and we certainly have aimed our budget at doing so over the last number of years; but we had not factored in the GFC. Yes, to be financially independent we would need to return to government the amount of money that the government provided to the Public Trustee each year as a dividend.

MRS DUNNE: And how much dividend—

Mr Taylor: Around \$650,000.

MRS DUNNE: That is what you are proposing to return this year. My question was going to be—

Mr Taylor: We will not return a dividend this year.

MRS DUNNE: Because you are showing a deficit for this year of \$350,000?

Mr Taylor: Yes.

MRS DUNNE: And the reason for that is principally?

Mr Taylor: The Public Trustee, probably like most public trustees, is dependent in the main for its revenue from income and capital commissions. In respect of capital commissions, the value of property that we manage has, in the last several years, taken a dive. So any commission that we get as a percentage of that value has dropped. The other commission, the income commission, is largely dependent upon financial markets. So, clearly, what has been going on in the last couple of years and in the last month or two has affected that as well.

We have structurally reviewed our fees as part of a government program and we have looked at those rates, apart from percentage sliding scale rates, such as hourly rates and so forth as well.

THE CHAIR: I note that the Public Trustee acts as an agent for the territory under the Confiscation of Criminal Assets Act. First of all, how many of your staff would work in that area?

Mr Taylor: About 0.5 of one person.

THE CHAIR: And what level of assets was seized in the financial year?

Mr Taylor: I cannot give you a figure at the moment. We can take that on notice. But it is very much an amount that fluctuates dramatically from one year to another. It depends on how much is in the system at the time. It could be a yearly amount of about \$40,000 or \$50,000. On the other hand, it has been \$250,000 or \$300,000. But I will have to take on notice what we have now.

THE CHAIR: I note that you will take that on notice. Also, the government has flagged its intention to introduce more legislation along the lines of combating serious crime and I am wondering whether that will impact on the work of the Public Trustee. Do you have a comment on that?

Mr Taylor: No, I do not have a comment on that.

THE CHAIR: There is also another piece of—

Mr Corbell: We have not proposed any specific additional measures at this time in terms of the legislation around confiscation of proceeds of—

THE CHAIR: There is a piece of legislation for later this year around—

MRS DUNNE: Would you propose including unexplained wealth positions?

Mr Corbell: We are giving consideration to unexplained wealth but we have not yet introduced any legislation.

MRS DUNNE: But you have undertaken to?

Mr Corbell: Undertaken to give further consideration to it, yes.

MRS DUNNE: I see.

Mr Corbell: There is no legislation before the Assembly at this time; so there is no impact on the Public Trustee's operations at this time.

THE CHAIR: Okay. Mr Smyth.

MR SMYTH: I would refer you to the page number but there is none, the page for performance measures. I note again, minister, that the basis for comparison is trend over time. There is no note to say that these are new measures. I wonder again—and the same points were made in regard to the rest of the fund—whether or not these indicators could actually have solid numbers fitted against them.

Mr Taylor: In our statement of intent, you will note that there are, in part 3, key performance indicators in relation to financial performance as well as non-financial performance objectives and widget statistics, if you want to call them that. The performance measures that we have listed include, for example, the first one, which refers to “Reasonable investment performance by Public Trustee, reflected by market trends” and shows that the per cent return on internally managed cash common fund fluctuates quite regularly and dramatically. And for us to put a figure in there that tied us down to a particular percentage or outcome would be unhelpful.

MR SMYTH: But on the top of the next page, for the cash common fund, you have got it broken down into a period of about four months or five months, then two months, then two months. There seems to be a dearth of—

Mr Taylor: Last week, that figure went up again, by 0.5 per cent. Those are reflecting the times that we are in at the moment, the state of the market, as well as internal issues such as how much we might have in the fund to clear at the time, how much we can pay out.

MR SMYTH: That would apply to the first two of the performance measures but the rest would be easier to put a piece of data against, I would assume?

Mr Taylor: We can, at a point in time, put data on that, yes.

MR SMYTH: It would mean something to have a trend over time.

MRS DUNNE: Can you explain why there was a big spike in the profitability indicators for this year?

Mr Taylor: In the profitability indicators?

MRS DUNNE: They are the ones that are marked on 3A, the 2010-11 to 2013-14 key performance indicators. Can I recommend that we have page numbers next year.

Mr Taylor: You are talking about the 3.38 per cent against the 10.4 per cent?

MRS DUNNE: Yes. All of those profitability measures seem to be all over the place. I am just wondering what that might be caused by.

Ms Thompson: Basically, on the variance or the erratic nature of it, you can see this year we are showing a loss of \$353,000 and then, in future years, as you can see, that drops and the actual percentage reflects that drop, although it does look quite erratic. I can certainly provide information on how those figures work.

MRS DUNNE: That would be good, thank you.

Ms Thompson: Yes, sure.

MRS DUNNE: Thanks.

THE CHAIR: So that has been taken on notice.

MRS DUNNE: I have got some other questions but it might be just as well to put them on notice. I can ask them but I think the answers will need to be taken on notice; so I may as well just put them on notice.

THE CHAIR: As mentioned at the commencement of the hearing today, there is a time frame of five working days for the return of answers to questions taken on notice for this hearing. In relation to questions given on notice, these will be accepted for three working days following today's public hearing. Members, please provide any questions on notice pertaining to the Department of Justice and Community Safety output class 1, justice services, the Legal Aid Commission and the Public Trustee for the ACT by close of business on Thursday, 27 May 2010.

On behalf of the committee, I would like to thank the minister and officials for attending today and, in advance, for responding promptly to questions taken on notice and given on notice. This public hearing is now adjourned.

Meeting adjourned from 1.16 to 2.16 pm.

Appearances:

Rattenbury, Mr Shane, Speaker of the Legislative Assembly for the ACT

Legislative Assembly for the ACT

Kiermaier, Mr Max, Acting Clerk

Duckworth, Mr Ian, Manager, Corporate Manager

Barrett, Ms Val, Manager, Hansard, Communications and Library

Lilburn, Dr Sandra, Manager, Committees

Baudinette, Mr Neal, Acting Manager, Strategy and Parliamentary Education

Szychowska, Ms Valeria, Assembly IT Manager

THE CHAIR: Welcome to this public hearing of the Select Committee on Estimates. The Legislative Assembly has referred to the committee for examination the expenditure proposals in the 2010-11 appropriation bill and the revenue estimates in the 2010-11 budget. The committee is due to report to the Assembly on 22 June 2010 and has fixed a time frame of five working days for the return of answers to questions taken on notice.

The proceedings this afternoon will commence with an examination of the expenditure proposals for the ACT Legislative Assembly Secretariat. After an afternoon tea break at approximately 3.30 pm, the proceedings will recommence at 4 pm with an examination of the expenditure proposals for the ACT Auditor-General and ACT Audit Office.

Can I remind witnesses of the protections and obligations afforded by parliamentary privilege and draw your attention to the yellow-coloured privilege statement before you on the table. Could you confirm for the record that you understand the privilege implications of the statement?

Mr Rattenbury: Yes, I do, thank you.

THE CHAIR: Can I also remind witnesses to keep their responses to questions concise and directly relevant to the subject matter of the question. We have a great deal of ground to cover during the hearing and I would like to maximise the opportunity for members in attendance to put their questions directly today rather than on notice.

Before we proceed to questions from the committee, Mr Speaker, would you like to make a short opening statement of no more than five minutes?

Mr Rattenbury: Thank you, Madam Chair. I will make a few brief remarks which might help guide the committee on a few of the matters that are contained in the Assembly's budget papers.

The Assembly Secretariat's 2010-11 budget is significant because, as far as I am aware, it is the first occasion on which the Latimer House principles have been recognised in the budget development process. In that regard, I would like to thank the Treasurer for the manner in which she approached the various discussions and deliberations on the Assembly's budget requirements.

The budget papers show that additional funding of \$192,000 has been provided in 2010-11 to meet the cost of some enhanced accountability initiatives and also some other cost pressures that the Assembly faced. These are not the only increased costs that the Secretariat faces in 2010-11, but it is also the case that the Secretariat was able to identify a number of savings to offset other increased costs that we faced.

The achievement of savings was an important element of our budget approach. While I advised the Treasurer that I did not regard it as appropriate for the Secretariat to be part of the government's efficiency dividend program, the Treasurer acknowledged that the savings identified by the Assembly, in the areas of ICT and insurance premiums particularly, were in excess of what would have been required under the efficiency dividend arrangements.

The additional funding received in 2010-11 will, in part, meet some increased employment and other expenses, particularly in the area of superannuation. Perhaps more significantly, it will fund, firstly, a program that will provide professional development opportunities for ACT public servants to experience the parliamentary support work of the Secretariat. Secondly, it will fund the engagement each year of expertise to advise estimates committees, consistent with the agreement that there should be a parliamentary budget officer. Thirdly, it will fund the ongoing support and maintenance of the systems that provide webstreaming and Daily on Demand services. On this subject the committee should note that the Secretariat has been short-listed for an excellence in e-government award, and we will know the results of that nomination at a ceremony being held in Sydney tomorrow night. Fourthly, it will fund the engagement of expertise to address areas of noncompliance in the Secretariat's records management program.

Madam Chair, I would like to draw the committee's attention to several items in the budget papers that are of worthy note. The operating statement at page 5 identifies that the 2009-10 estimated outcome for both the government payment for outputs as well as various expenses will exceed the original 2009-10 budget by approximately \$500,000. The notes on pages 8 and 9 confirm that this is predominantly due to the transfer of the Assembly Library to the Secretariat on 1 July 2009 but which was agreed after the 2009-10 budget was finalised.

I would also like to draw the committee's attention to the two notes at the foot of the tables on page 2 showing estimated employment levels. The note confirms that the staff numbers in the two right-hand columns include the five staff who belong to the Assembly Library and also that there has been a change to the way casual staff are measured and reported, meaning that they are not included in the far left and far right-hand columns.

Finally, I would just like to make a comment on the achievement which has been made to reduce the Assembly's carbon footprint. Whilst this may be discussed further in annual reports hearings, members may be interested to know that, when comparing the year-to-date figures for both electricity and gas with those of preceding years for the same period, the Assembly has seen a marked reduction in both its gas and electricity usage, with 268,113 megajoules less gas having been consumed and 303,403 less megajoules of electricity having been consumed. This amounts to a total

reduction in carbon output of 103 tonnes of CO₂ over the period and equates to about an 11 per cent reduction. Overall, the initiatives which have been undertaken have achieved a net saving of about \$3,500 over the first five months of 2009-10.

With those few brief comments, the Secretariat staff and I are available to answer your questions.

THE CHAIR: Thank you. I want to start with the environmental sustainability plan that is mentioned in the 2010-11 priorities, which is about continuing to implement the plan. There is a rollover of capital funds for improved environmental measures. Can you explain what this will be used for and outline where the environmental sustainability plan is up to, and what else will be done in the coming year?

Mr Rattenbury: I will comment generally and then I will ask Mr Duckworth to speak to the specific rollovers. The committee continues to work through the outcomes of the environmental audit that we had undertaken in 2008-09. That identified a series of measures, some of which have already been implemented and have resulted in the savings I have just touched on, which included measures such as turning off one of the Assembly's two hot water systems. We found that we had two and we only needed the capacity of one, so one has been switched off. There is a series of savings flowing from the installation of a new chiller, as well as what might be called adjustments of the overall building management system. Those are the sorts of steps that have been undertaken as well as, as you will have noticed, our new measures internally for the lighting—the increased use of sensors in corridors and the like. Those are the sorts of measures that have been worked through.

Mr Duckworth: Madam Chair, I can confirm that the \$20,000 rollover identified at the bottom of page 3 was a proportion of some capital upgrade funding that we had in this current financial year. One of the elements of that program was to try and enhance our building management system so that we could get better control over lighting controls and timing. An upgrade to that system was looked at in terms of a specification. We just were not convinced that it was going to deliver exactly what we intended. We have approached Treasury to keep that funding alive and roll it into next year just to buy some more time to look at whether or not we should enhance the building management system in that way. So it is just about looking at it more closely and making sure we get what we want from the system.

THE CHAIR: Mr Seselja.

MR SESELJA: Thank you, Chair. Mr Speaker, in terms of the budget process, aside from what has actually been delivered, was there any additional funding sought by the Assembly?

Mr Rattenbury: No. The Assembly received all of the additional funding it sought.

MR SESELJA: We have heard in other portfolios the plan for a government office complex which is just adjoining the Assembly. Has there been any correspondence from any level of government in relation to the plans for an office complex next door to the Assembly?

Mr Rattenbury: No, I am not aware of the Assembly receiving any correspondence on that.

MR SMYTH: Is the Secretariat?

Mr Kiermaier: No.

MR SESELJA: Looking at the enhanced security measures, which are referred to on page 9 of budget paper 4, are you able to talk us through where that is up to? Is that completed? I know there have been some issues in recent times with errant beeping doors and the like. Have those kinks been ironed out?

Mr Kiermaier: They would just be teething problems. Yes, the security upgrade program has been completed. These are just things that happen from time to time.

MR SESELJA: So what is the relationship with the contractor who installed it? Do they come in and sort those out?

Mr Kiermaier: Yes, they do.

MR SESELJA: What was the total cost of that security upgrade?

Mr Kiermaier: I will have to take that on notice, Mr Seselja.

THE CHAIR: Just a note that that question has been taken on notice.

MS BRESNAN: Just going to the objectives on page 1, the final one is about building and strengthening relationships with other parliaments. Can you provide some indication of what we have done over the past year to enhance these relationships? Are there any other plans in the coming year to address that objective?

Mr Rattenbury: I guess our primary relationship covered by that point is that the ACT Assembly is twinned with the parliament of Kiribati under the Regional Commonwealth Parliamentary Association. Through that relationship, I guess we seek to assist the parliament of Kiribati in ways that we can. For example, last year in April 2009—a little bit outside the last financial year—two of our officers went across to Kiribati to assist with the Hansard and recording systems in the Kiribati parliament.

Similarly, we have had officers from the Kiribati parliament come and spend time with staff here in the Secretariat and observe the committees and various other steps. Ms Barrett might add to that on the skill sharing components.

Ms Barrett: There is one further initiative that we are undertaking at the moment. It is upgrading their digital recording system. We actually arranged with our outsourced transcript provider for them to send their technician over there because they have more expertise than we have. He has done an assessment of what could be done to improve their recording system and also made some recommendations that would save them some money with their sound reinforcement system, which is currently outsourced.

There has been a very useful report. I have just heard this morning from the Deputy Clerk that they are very keen on proceeding with the recommendations. It now depends on the funding that is available under the CPA trust fund. Hopefully, we will be able to provide some more useful assistance to them shortly.

Mr Rattenbury: Our focus is on providing very practical assistance in relation to the sort of skills that the parliament of Kiribati does not have and that we do have. We see that as the best way to progress that twinning arrangement.

MS BRESNAN: Is that the main relationship with other parliaments—the one with Kiribati?

Mr Rattenbury: That is the main formal one. Of course, we have a number of other steps. The Clerks and the rest of the Secretariat have ongoing informal arrangements. We do attend various interparliamentary events during the course of the year. The ACT this year hosted the annual ANZACCAT conference—the Australia-New Zealand Association Conference of Clerks-at-the-Table. We hosted that here in January.

We also undertake a series of—what is the right word?—intermittent events with the Centre for Democratic Institutions at the Australian National University, who bring parliamentarians from primarily around the Pacific region. We often provide Assembly members or members of the Secretariat to speak with them, as well as the Parliamentary Studies Centre. We have worked with them either to host or to participate in a number of events as well. So there is a range of those types of events that the Assembly either participates in or supports.

THE CHAIR: Mr Smyth.

MR SMYTH: If we could go back to the staffing issue, Mr Speaker, if I understand you correctly, the 2008-09 outcome of 37 plus five staff for the library equals 42 in the 2010-11 budget. How, therefore, are the casual staff recorded and reported upon?

Mr Rattenbury: Mr Duckworth will provide the absolute detail on that.

Mr Duckworth: Thanks for the question. The question concerns the way in which we measure casual staff. The particular difficulty we have reflected on in previous years is that, when we measure those according to the way the Chief Minister's Department likes those numbers reported in annual reports, we often take the number of staff we pay in the final pay period of June. It just so happens that the sittings of the Assembly in previous years have led to large numbers of attendants and Hansard editor numbers being on our books. We were concerned that the number—for example, 39 last year—was really an overstatement because we have a casual workforce that ebbs and flows. Whilst at certain times of the year and in certain fortnights we might have a higher number, the average over a year was about three in full-time equivalent terms.

So we spoke to Treasury this year and said we would really like to get these numbers truly reflecting our full-time equivalent staff; hence, the number 42 is exactly what we envisage for 2010-11. The number 39 comes straight from last year's annual report. We had the report. We are really trying to say that the library staff are not in the 39

but there are casual staff in there that are not full-time equivalent numbers. Is that what you want?

MR SMYTH: Yes. Where are the funds for the casual staff? If they are not included in the FTE, are they in the employee expenses or are they recorded somewhere else?

Mr Duckworth: We get funding. We are fully funded for the casual staff we use but what would happen is that, across a year, we would, in full-time equivalent terms, employ the equivalent of about three people. It is just that there are about 14 people who do that work. What was happening was that, if at a measurement point, we had just finished a busy period—in this case, passing the budget at the end of June—and we had all these people producing *Hansard* and attending to those matters, we report a snapshot in time. We might have had eight or nine people working in that fortnight and it inflates the numbers.

MR SMYTH: We do not show the three FTEs because the Chief Minister's guidelines for annual reports say you take it on the last pay period and you take it on the staff you have on board?

Mr Duckworth: What we are trying to do is show the three FTEs because we think that is representative of the number of casuals we use across a year but, in those middle two numbers, the 39 and the 47, we have actually got in one case I think it was close to six because in that particular fortnight when we took the measurement we had a lot more staff on. We are fully funded for our casual workforce. What we are really trying to do is show them as an annual equivalent rather than the snapshot in time that has been the practice in the past.

MR SMYTH: If we go to the operating statement on page 5, employee expenses go up three per cent in the coming year. Is that a reflection of a pay deal or is that—

Mr Duckworth: All agencies were funded to the tune of the offer that the government has made, which was 2.25 per cent. That level of funding is in the forward figures. In addition, we have sought some additional funding; so there is an additional half of a committee secretary and we have given up a records management role. There is a funding increase included of 2.25 per cent. They were the Treasury instructions, to include that.

MR SMYTH: If that is the case, then the employee expenses go up three per cent and the superannuation expenses go up seven per cent. Why is that?

Mr Duckworth: We had identified to Treasury that we had been underfunded for superannuation. As a small agency, with only 35 or 36 staff, if we do some recruitment during the year and happen to recruit people who are in the CSS and PSS schemes, which attract a very high contribution, we very quickly get behind. As an example, when the five staff came across from the library, if you looked at the level of superannuation that would have been expected, the liability would normally have come across at service-wide averages and it would have been a much lower figure. But the actual memberships that those staff participate in meant we had additional super pressure. So Treasury funded us to the tune of about \$50,000 extra.

MR SMYTH: That explains the extra. Thanks a lot.

THE CHAIR: Mr Speaker, in your opening statement you spoke about the \$192,000 for enhanced accountability and other costs and linked some of that to the implementation of the Latimer House principles. I am just wondering if you could give us a bit more detail about that \$192,000 and how it will be spent.

Mr Rattenbury: Yes, certainly. The specific measures that are included in that \$192,000 include the ethics and integrity adviser. That was established by the Assembly in November 2008 but was never funded. The Assembly has been able to absorb that in the last couple of years, but with other pressures we were not able to. There were also expenses in that attached to the parliamentary budget officer. Members will recall that, through the admin and procedures committee last year, we had an inquiry from which the proposal was to fund a temporary adviser rather than a full parliamentary budget officer. That has been funded to \$20,000.

The next one in that category is the work in the Assembly program. This is a program where ACT public servants will be offered the opportunity to come and work in the Assembly. It basically is a professional development opportunity. Most probably our Committee Office would be the main place we would expect people to come, but it is designed to give them the opportunity to experience working in a parliamentary environment and then return to their former roles.

We have funding of \$50,000 a year—that is approximately 50 per cent of a SOGC position—but we have in the design of the program a great deal of flexibility. If an agency chose to co-contribute, a person could come for a whole year or it may be that we take two or three different people for shorter periods of time. We will undertake a program to reach out through the public service and make the offer and it will essentially depend on who comes forward as being interested in undertaking that sort of professional development opportunity.

There are a number of other matters. We had a Remuneration Tribunal increase in the Clerk's salary and superannuation liabilities, and there are some IT-related matters.

THE CHAIR: With the work in the Assembly program, how far along are we? When do we think that might start?

Mr Kiermaier: We envisage it starting in the next financial year. We are waiting for funding approvals for this, because it is a program that involves other agencies, of course. The whole idea was that the other agencies would fund 50 per cent of it. We will now be making approaches to other agencies to identify suitable people.

THE CHAIR: Is there consultation with the Secretariat or the Committee Office around the sorts of skills that could be useful or is it really just putting out feelers and seeing who approaches the Assembly?

Mr Kiermaier: It would be the latter. We have not identified a particular function or role. It is putting out feelers to find appropriate officers. It is heavily modelled on work in the Senate that has been going on for about eight years now. They have had about 24 people going through and it has proved very successful, so we are adopting

that model.

MR SESELJA: Mr Rattenbury or Mr Kiermaier, recently it was revealed in the media that the W:\ drive across the ACT government had information that should not have been there, particularly personnel files. Firstly, did those personnel files that were inappropriately on the W:\ drive include the details of any Assembly staff?

Mr Duckworth: Our access to a drive on the W:\ drive is confined to a small number of people in the Corporate Office. We checked that none of those permissions had been breached and there had been no change to the access that we had set up. We share some information with Shared Services because of their role in processing our financial transactions, so necessarily we do use that W:\ drive to transmit information. But we very swiftly validated that there had been no particular change.

MR SESELJA: When you say “no particular change”, do you mean nothing inappropriate had happened at the Assembly in terms of information being uploaded? It sounds like that is what you are saying.

Mr Duckworth: Absolutely not, yes.

MR SESELJA: But it was reported that personnel files went right across ACT government. Did that include any Assembly staff?

Mr Duckworth: No.

MR SESELJA: So the Assembly staff were not part of any of those files?

Mr Duckworth: No, because of the fact that we operate our own payroll system, all of the information that we keep for the same purposes is confined to our payroll system, so it was not included in that information.

MR SESELJA: When was the Assembly informed of the potential breach?

Mr Duckworth: We looked at it the minute we saw that something had happened, and we very quickly satisfied ourselves; there was no doubt that we did not have any data on that particular folder that had been seen by, supposedly, many. In addition, we were conscious that we had some other information on the W:\ drive that was shared, and we quickly satisfied ourselves that there had been no change to those levels of access.

MR SESELJA: Did this occur on the back of the newspaper article or did it occur before that?

Mr Duckworth: I read the newspaper article on the Saturday.

MR SESELJA: And then subsequently satisfied yourself?

Mr Duckworth: Yes.

THE CHAIR: I want to pick up on a question in relation to IT. I have certainly heard

criticisms around the building around the slowness of the internet and internet connections. I am not sure if the Speaker's office has received any complaints on this.

Mr Rattenbury: The Speaker's office has made some of the complaints.

THE CHAIR: I think there is a thought that maybe the attendants actually power the internet on a bike and that occasionally they stop for a break! Is anything being done to rectify this? What is our relationship with InTACT like? Can something be done?

Ms Barrett: Yes. InTACT are well aware of our dissatisfaction with the slowness problem. There has been some discontent for some time. We are constantly in discussion with them and they assure us that they are upgrading all of their infrastructure, because this is a widespread problem. They are not able to tell us when they can achieve this. They are under a fair amount of resource pressure at the moment, I think because of the freeze on recruitment that has taken place across the ACT government. They are very aware of the problem.

You may recall that they sent us a survey of satisfaction with internet performance just recently. We forwarded it to members, asking them to make it quite clear how satisfied or dissatisfied they were with that. I guess all I can say is that InTACT certainly are well aware of the problem. We have raised it with them constantly. Our relationship with InTACT at the moment is that they provide our IT services. We would have to make a decision for that not to be the case anymore, to be able to get a new internet provider. But at the moment our IT services are tied to InTACT.

THE CHAIR: Is that in fact an option for the Assembly? I thought that we were pretty much locked in to InTACT as the provider.

Mr Rattenbury: In theory, the Assembly can choose its provider. This is a matter that I have raised with the Secretariat, in light of concerns raised by members. We are currently considering what the possible options are. But it is not our intention at this time. Our feeling is that the advantages of being part of the overall government network, and the economies provided by InTACT, for a small agency such as ours, outweigh some of the frustrations we have at times. That is the position that the Assembly holds at the moment.

MS BRESNAN: I want to clarify a couple of things in your operating statement. You have probably already answered these questions but I want to clarify them. On page 9, the increase in employee expenses due to new initiatives: is that the integrity adviser and the parliamentary adviser?

Mr Duckworth: Yes. The note at the top of page 9 is reflecting the library staff which came across from 1 July, as well as the new initiatives that were outlined by the Speaker earlier.

MS BRESNAN: On page 5—and I think we had this raised by a department, that this was an accounting thing—there is \$209,000 received as resources free of charge?

Mr Duckworth: Basically, the resources received free of charge is a figure that represents the value of legal drafting from the parliamentary counsel's office and the

provision of legal advice from the Government Solicitor. We are really in the hands of the agency giving us the free advice. They advise us of a figure each year and we include it in our budget papers. In some years we have found at the end of the year, when we produce a set of financial statements, that the figure might be nearly double that; sometimes it is a vastly different figure. We did have some discussions with the parliamentary counsel's office 12 to 18 months ago about whether or not there might have been scope to keep a closer eye on that figure during the year. But at the end of the day 209 is the figure that is there. I think it has been that figure for the last few years and it acquits itself.

MS BRESNAN: So it is always around that?

Mr Duckworth: Yes.

MR SMYTH: Just to follow up on that, what is the breakdown between legal advice and drafting?

Mr Duckworth: I would have to take that on notice. It is predominantly legal drafting.

MR SMYTH: That is drafting for the Speaker or for all members?

Mr Duckworth: For all private members—for all non-executive members.

MR RATTENBURY: I haven't been that busy, Mr Smyth!

MR SMYTH: Well, you never know!

THE CHAIR: Thank you. I will note that that question has been taken on notice. Mr Smyth.

MR SMYTH: Just following up on that, Mr Clerk, what is the staffing allocation for the Speaker's office?

Mr Kiermaier: For the Speaker's office, that is determined by a determination from the Chief Minister. I will have to take that on notice. I am not familiar with the actual breakdown.

Mr Rattenbury: It is actually not the Secretariat's responsibility, Mr Smyth. Do you want to take that up with CMD?

MR SMYTH: Is it in CMD? It is not in this—

Mr Kiermaier: It is a LA(MS) Act type arrangement.

MR SMYTH: That money is given to the Speaker to run the Speaker's office and meet his staffing requirement?

Mr Kiermaier: Yes.

MR SMYTH: And that has always been the case, that all the Speakers have got this

staff funding?

Mr Kiermaier: As far as I am aware, yes.

MR SMYTH: Given the changes in that we now have a Speaker who is also a portfolio responsibility member, what is the split between the allowance for the Speaker's office in terms of policy and political work versus Speaker's work?

Mr Kiermaier: I would not be able to comment on that. I do not know the split.

MR SMYTH: Is it possible to determine what that split is?

Mr Kiermaier: The funding for the Speaker's office was determined by the Chief Minister.

MR SMYTH: I am asking what is the equivalent, if you like; what is the current split?

Mr Rattenbury: I understand there is no requirement to acquit it, Mr Smyth.

MR SMYTH: Perhaps you might know: how much of the work in the office is political work versus work of the Speaker?

Mr Rattenbury: I am not sure what you are getting at, Mr Smyth.

MR SMYTH: How much of the staff allowance is devoted to portfolio work as opposed to Speaker's activities?

Mr Rattenbury: I think, as is the case for all members, as the Speaker I am provided with a staffing allocation, which I am free to spend on staff as I see fit, just as you are, and all other members of the Assembly.

MR SMYTH: But the tradition has been that previous Speakers have all spent that allocation on running the Assembly and running the Speaker's office.

Mr Rattenbury: I cannot possibly comment on that, Mr Smyth. I have no idea what previous Speakers have done with their staff.

MR SMYTH: I am just curious as to what the split is.

Mr Kiermaier: I also make the comment that previous Speakers would have used their staff to develop their own policy work. The previous Speaker introduced bills and took an interest in legislation.

MR SMYTH: Which were mainly about the Assembly. There was one about family members being staff.

Mr Kiermaier: That is true, yes.

MR SMYTH: In the main, it was Assembly related work.

Mr Kiermaier: And there would also be electorate business that those staff members would have been dealing with. I could not comment on how individual Speakers run their office.

MR HARGREAVES: I think the point that Mr Smyth is trying to get to is: is there any difference in the staffing allocation from previous years and therefore is there any difference in roles? Whatever the answer to that question is—

THE CHAIR: Are you translating, Mr Hargreaves, or is that a question?

MR HARGREAVES: I am just curious. There is a little bit of sword fighting going on—and I don't like to see a sword fight that I am not involved in.

THE CHAIR: I will take that as a comment then, Mr Hargreaves.

MR HARGREAVES: Mr Kiermaier, for example, has raised one of the issues—it is not to do with this particular issue, but the committee needs to be aware of it—and that is the threefold role of all members. There is their role as a local member, there is their role as a parliamentarian, as an officer of this place, and then there is their role in any policy development that they may have. We need to see what caveats are put on staffing allocations to deliver those three roles. As I was hearing Mr Smyth, he was exploring whether or not there was any conflict at all with those three roles. I would be interested in the Speaker's view on that.

Mr Rattenbury: Mr Hargreaves, as I said earlier in response to Mr Smyth's question, I am not aware of any expectation, requirement or history of members reporting on what their staff do as a proportion of their time as an acquittal against the staffing allocation that we are given. I imagine all members of staff perform different tasks for different members. I am not aware of any basis on which those tasks are measured.

MR HARGREAVES: I think the question now must rest: is there any definition contained within the LA(MS) Act as to whether or not members should apply their resources in this way or that way? I would suggest, for the record, that there is not. It is totally for the member's discretion.

Mr Rattenbury: I believe so. The constraints are primarily around the fact—the only constraints I am aware of—that members' staff should assist members with their parliamentary duties and not their party duties which may exist. All of us are members of parties in this place and the only clear distinction that I am aware of is that staff should not use their Assembly time to undertake party matters.

MR HARGREAVES: I think also contained within the LA(MS) Act are the classifications which can be employed. There is a general duty statement-type job description per position. So long as the activities that staff members engage in fit into that particular category, the LA(MS) Act is satisfied. Maybe Mr Duckworth can clarify that.

Mr Duckworth: I can certainly confirm that, regarding the LA(MS) Act allocations that are given to non-executive members, there is a requirement that staff are engaged

at one of the approved classifications which are contained in the certified agreement. Historically, there were position profiles or job descriptions—work level standards is probably a more accurate term—developed for those job classifications. Those work level standards are probably no longer current. They are certainly referred to. I say “they are no longer current”; they are no longer contained in the certified agreement.

Members are staffed according to a profile. In fact, the funding levels that are given to non-executive members are based on some recommended structures. In a way, the recommendations flow from a consultant’s report that was developed five or six years ago. Now the Secretariat does not require members to stick to those classification structures. Very early on, following the review, we sought some advice as to whether or not members were constrained to those staff structures. The advice was no, they just needed to stay within their allocations, and that is what we ensured.

From our perspective, if a member proposes to employ a staff member or engage a consultant or contractor—I am sure all members of the committee are familiar with dealing with Sandra Viney in our office. Basically, her role is to make sure that members do not exceed their allocation.

THE CHAIR: I have a question about the library. In last year’s estimates discussion you said, Mr Speaker, that there would be discussions throughout the year on the future direction of the library and the functions and resources allocated to it. Could you let the committee know where that process is up to? I have noticed there is a modest increase in the library funding this year, mainly due to integrating the intranet sites between the Assembly and the library. I assume that is because of the library coming back into the Assembly. Where is the process up to, and what new initiatives might you be looking at with the library?

Mr Rattenbury: I might ask Ms Barrett to answer this one.

Ms Barrett: There have been some modest achievements since the library joined us last July. We have put the local news up so people can access it on their computer instead of having to queue up to get hold of a video, which used to happen.

THE CHAIR: It is a great service.

Ms Barrett: The librarians have designed some new web pages. We have not implemented them yet because we had a project to introduce a new intranet for the Secretariat and we have only just launched that. It has been a little bit delayed. The next project that you have just referred to is integrating the library’s intranet into the whole of the Secretariat’s intranet. It is going to be a little bit tricky because we still have to provide access to the ACT government clients who use the library without their having access to the Secretariat’s intranet. We will have to do a little bit of development work on that.

In terms of the actual process of transition, we are still waiting to hear back from the ACT government, from the library service, about a service level agreement that we negotiated in response to our obligation to still provide services to the government. We did a lot of work in December. My understanding is that that document is currently with the Government Solicitor to make sure that it is fine. There are no areas

of disagreement at all. We agreed on the funding on the date of transfer.

When that has happened I want to take that to the administration and procedure committee because it also contains a library access and use policy which we would like to get endorsement for. That will just make a bit clearer to borrowers the sorts of expectations we have of borrowers and also the services that are available—so some clear policy guidance on what the library does and what people can expect from it.

My impression is that the services that have been provided have continued without any deterioration at all. The reference services are still available. I have not received any complaints about the service from the library. The achievements are fairly modest, because it is a fairly small staff, but we will be looking particularly at how we can make the service more efficient in terms of using electronic resources.

We have purchased more of the subscriptions online. The librarian is currently looking at the usage of some of the things we subscribe to, perhaps ceasing some that have not had any interest over the past few years and looking at subscribing to issues that are of more interest to people. The alert services, the profiles and the media services that we give to people are continuing.

THE CHAIR: Mr Seselja?

MR SESELJA: Yes. Just in passing, I think the electronic uploading of the news has been very useful. I think it has been well appreciated. I understand that the new multifunction devices—this is something that I take advice from other people on in terms of the technicalities—do not have optimal character recognition, which I am told makes it more difficult when you scan documents; it is more difficult to search through the documents in PDF form. Is there a reason why they do not have that and is there anything we can do to fix that?

Mr Rattenbury: That is news to me, Mr Seselja. It is the first time I have heard that feedback. Val, do you know?

Ms Barrett: I might just have to ask Val Szychowska to come and assist me with this. I thought they did have optical character recognition.

Ms Szychowska: MFDs themselves do not have optical character recognition, but the OCR software is available on the IT network. I sent some advice out a month or so ago advising members and staff how they could get access to that and how they could convert information scanned in from the MFD into a Word document.

MR SESELJA: Is it a fairly simple process, then, to translate using that software?

Ms Szychowska: Yes. The instructions are provided in that advice. I can forward that again if members would like a reminder.

MR SESELJA: Thank you.

Mr Rattenbury: As Mr Seselja has raised the topic, though, the installation of the MFDs has gone quite smoothly. We have generally had quite positive feedback. We

are just making an upgrade, on the advice of Mr Doszpot, to install an addition to the machines to enable a different type of sorting and stapling, which will reduce paper usage further. We have had a little bit of feedback and that has been acted upon.

THE CHAIR: I believe that, if any doors are opened, that sends a signal and someone comes from another part of the building to tell you. Did you know that?

Mr Rattenbury: Yes. I think all members will have received an email on your computer telling you that it has run out of paper. The warnings are automated, including to the IT office.

THE CHAIR: My staff were very impressed.

MR SMYTH: Is it possible to have a breakdown between what Hansard and the Library get, what the Committee Office gets and what the Secretariat gets?

Mr Rattenbury: Yes.

MR SMYTH: What are the divisions? We do not go into detail. We have got it as a one-line appropriation. What are the various divisions inside the Assembly? How much does each get out of the appropriation?

Mr Duckworth: We can certainly take on notice the provision of a breakdown. The five elements of the Secretariat are, obviously, the Committee Office, the Chamber Support Office, Strategy and Parliamentary Education, Hansard, Communications and Library and, I have not forgotten, Corporate Services. It is very important for them to come last. In terms of our own budgeting, we have separated the library, simply because it is a new arrival and we keep that as a separate business unit.

MR SMYTH: It will be Hansard and the library?

Mr Duckworth: Hansard and the library, yes. I am happy to provide the committee with a breakdown of our budget costs across our areas. Like all agencies, we have a fairly large allocation just to look after the building. Our largest single item is IT expenditure. We can provide that.

MR SMYTH: That does raise the question of the upgrade to the outside of the building. Where would you find that in budget paper 3?

Mr Duckworth: I am sorry, the upgrade to the?

MR SMYTH: The upgrade to the facade of the building.

Mr Kiermaier: Page 182.

MR SMYTH: The question is: what is involved in it?

Mr Rattenbury: It is on page 182, building fabric restoration, about the middle of the page. Basically, this is a series of measures around the facade. We have issues of windows. Those small gold tiles that adorn our building are falling off. They are loved

by some and loathed by others. It is those sorts of matters. There are the quarry tiles as well on the outside. None of it is a major overhaul. It is not a re-do of the building in any sense.

Mr Kiermaier: It is more a resealing of those tiles and the quartz quarry panels around the building. Some are cracked and have been for a long time. It is a matter of going around and resealing and fixing up those tiles. It certainly will be the predominant feature of our capital upgrade program during the next financial year.

MR HARGREAVES: When are you going to cover the car park?

Mr Kiermaier: The car park does not belong to us.

MR HARGREAVES: The short answer is never.

MR SMYTH: Whom does it belong to?

Mr Kiermaier: TAMS.

MR SMYTH: Is it part of the precinct?

Mr Kiermaier: No.

MS BRESNAN: I was going to ask a question about the committees. We have the shared resourcing that was provided in the last budget. Has that been enough to cope with the workload that the Committee Office has? I would like an update or progress on how that has been working and whether that has been successful.

Dr Lilburn: The additional funding, you will recall, was for the additional standing committee. We do have a secretary in place to provide support to that committee. I guess that stretches the Committee Office in general a little further; so we have a bit more scope, a bit more flexibility within the office itself, but each secretary works to the committee itself and meets the demands and requirements of that committee.

MS BRESNAN: There is enough resourcing there for the Committee Office for what is required of them?

Dr Lilburn: There has been a lot of work in this Assembly. I think our output has been pretty consistent over the last two years. It has been higher than it has in previous years. A part of that would be an additional committee. I think overall there has been a greater level of activity in the Committee Office. I think we are very busy. There is not much scope or no fat in the Committee Office, I would say. We could almost do with more.

Mr Rattenbury: We might provide, on notice, to the committee the statistics for Committee Office activity for the previous two years. It has been provided to the admin and procedure committee but I do not have it with me at the moment.

MS BRESNAN: That would be very interesting.

MR HARGREAVES: Madam Chair, can I ask a question?

THE CHAIR: Yes.

MR HARGREAVES: You can take it on notice but, Mr Speaker, I would like to have a list of the activities of the education office. I would like to get a bit of an understanding in my mind whether that area is adequately resourced, given all the things they do here. Unless you have one there that you can share with us?

Mr Baudinette: I can provide the committee with a breakdown of the number of visits of groups that come to the Assembly. Usually, in the three years I have been here, we have had about 2,000 visitors a year. From July last year to the end of April this year, we have had 1,292 visits, with a 99.45 per cent satisfaction rating. I can provide the committee with a breakdown.

MR HARGREAVES: That would be great because that would be very useful.

MR SESELJA: Why not 100 per cent?

MR HARGREAVES: What is the target for next year?

Mr Baudinette: The target is 100 per cent.

MR HARGREAVES: Could you also give us a bit of an idea—an average will do or a snapshot—of the size of the groups that the office is dealing with? I am aware that it can be as low as, for the University of the Third Age, about a dozen or anything up to 40, 50 or 60 for schools. It is huge.

Mr Baudinette: The average size of a school group would be around 30 to 35. Last time I had 80 students here from Merici college. With the big events, the interschool parliamentary debates that occur five times a year and the constitutional convention that occurs annually, those events in the chamber can be up to 60 or 70 students. You are quite right, from about 15 up to about 60.

MR HARGREAVES: Thanks for that.

MR SESELJA: Can I say quite seriously that most MLAs who do attend find them very well run. I find them very worth while. I am not surprised that the satisfaction is high.

Mr Baudinette: Thank you.

THE CHAIR: Mr Coe, did you have a question?

MR COE: I have a couple if that is okay. In regard to electorate offices, has the Secretariat or the Speaker given any thought to whether this is the best place for members to be working or whether electorate offices would be more appropriate?

Mr Rattenbury: I have not had any discussions with the Secretariat but I am sure there is some history; so I will defer to Mr Duckworth.

Mr Duckworth: The only thing I would observe is that there was, some years ago, a proposal, I think, the Chief Minister floated which involved members being given access to territory-owned facilities in the community to operate their business from, should they see fit. I stress it was something that was developed by the government. It was not an initiative of the Secretariat or the Assembly. Beyond that, I do not know that the Secretariat sees that as an issue it would necessarily drive. It would certainly be keen to give advice to the Speaker of the committee if there was a proposal that required some thought or costing.

Certainly, the issue of members conducting their business in the electorate is something that—compared to 10 or 15 years ago I think there are technological advancements and so on that have removed some of the previous barriers. It is certainly not an issue that the Secretariat has developed any ideas, plans or thoughts about. I certainly can recall quite some years ago—I think it would have been at least—

MR HARGREAVES: 2002.

Mr Duckworth: Thank you, Mr Hargreaves. That is right. Nothing really happened with that.

MR COE: Back then, can you recall whether the Secretariat was asked to provide any costings on potential—

Mr Duckworth: No. I can confirm that we were not. There were some costings developed, I believe, by the government. It was based on the concept of there being a facility out there in the community that was a territory-owned building where members would have access to a room. I think it was modelled on the meet the minister-type arrangement.

THE CHAIR: So rather than having a permanent office out there, it would be something we could hire for an afternoon to meet with constituents.

Mr Duckworth: Indeed, and it wasn't—

MR HARGREAVES: It did not work.

Mr Duckworth: It did not work.

MR COE: I would like to ask a follow-up about the OCR issue. I think that this is one for Val. With regard to Mr Seselja's question on the multifunction devices and the scanning, I understand that the fix—the option—that is available to members and staff is to go through and create an additional document, which puts all the text into it. So you create a TIFF file, I think—an image file—and then that gets converted into a Word document or a text file.

MR HARGREAVES: Do you know what he is talking about, Brendan?

MR SMYTH: I do.

Mr Rattenbury: I think Val does. That is the important thing.

MR COE: I think most OCR technology and most scanners will actually incorporate that into your original PDF file. I was wondering why we do not have that feature in our multifunction devices and software and whether we can achieve that.

Ms Szychowska: I asked that question of Ricoh. The product itself does not have an OCR functionality. It is something we have to add to it by way of the installation of some software on the network. So we have that but the device itself cannot be installed with OCR software, from what I have been led to believe.

MR COE: Right.

Ms Szychowska: So the technology is what you see out of the box. We can certainly produce the scanned documents so that they can be read through OCR software into a Word document, but that is the only solution that is available with current hardware.

MR COE: Right. So with regard to the separate software then, is there any capacity or are there any programs that InTACT currently has that can actually convert an existing PDF file and save it as a PDF file with character recognition?

Ms Szychowska: I am sure there is software but I would have to get some direction from them. I would have to get some advice to confirm what software that is.

MR COE: Great. Is that something you can investigate?

Ms Szychowska: Yes.

MR HARGREAVES: So OCR—Orange County; what does the “R” stand for?

Ms Szychowska: Optical character recognition.

Mr Rattenbury: Madam Chair, can I just confirm that that is not something that we have taken on notice. We are saying that we will simply take it up to look into. I think that is the nature of the question.

MR COE: Sure.

Mr Rattenbury: Rather than needing to put that into the questions on notice process.

MR COE: Okay, thank you.

THE CHAIR: I have one about bicycle arrangements here at the Assembly. There is outdoor parking for bikes but there is not any undercover parking. I am wondering whether there has been any discussion about further improvements to the bike lock-up arrangements.

Mr Kiermaier: Certainly, it has been given thought over time because this is not the first time this has come up. Unlike most buildings out there, we do not have ready

access to the basement of the building. You will find in many buildings that that is where undercover bike access is. It is in the basement. We simply do not have that.

If we were to provide a covered bike area, it would have to be somewhere else. Our options are very limited. The precincts are just around the golden pillars. We could talk to TAMS about doing something in the car park. Again, that is not our car park. It could easily be rezoned—not that they would, I imagine—for something else next week. We are loath to do anything to commit ourselves to spending money in the car park as such.

I did have talks a year or two ago about Knowles Place—Knowles Place is the laneway at the back near where the Canberra Theatre is—about enclosing an area there for undercover bike parking. However, Knowles Place is currently under redevelopment. There is going to be a whole new passageway to get into the Canberra Theatre. So they were loath to include an undercover bike parking area there. In short, no, we have not got very far on that.

THE CHAIR: Are there any further questions for the Speaker?

MR SMYTH: The third dot point on page 1, under the priorities, talks about developing a product and design solution for the replacement of the analog with the digital TV. What is involved in that?

Ms Barrett: We are proposing to look at a scoping study, because analog TV will be turned off in, I think, the first half of 2012. And at the same time it is a good opportunity to look at all our broadcasting equipment, because, I am advised, the head end is probably coming to the end of its useful life as well. So we will look at all of the broadcasting equipment in the Assembly and look at replacing it with a view to it being able to transmit a digital signal.

MR SMYTH: How much is devoted to that project?

Ms Barrett: We were only looking at spending—this is a bit of a stab in the dark—about \$30,000 for the feasibility study to see where we then need to take it. But obviously it is considerably more once we are talking about what we are upgrading the equipment and infrastructure to. We will have to seek funds for that.

MR SMYTH: Any idea what the upgrade might cost?

Ms Barrett: Not really. It would not be an informed answer—hundreds of thousands.

Mr Duckworth: I think the primary objective of the scoping study this year was to spend \$30,000 to develop just that—an idea of the cost and, as Val indicated, an idea of what we should do with the aim that we would have that finalised ready to take to next year's budget negotiations.

MR SMYTH: There is an unused room at the far end of the chamber. I was told that is a long-term broadcast box.

Mr Duckworth: It is full of broadcasting equipment—literally—but it is not an

unused room.

MR SMYTH: So it is the new equipment going in there and replacing the existing?

Mr Duckworth: Indeed.

THE CHAIR: Thank you, Mr Rattenbury and officials from the Secretariat, for attending today. As mentioned at the commencement of the hearing, there is a time frame of five working days for the return of answers to questions taken on notice at this hearing. In relation to questions given on notice, these will be accepted for three working days following this public hearing for the ACT Legislative Assembly Secretariat. Members, please provide any questions on notice pertaining to the ACT Legislative Assembly Secretariat to the committee secretariat by the close of business on Thursday, 27 May 2010.

On behalf of the committee, I would like to thank the Speaker and officials from the Legislative Assembly Secretariat for attending today and in advance for responding promptly to questions taken on notice and given on notice.

Meeting adjourned from 3.19 to 4 pm.

Appearances:

Auditor-General's Office

Pham, Ms Tu, Auditor-General

Nicholas, Mr Rod, Director, Performance Audits and Corporate Services

Sheville, Mr Bernie, Director, Financial Audits

Prentice, Mr Malcolm, Senior Audit Manager

THE CHAIR: Good afternoon, and welcome to this public hearing of the Select Committee on Estimates. The Legislative Assembly has referred to the committee for examination the expenditure proposals in the 2010-11 appropriation bill and the revenue estimates in the 2010-11 budget. The committee is due to report to the Assembly on 22 June 2010 and has fixed a time frame of five working days for the return of answers to questions taken on notice.

The recommencement of proceedings this afternoon is to examine the expenditure proposals for the ACT Auditor-General and the ACT audit office.

Can I remind witnesses of the protections and obligations afforded by parliamentary privilege and draw your attention to the yellow-coloured privilege statement before you on the table. Could you confirm for the record that you understand the privilege implications of the statement?

Ms Pham: Yes, I do.

THE CHAIR: I also remind witnesses to keep their responses to questions concise and directly relevant to the subject matter of the question. We have a great deal of ground to cover during the hearing, and I would like to maximise the opportunity for members in attendance to put their questions directly today rather than on notice.

Before we proceed to questions from the committee, Auditor-General, would you like to make a short opening statement of no more than five minutes?

Ms Pham: Yes, thank you, Madam Chair. The budget 2010-11 will provide the office with about \$2.2 million. Within this funding, the office will need to deliver a performance audit program, conduct reviews and investigations of other issues raised in public representations, including issues raised under the Public Interest Disclosure Act, provide various reports to the Assembly, including our annual report and our report on the financial audit program, and various submissions to inquiries. This \$2.2 million also includes the funds to pay for the share of corporate services, including accommodation and IT support. So I would like to clarify, in a sense, that the \$2.2 million given to us in the budget is not only for the performance audit program but for a wide range of other activities relating to the functions of the office.

As is the case in the last three budgets, the office sought a very modest increase in funding of \$151,000 to comply with new auditing standards externally enforced on us. As we will not have that funding in the budget 2010-11, it will be another challenging year for us when we try to deliver the activities I have mentioned, within very limited funding.

The last point I would like to bring to the attention of the committee is that the recent independent review of the office concluded that this office is efficient, effective and provides value for money. However, the review also noted that our performance audit function is viable, but only just. So any further need for us to divert funds and resources from the performance audit function could make it unviable and unsustainable going forward.

I believe it is important that this office can maintain a viable performance audit function with appropriate staff and skills so that we can continue to provide independent services to the Assembly. Thank you.

THE CHAIR: Thank you. My first question is around the issue of funding. Are you on track to complete the 2009-10 performance audit program? Will you be able to maintain the previous year's number of performance audits and meet the forward audit program with the funding that the government is allocating to you? Taking into account the issues you have just raised, could you answer those questions?

Ms Pham: For 2009-10, the office was not able to deliver the eight performance audits we had planned to deliver. We will deliver six audits by the end of this financial year. As we mentioned before, the reason for us not being able to deliver the whole program is because we need to divert resources to other tasks—importantly, the quality assurance project required from the new auditing standards.

The other reason for the lower than expected number of performance audits is that we had staff turnover issues during the year. Indeed, in January and February, we lost three senior performance managers from the program. That is a significant reduction in our capacity in terms of skill and knowledge of the performance audits. We need to take time to recruit new staff and build up the audit capacity again. For that reason, we could not deliver the program.

On the same basis of funding, I think we will, again, realistically look at six performance audits instead of eight. We always aim to produce eight audits in our programmed work and would proceed for the next financial year on the assumption that we will try our very best to deliver up to eight performance audits. But, realistically, looking at the loss of recent senior management, and the fact that this year also there will be the departure of the Auditor-General at the end of the term, there could be seven performance audits for the next financial year rather than a higher number.

THE CHAIR: You raised the issue of some staff turnover. The review also raised the issue of staff turnover. Are you having difficulty retaining staff?

Ms Pham: Yes.

THE CHAIR: Can you explain why that is? Is it because salaries and conditions are not competitive with, say, the commonwealth and opportunities in the commonwealth or in the private sector?

Ms Pham: This year, in terms of our staff turnover, we are very lucky that, on the financial audit side, we do not have any staff turnover; hence there is a very stable

workforce for the financial audit side. On the performance audit side, as I said, we lost three staff out of a team of nine. These three staff members were all senior performance managers and they were responsible for managing a number of important audits, like water management and the ACTION bus service. So when they left us it certainly created a big issue for us.

The problem with retaining staff has been around for many years and it has been one of the most important risks and challenges that we have had to face and deal with on a yearly basis. It is not uncommon; it happens in all audit offices across Australia. But in a small office even the loss of three staff would make a big difference to our ability to deliver our work.

The reason is that mostly our staff are very experienced and are in high demand. Almost any performance auditor can walk into another job. Often, they do not even have to apply for a job; they will be head hunted. They receive phone calls from various departments or various areas asking if they want to join them. We lost two senior performance auditors to commonwealth departments and one left to open his own consultancy service.

I think the main reason is that, as a small office, we could not offer the same career opportunities as in larger offices. Once they get to the senior performance manager level, the next level is director, and we have only one director. That opportunity is not available to four or five senior managers in our office. With salary, often our salary may not be as high as what is offered in the private sector or the commonwealth.

THE CHAIR: How much is the staff turnover adding to costs? Obviously, there are the costs of recruitment and so forth. Have you calculated that cost? Is it something that you put into your budget, that so many staff will leave each year, or is it higher than you have been hoping for?

Ms Pham: For this financial year, we have been fortunate to be able to recruit quickly from advertisements in normal newspapers and from two other sources. In some other years, even with advertisements, we did not get a good field of applicants; hence we needed to go to an employment agency, and usually they charge quite a lot. It can cost up to \$20,000 to replace one staff member, if we go to an employment agency. So I would think the average cost to replace three staff members could run to \$50,000 a year, on average.

THE CHAIR: On page 27 of budget paper No 4 it talks about recruitment of more senior staff than originally budgeted for. Are those staff still on board? What is happening with that situation?

Ms Pham: I am sorry; which page are you referring to?

THE CHAIR: It is page 27 of budget paper 4, the third dot point down—the increase in 2010-11 from the 2009-10 estimated outcome as a result of the recruitment of more senior staff than originally budgeted for.

Ms Pham: Those are the three senior performance managers that I was talking about. We recruited them from the commonwealth government and from the National Audit

Office at a higher level because they had very good skill sets and were very experienced managers. We lost two of them within a year. But we recruited other people just recently to replace them.

Mr Sheville: Yes, there is an increase when you recruit more senior staff than you budgeted for, as they come on at a higher salary rate. Therefore, you end up with higher salary provisions as a result. That is the main driver of the increase in employee entitlement provisions.

THE CHAIR: Thank you. Mr Seselja?

MR SESELJA: I do not have anything right now.

THE CHAIR: Ms Bresnan.

MS BRESNAN: Thank you, chair. On page 23 of budget paper 4, it lists for the 2010-11 budget about a \$49,000 shortfall. Is that correct?

Mr Sheville: That is right.

MS BRESNAN: Ms Pham, the Sendt review, as you noted, said that the audit function was viable, but just so. The forward estimates also show a reduced deficit in 2011-12 and then a positive result in 2012-13. Can you talk us through what is happening there with those figures?

Mr Sheville: Next year, we anticipate a deficit. It is a small deficit on a \$5.6 million operation. You could essentially say that the audit office is bouncing around a zero operating result. In some years it will make a small deficit and in other years it might make a small surplus. But I would not read too much into those movements. You would expect to see virtually all of the money being spent in the office. I think that is essentially what is occurring over our forward projections.

MS BRESNAN: So is the \$49,000 for this budget as a result of some of those staff recruitment issues that you have mentioned or is it for another reason?

Mr Sheville: No, it would not be only staff recruitment issues. In fact, to some degree, although you incur higher salary costs or higher recruitment costs when you have to engage a firm to identify people for you, as staff depart, often a salary saving arises while you wait for the next recruitment to come around. The build-up is essentially indicating that our estimated salary costs are only slightly below the available funding for the office.

MS BRESNAN: Sure. And going to the note at the beginning about the Sendt review, how do you feel about not being able to complete those eight audits—still being able to do seven but not being able to do the eight and knowing that next year we are probably going to have the same situation? How do you feel about that? I probably know your answer.

Ms Pham: My staff and I in the office are very committed to deliver the best possible audit program to serve the ACT Assembly and the ACT community. We know that

every year when we sit down and plan and allocate our resources the challenges are daunting, because it is a very ambitious program to deliver with such a small staff number and with a potentially high level of staff turnover. We could not predict the staff turnover to be able to plan for departures.

We did everything we could in the office to create a productive work environment—family friendly, good office—so that people will stay. In the end, the staff left not because they do not like the office but because opportunities outside are much better than what can be provided in a small office. That may be a common problem in some ACT government agencies as well. At the end of the day, what we can deliver depends very much on the funding given to us. We have a long list of audit topics that we want to do. It is always a problem for us to not be able to cover as many topics as we want to.

The two points that I would like to mention, though, are these. We know that the independent review concluded that we are efficient, that money going to our office will not be wasted. That I can be certain of. Secondly, the independent review said that we deliver value for money; hence, any additional funding given to us, I believe, will deliver the return on the investment. Often, it is a frustration on our part that we know we can do more with more money, but we do not have money.

At the end of the day, we try to do the best we can. The best we can at the moment is maybe six to a maximum of eight audits a year. As I have said many times before, it means that we cannot provide a broad program covering all possible key activities of government services and there will be a number of government services that go without any independent scrutiny for a number of years.

Mr Nicholas: I would say that I am disappointed that we cannot deliver what we seek to do. As Ms Pham said, we have a great list of potential audit topics, and we believe that we could successfully and beneficially undertake more audits every year. What we do is deliver the number of audits that we are funded to achieve, basically. We certainly feel that we do not give quite enough coverage to a range of the activities that are undertaken across government. We try to establish themes for our particular audits. We look towards our program for the coming years, and see that we may not be able to provide attention to some of the education or health areas that we feel are deserving of review. That is not to say that we necessarily find that there are problematic areas there, but we feel that it is beneficial to run an independent review across the majority of the activities of government over a reasonable period of time.

We have averaged around six to eight audits a year since the Auditor-General has been in her term so far. I think that is quite a commendable achievement, given that our staff has varied from three to—I think we are at nine at the moment. That is not a bad outcome. We would love to do more for you.

THE CHAIR: Mr Smyth.

MR SMYTH: Auditor-General, the report made some comments about the methodologies that you have used and the conclusions that you came to based on those methodologies. Mr Corbell, in evidence to the public accounts committee on the ambulance services, was very critical of you inventing your own methodologies and

taking a course that nobody else had plotted. The report confirms that your work is all soundly based. Is there any way that you can improve the way that you deliver those reports that you currently deliver?

Ms Pham: We strongly believe, and it is confirmed by the independent auditor, that we have very robust processes and methodology in place to conduct our performance audits. We follow our procedures well, and we believe that our audit reports and findings are always supported by substantial evidence, appropriate evidence.

Often, I think that critical findings from an audit report can get some reaction from agencies and the government. We are hoping that the government will be well briefed about the report and the evidence provided in the report. If they have any issues, we are always available to discuss the issue in detail, including the performance audit process, how we collect evidence, how we analyse evidence and how we use evidence to support our audit. As the independent reviewer said—he looked into our ambulance performance audit in particular and saw the level of evidence we collected to provide sufficient basis for our findings. So we are happy with our process and our conduct.

What can we do more? I think we just keep on communicating more and more with government agencies. That is perhaps the obvious thing we can do—if, for whatever reasons, agencies may or may not have a full awareness of what happened during the audit process.

Mr Nicholas: I was particularly interested to see the comment from the independent reviewer regarding our performance audits. Obviously, it is my area. The ambulance audit was one of the audits that he specifically reviewed. He indicates in his report the extent of the evidence that we had gathered and the analysis that we had undertaken; the independent reviewer was quite satisfied that we had substantive and sufficient evidence to support the conclusions that we had reached there.

Were there things we could do better? I guess there are always things that we can do better in the performance of our work. I would like to see us improve on the speed with which we undertake some of the audits, particularly the reporting process. That is not a deficiency in our style or our methodology per se. It is partly brought about by the level of consultation we have with agencies. That is another matter that the independent reviewer commented on. He found that there was considerable evidence of consultation and discussion around the key findings and the issues with the agencies.

Overall, we are satisfied that generally we have a defensible audit methodology that is delivering sound results and sound conclusions. It has been tested by the independent reviewer and found to be the case. We are always on the lookout for ways in which we can improve, and we will improve our work. Some of the recommendations from the independent reviewer go towards making some revisions to our basic approach which will lead to improvements over time.

MR SESELJA: You touched on the fact that the independent reviewer has looked at that ambulance audit as one of the performance audits. There was very specific criticism from the minister, effectively, that the methodology you had used was wrong or that it was not used anywhere else. I will obviously put this to the minister

tomorrow when we have him back, but I do not know whether the independent reviewer made any findings on that. Is there anything you want to say on that? That was the key critique, as far as I could tell, from the emergency services minister on that audit.

Mr Nicholas: I can only emphasise that we are quite satisfied with the approach that we took. We have discussed this in various forums in the past—with the public accounts committee. Some of those matters are on record. The independent reviewer found no problem at all; he was satisfied that our findings and our work supported our conclusions.

THE CHAIR: I was wondering whether there had been any impact around the criticism, on staff morale.

Ms Pham: I think it does, in the sense that, when you believe you have put a lot of effort in to do a good job and a comment is made without good basis, obviously you feel quite disappointed about it. But at the same time, we understand that in some cases ministers or departmental heads may not be as well briefed on the audit as they should be.

For many audits we spend months in the government department going through evidence and discussing it on an ongoing basis with staff in the agency. The staff members in the agency do not always communicate upwards about our findings and the way we go about our audit. So when, at the report stage, the draft report goes to the chief executive level, some of them are surprised at findings in there when they should not be surprised at all because these findings have been regularly discussed throughout the audit.

Even so, at the draft report stage, I am always available to meet with the chief executive and senior management to go through the report, finding by finding and point by point so that we can explain to the agency, if they do have concerns, where we come from. Sometimes we agree to modify certain findings, with input or additional information from the agency. Sometimes we agree to disagree. But at least the agency should know exactly where we come from. I think the level of communication within the agency sometimes may need to be improved so that the Chief Minister, and maybe the minister too, is fully aware of what is in the report rather than just seeing a few headlines.

MR SESELJA: Did that occur in this case? In terms of the ambulance report, was there that opportunity for the agency to ask some of those questions?

Mr Nicholas: Yes.

MR SESELJA: And in relation to the critique that was put by Minister Corbell, were those questions put to you in that opportunity for them to ask questions about the report—about the methodology you had used, for instance?

Mr Nicholas: We had discussed the methodology considerably with the staff and the agency.

MR SESELJA: What was their critique of the methodology?

Mr Nicholas: It has been the one that has been publicly made since we tabled the report. Essentially, it requires an ambulance on every street corner, according to the minister, to deliver the sorts of results that we mentioned.

THE CHAIR: I want to follow up just so that I am clear—

MR HARGREAVES: Can I get in there for a question or two, please?

THE CHAIR: Certainly. I have got you down on my list, Mr Hargreaves.

MR HARGREAVES: Thank you very much. I just like to do the count a little.

THE CHAIR: Yes, certainly.

MR HARGREAVES: A little bit of fairness is good.

THE CHAIR: Thank you, Mr Hargreaves.

MR HARGREAVES: Thank you.

THE CHAIR: I just want to clarify: when you do performance audits, the office deals with a certain level of officer within that department while you are at the stage of collecting of information. Is that right?

Mr Nicholas: We have an executive level in our organisation, and so do agencies. We have staff in our organisation and so do agencies. Our contact, initially, is at chief executive level—Auditor-General to chief executive. We generally ask for the agencies to nominate a contact at executive level. That contact is typically between me and that person or the Auditor-General and that person.

Our staff then go out and do their work. There is obvious contact at officer level throughout the course of the audit. We will have briefings and meetings from time to time with both the officers and the executive of agencies. Our discussion papers, issues papers or draft reports are provided to the agency at executive level and also at officer level.

We have exit interviews towards the end of the audit that may involve the executive as well as officers. We have a formal exit interview at the end of the process, around the time that we have provided the detailed draft of the report. Typically, that will involve the executive, and often the chief executive, level of the agencies. So the opportunity is there. Sometimes it works well; sometimes it works less than perfectly.

THE CHAIR: I just wondered whether you had suggestions about how that might be improved because it sounds like quite a comprehensive list of engagement.

Mr Nicholas: Communication is always a difficulty, I think. Perhaps that is the sort of thing we are alluding to here. We spend a fair chunk of our time communicating with agencies and trying to get to the stage where everyone has a reasonable

understanding, a shared understanding, of the issues that we are raising and so on. As the Auditor-General is indicating, that is not always as successful as we would like.

Ms Pham: I think the agency or the chief executive of an agency nominate a contact officer for the audit and that decision is important. The contact officer should have a good communication process to keep the chief executive informed. He or she should also have a good knowledge of the agency or the area that we audit to be able to respond to our audit request. If the nominated officer is not the right person, often that person may not keep the chief executive informed as well as he or she should or may not be available to respond to audit in an effective manner.

That is perhaps the first thing that I would like an agency to consider carefully before they nominate someone. Often they nominate someone who may not be available or does not even have time for an audit. They need to respond to audit queries. Other times, they could nominate someone who may be on leave for the next two weeks. Sometimes decisions will be made without actually thinking carefully whom the contact officer should be. I think it would improve things a lot if we have a good contact officer. But for the ambulance report—

THE CHAIR: Just so that I am clear: that would be someone who obviously was not about to go on leave, had time allocated within their workload to participate and had a good knowledge of the agency or the area that the performance audit was being done on. There is also, I guess, a commitment from the chief executive to meet regularly and to ensure that regular meetings and briefings go on with that contact officer. Would that be the sort of thing—

Mr Nicholas: That would be a fair summary. We would also expect that the contact officer would be in a position to provide a formal or an official comment on issues, if you like—an informed comment from the agency's perspective rather than from his or her own perceptions.

THE CHAIR: So that could be done in a timely way rather than just getting their own assessment, which was not the official departmental view.

Ms Pham: It is not uncommon for evidence to be given to us and we used in our finding and then when it goes to the next level there is some dispute about the status of the information given: it may only be a draft; it is not a formal document from the office. We have situations where we go backwards and forwards because the evidence given to us in the first place was not the right information.

Mr Nicholas: We have not got a great deal of influence, obviously, over whom a chief executive might appoint as a contact officer. We spend some time at our seminars—we hold a couple of seminars for performance audit and for the financial audit activities of the office. We aim to do one a year. Part of that process will be to describe what we think are some of the beneficial processes that we can apply within an audit, including the sorts of things that we would like to get from a contact officer. Ultimately, it is not our choice. We can try to influence that as much as possible by providing the right information flow from our end and hope it goes through the right channels at the agency level.

THE CHAIR: Thank you.

Ms Pham: We are really keen to make sure that our audit reports are accurate. It is no good if our audit reports contain unreliable information. We went to a great effort to check and recheck the information and allow the agency the opportunity also to verify the information and change it if they felt the information provided at a certain level was not as accurate as it should be. Sometimes that happens, and we understand that. We understand the need sometimes for agencies to review the evidence given at a certain level to make sure it is still the correct information. That means the performance audit process takes a long time, because we put so much effort into verifying the information in the audit.

THE CHAIR: Mr Hargreaves.

MR HARGREAVES: Thank you very much, Madam Chair. I have two questions on the operating statement on page 23 of BP4 and one question on the balance sheet, which is on the following page—just to give you the points of reference. In the operating statement, you indicated your user charges had gone up quite substantially, I think. That is quite good to see. But did I not hear you say earlier that you probably will just be maintaining the number of performance audits this year going forward. Does this mean that either there are more financial audits being done or the charge for them will increase? If so, what is the regime for that?

Mr Sheville: The reason for the increase, certainly in our estimated income for the current year, is that the number of audits we are doing has increased.

MR HARGREAVES: And could you tell me what sort of an increase that is going to be—from what to what? It has gone up from \$800,000 to nearly \$900,000 in the estimated outcome this year, which is great, so obviously you have done a helluva lot more, but you also include probably another 30-grand worth in the first year and so it goes on. What sort of number of financial audits do you see as an increase?

Mr Sheville: The increase in financial audits for the current year has gone from about 70 to about 81. They were a result of a couple of new agencies, DECCEW and the Nominal Defendant, and some grant acquittals, mostly the commonwealth grants that have come through as part of the package. We have also done some catch-up audits in relation to the Lyons joint venture. We have been reporting for a few years now that we have not been receiving financial statements for those, and we have received quite a few of them in the last month or two, so we are hoping to have those finished.

We are also doing some final audits for the ACT cleaning and construction industry and the long service leave authorities, and those audits are actually happening before 30 June, whereas in the normal scheme of things they would have occurred in the September period and not be counted as revenue for the current period. So that has resulted in the boost to revenue in the current year.

MR HARGREAVES: You have got user charges ACT government and non-ACT government. What sort of people pop up in the non-ACT government list? You gave us a couple of them, didn't you, the long-service people and that? Do you regard those as non-ACT government or ACT government?

Mr Sheville: The big non-ACT government one is the ActewAGL joint venture. You will find things like the University of Canberra are probably the biggies in there.

MR HARGREAVES: Okay. That is good enough for me. Also on that page you talk, in the other revenues, about 79 as an estimated outcome for this year just gone and then going forward. It got my curiosity up a bit. It talks about an anticipated reimbursement of 80-grand—reimbursement for what?

Mr Prentice: That is a workers compensation reimbursement that we are expecting from Comcare as a result of a case that has happened in our office.

MR HARGREAVES: Fantastic. That is all I need. Thanks. My last question is on the balance sheet on page 24, midway down, non-current liabilities. You talk about other provisions of \$73,000. It is in the outcome of 2010. It is also listed in the plan as at 30 June 2011, but the notes talk about it as being as a result of recognising the provisions for making good under the terms of the accommodation lease. What is that about?

Mr Sheville: Under the accounting standards, when you are leasing out a part of a building and you have an obligation to take the building back to its vacant possession status, all the office fit-outs and everything that we have put in there—

MR HARGREAVES: So you are talking about taking away partitions and all of that sort of stuff?

Mr Sheville: You have got to pay to get it reinstated back to a vacant floor, and the estimated cost of doing that is around \$73,000 at the end of the lease.

MR HARGREAVES: Madam Chair, if I could be allowed an observation, it is the first time I have seen a statement like this—I do not think Mr Smyth has seen one—about accommodation changes, when an organisation will go from point A to point B, about the purchase of furniture. We talk about additional leased space and all that sort of stuff, but I have never seen a provision made so specifically for the make good, which is not about repairing damage; it is about returning the partitions to nothing et cetera. I would like to congratulate the Auditor-General's office, and we might like to see a little bit more openness about that kind of cost for other agencies.

THE CHAIR: Yes, I think that is a good point, Mr Hargreaves, particularly for those organisations that may be looking at moving in the next couple of years. Mr Smyth.

MR SMYTH: Thank you, Madam Chair. Auditor, I asked you earlier about the methodology which you used to come to your conclusions. Mr Corbell also said on 4 March that your analysis was a very simplistic way of looking at what is quite a complex issue. What did the auditor, the independent reviewer, say about the conclusions that you came to, their applicability and the clarity with which you delivered them?

Mr Nicholas: I do not believe the independent auditor has made any specific statements along those lines, Mr Smyth, other than to support the general conclusions

that we have reached in the audits that he reviewed.

MR SMYTH: There seems to be almost an allegation of bias from some of the ministers in the way that they attack your reports. Did the independent reviewer have anything to say on the process of the selection of the topics, the return to the community from that selection of those topics and whether or not there was any bias in the way that you went about that?

Ms Pham: Our selection of audit process is very comprehensive and has been very transparent. We have a very well-established program to go to every year, step by step, until we reach a short list of audit topics to put in the yearly program, and that also goes to the consultation process with the PAC and with agencies themselves. We believe that process is so robust that the audits that we decide to do will be justified on the basis of a number of criteria. We do not just make a very quick decision about choosing an audit. It is a process where we consider a number of criteria—significant risk to good management, potential audit output, auditability, environmental significance, together with the interests of the community and the interests of the Assembly committees.

Mr Nicholas: The independent reviewer was quite taken with our approach with the selection of our audits, our performance audits. His finding in that particular area as a general observation was that the office has a very well-established and robust process in place to guide the selection of the performance audit program. He particularly singled out that area for review and was quite happy with it.

MR SMYTH: Sure. In regard to the funding, I think as Ms Bresnan pointed out, the independent reviewer found that the performance audit function is viable but just so. He goes on to make the comment that it is almost impossible for you to return to do follow-up audits, say, for instance, with road safety. How important is it to do follow-up audits in some of those major areas?

Ms Pham: In our program, we aim to have at least one follow-up performance audit per year. Last year, we planned a court administration follow-up audit. However, given the lack of resources, we delayed that court administration one until very late during the financial year. So we are in the process of starting that follow-up audit. Ideally, we should have at least one or two follow-up audits a year, because it is important to keep an eye on agencies in their implementation of our recommendations. It is no good for us to spend months doing an audit for agencies to agree to the recommendations and then nothing happens. So it is important for us to do that follow-up audit.

Considering the comments made by the Assembly committee today about the audit process, I want to emphasise that, as far as this office is concerned, our main aim is to provide a good audit with good recommendations, have agencies agree to the recommendations so that improvements can be made, and then we move on to another audit. We are not interested in controversial issues. We are not really interested in responding to media or other issues which may or may not be productive at all in improving the government services. Our main aim is to ensure that we have got good performance audits with good recommendations. We do not want to waste our time on issues which are not very productive, in my personal view.

Mr Nicholas: If you consider where a follow-up audit comes in an audit cycle, it is sort of the beginning of the end, and it comes back to the beginning again. It is very much part of a circle. We undertake an audit to identify areas where we believe improvement can be made, improvement in accountability, improvement in process. We make recommendations accordingly. We then, as the Auditor-General was saying, move on to another task. But at some stage it is important for us to see whether actually there has been change.

Government agencies typically will agree to our recommendations—we have a very high degree of acceptance of our recommendations—and that implies that they accept the findings and accept the need for change. It is important, then, that the community, the Assembly as a whole, I guess, can satisfy itself that change is actually taking place.

One way is to look for the reporting that might occur from an agency in its annual report or other processes, perhaps even through inquiries such as this. Another way is for the Auditor-General, the audit office, to actually undertake a review that seeks to identify exactly how well that implementation has occurred and what sorts of changes have been made. We do that from time to time. As the Auditor-General was saying, we would like to put a follow-up audit every year in our program. Sometimes it slips because of other pressures. At the moment, we are working on the follow-up of the courts audit, which we undertook in 2005—a very significant audit and one that received some very positive responses from the department, from the government. So we are looking at how well the changes have been made there.

Last year we published a follow-up report, or the year before, on road safety, which is obviously an area which is of great concern to the community, and we made some continuing recommendations in that area. We see it very much as an important part of our performance audit program. We would like to do more. Again, we do what we can. But we take some guidance as well from the Assembly. We have discussed our proposed performance audit program with the public accounts committee before finalising it; we are in the process of finalising it now. They have given us some guidance as to where they feel that there is a strong focus. The PAC has, in the past, recommended that we do follow-up audits, and we continue with that consultation process as well.

THE CHAIR: I think they also went out to consult with other committees this year; all committee members were appreciative of being part of that process. Ms Bresnan.

MS BRESNAN: I have a follow-up on the follow-up. Have there been instances where you have not been able to go and do that follow-up process because of any limitations on your resources?

Mr Nicholas: We need to put our limited resources to the audits that are going to give us the best outcome. When I say “us”, I mean the community. That does not necessarily mean a follow-up audit in all cases. It might be more important for us to examine a matter that is a new area and a higher priority area than a follow-up. I guess the short answer is, yes, if we had lots more resources, we would probably do lots more audits and lots more follow-up audits. At the moment, we are reasonably comfortable with what we are capable of doing in that respect.

Ms Pham: In the absence of additional resources to do follow-up audits, we took other action. For example, we maintain a very close liaison with the internal audit committees of major agencies—indeed, with all agencies—and we constantly seek for the internal audit committee within the agencies to monitor the implementation of performance audit recommendations.

We have made quite a bit of inroad into that—in that all internal audit committees of major agencies now have as one of their functions to monitor the recommendation implementation from the audit report. Some agencies are quite proactive in writing to us and advising us how they have progressed with certain performance audits. That is a good process, and it is a productive process both from the point of view of the government agency and on our part to work with the internal audit committees.

THE CHAIR: On page 33 of the review, it says that you are not charging the overheads across the financial audits and that maybe you should be doing that. Has any further consideration been given to this and is any change anticipated within the proposed funding?

Ms Pham: Yes. We had a number of planning sessions within our office to look at how we manage to deliver all the activities within the next financial year within the same funding. We believe that there is merit in the independent reviewer's recommendations that we should consider increasing some audit fees to cover the part of the work more related to financial audits.

In the past, I personally believed that we should go to the Assembly and go to the government asking for additional money, because I believe it is a whole-of-office project rather than part of it being performance audit and part of it being financial audit. It is more about governance arrangements, about assuring quality control. It is a whole-of-office project. To seek funding through this process is a more transparent way to indicate to the government why we need more money. Increasing audit fees is the easy way out. We always can increase audit fees, but it is a less transparent way to do it.

With the benefit of the advice from the independent auditor and the process that he said was adopted by other audit offices—that they actually increase their audit fees up to 10 per cent, maybe more—to cover what we were asking for in terms of appropriation, we have already reviewed the audit fee, and it is likely that we will advise agencies of some small increase in audit fees, up to four per cent. The reason we set four per cent is that we need \$150,000 for this project. Sixty per cent of it is for the financial audit. So 60 per cent of that \$150,000 divided by the audit fee is about a four per cent increase in the audit fee. It is about \$90,000.

MR SMYTH: The desired ratio between financial and performance audits—you have said recently that ideally you would like to work at about fifty-fifty in terms of the split. What is the current split in terms of the work that you do?

Ms Pham: It is 60-40.

MR SMYTH: It is about 60-40.

Ms Pham: It is 60 in financial audits.

MR SMYTH: To bring it to fifty-fifty, how many additional performance audits a year would you have to do?

Ms Pham: The financial audit fee at the moment is about \$3.3 million. We currently have \$2.2 million for performance audits and other functions. To bring it to 50 per cent, you need another \$1.1 million to make it \$3.3 million, to be on the same level of financial audits. So an extra \$1.1 million will give the opportunity to have 50 per cent capacity on financial audits and 50 per cent capacity on performance audits. It means that we could afford to do up to five or six performance audits in addition to the current program. So we would be talking about 12 to 15 audits if we get to the fifty-fifty mark.

MR SMYTH: Ideally, if that money was forthcoming—would you take that all in one hit or would you ramp it up to that level of 12 to 15 audits?

Ms Pham: It would be a gradual increase, as advised to the PAC some time ago. It is an easier way to implement the change. We have constraints on our accommodation and constraints in facilities; it needs time to build up management capacity, for example, to manage such an increase.

Mr Nicholas: And it is not always easy to get another half a dozen senior auditors with experience in the performance audit area. We have found it difficult in our normal recruitment to attract one or two people into the organisation. I think it would be quite difficult if we were to try and get another half a dozen.

MR SMYTH: So ideally, over two, three, four or five years, you would build up to that level. Would that give you increased resilience to having your staff being poached, because there would be more career opportunity inside the organisation and more and more varied work to do?

Mr Nicholas: It is a bit speculative, I would think, Mr Smyth, but I would guess that we would have to have a look at our organisational structure if we were starting to change the numbers to that degree. It would certainly provide more opportunity if we were able to recruit performance audit staff not at the senior management level but at the senior auditor level. It would offer an opportunity for them to move through the organisation. I think it would be quite useful to have a gradual build-up from an organisational perspective, but the key thing I am thinking about at the moment is our accommodation. We are already at busting point, and I suspect that it would be difficult to fit too many more people into our office.

Ms Pham: It would definitely increase the opportunities to build up a skill set that we could not do at the moment. With a smaller team, you cannot let people specialise in any particular area of government activities. If you have a larger team, you build up a depth of knowledge and skill sets that would make the delivery of performance audits much, much more efficient. We would not have the problem of stop and start. At the moment, we work as a tiny team—two persons per audit, sometimes only one person per audit if it is a small one. If a manager of a performance audit leaves in the middle

of an audit, even with documentation and information there, you need someone to pick up the information, re-read everything and start over again. It is practically starting the audit again.

To have a larger team provides opportunities to build up skill sets, especially specialised knowledge in certain areas. If we have got, say, four auditors to look after the law and order—justice—portfolio, this group would, over the years, build up experience and expertise within that portfolio. At the moment, we just move staff all over the place and then expect them to pick up skills and knowledge in an area that is not familiar to them. We have got someone doing mental health now. Mental health is a complex issue. That person needs to pick up the new knowledge. A staff member was moved from an audit on education to again a different area of knowledge. You move and change the team all the time to be able to deliver the six to eight reports that we are aiming at. Yes, it is a very difficult task—a very, very daunting task every year.

MS BRESNAN: Just on that point: as Mr Smyth said, the report noted that, being a small office, too, and not being able to plan ahead and do performance audits, it does not leave you that ability to build up particular skills in particular areas and then have a focus on that?

Ms Pham: Yes; it is a big challenge. Even though the ACT is small, the government delivers the same range of services as New South Wales. Hence, if we want to give the Assembly the same level of assurance across government activity, we need to have relatively broad programs to cover all the portfolios.

MR SMYTH: Just a slightly different question: in regard to the ambulance report, I was just thinking about something that was said earlier. The data that you had that led to the chart that gave the suburb-by suburb analysis—was that analysis that had been done internally by the ACT Ambulance Service or did you put that chart together from raw data?

Mr Nicholas: It is our analysis of their data.

MR SMYTH: So it is their data?

Mr Nicholas: Yes.

MR SMYTH: They compiled that data? They had that data, suburb by suburb?

Mr Nicholas: Yes.

MR SMYTH: They knew which suburbs were not receiving—

Mr Nicholas: The data set that we used was data from responses that can be sorted by suburb if that is what one desires to do.

MR SMYTH: But that is their data?

Mr Nicholas: Yes.

MR SMYTH: And you analysed that data?

Mr Nicholas: Yes.

MR SMYTH: So the government has that data about which suburbs do not get the level of service that they deserve?

Mr Nicholas: The government has that data, yes.

MR SMYTH: The government has that data. Thank you. On a different tack, the Chief Minister earlier this year said that basically the ACT government has over the last five years increased funding for the Auditor-General by 17 per cent a year. Have you received a 17 per cent increase of funding year on year from the ACT government?

Ms Pham: I have no reason not to believe that number is correct. I think it is 17 per cent per annum, depending on the period. It could be correct. However, we need to know what the funding was given for in a particular year. In one year, for example, the funding was given to pay for accommodation costs. Accommodation costs in one year, for example, increased from \$100,000 to \$200,000 because we moved to an office to meet basic OH&S requirements.

The old office did not meet OH&S requirements. So we moved to a new office and hence our accommodation costs increased to twice the level. The government gave us funding for that. In another year, IT costs by InTACT increased significantly. Again, that is the funding that the government gave to us so that we could meet the costs imposed on us by InTACT.

For example, one year workers compensation increased significantly, without any particular reason. We did not have a claim for a long time. Some of the costs imposed on us led to an increase in funding from the government, additional funding for us. The most significant funding was in the year when we were provided with some capacity to do an environmental audits. We got funding to get two extra auditors with experience in environmental auditing and another time to get some other—

Mr Nicholas: We received some significant funding out of the structural review, the functional review.

MR SMYTH: Yes, the 2006-07 budget.

Mr Nicholas: That money has come to us. The increases have been, on average, in the order that the Chief Minister has mentioned, but they have not been a yearly boost of 17 per cent. We also started from a very low base. If you start looking at where the performance audit capacity was in 2003, you are looking at about four staff. We have obviously improved on that, and we are very grateful for the funding we have received in that area. It has been useful, but as to whether that addresses the needs of the Assembly and the needs of the community, we obviously believe that we can do more.

Ms Pham: In the last three years, though, there were no increases in funding beyond

the CPI. So it depends on what period you look at. The government goes back perhaps 10 years, where it started from a very low base. There were two significant increases for various reasons. If you look at the last three years, the office did not receive any funding, even though we are required to comply with an enormous change in auditing standards. The government expenditure as a whole increased significantly from, say, a \$2 billion budget to now, say, a \$4 billion budget. If you are talking about an office with work related to government expenditure, as a percentage our funding as an office—as a percentage of government expenditure—has actually gone down rather than gone up.

THE CHAIR: Could I just pick up on that point? Is there some sort of standard across Australia whereby offices are funded at a percentage of government expenditure, or do they all have very different models of funding?

Ms Pham: Exactly. It is so hard to get that benchmark number. Offices have different mandates, too. Some offices do not have a performance auditing mandate at all. We have a very strong performance mandate given to us through legislation back in 1996. It has always been the intention of this Assembly to provide a strong performance audit mandate to the ACT office compared to others. The funding in terms of the percentage of whole-of-government expenditure was declining from 0.16 per cent to now 0.13 per cent. So we are not keeping up with government—

THE CHAIR: Increasing government expenditure.

Ms Pham: Yes. As I said, we have prepared quite a lot of information to the PAC in the past, explaining when the funding was received and why we received the funding. On the whole, we got funding over the years for perhaps three more performance audits, maybe up to five performance auditor positions, in the last 10 years or so, but in the last four years very little.

THE CHAIR: I wanted to go to the proposed audit program for 2010-11. It has not been finalised; is that correct?

Mr Nicholas: We are just in the process of doing so.

THE CHAIR: You are just in the process of doing it?

Ms Pham: Yes.

THE CHAIR: One of the proposed performance audits on that list was around the effectiveness and efficiency of the administration of the Tree Protection Act 2005 and associated activities. I know that the Commissioner for Sustainability and the Environment is undertaking an inquiry into procedures in connection with the urban tree renewal program and so forth. If you went ahead with this audit, have you had a look at how it might sit with that inquiry?

Mr Nicholas: We have had discussions with the commissioner about it. At this stage, we expect that we might defer that particular audit until such time as the commissioner's report has been completed. I guess, in a general sense, there would be no way that we would have commenced the audit without having had some fairly

good discussions with the commissioner and the commissioner's staff around her findings and her report. Clearly, we would want to make sure that our work did not duplicate any of her activities. Our intended focus in that task was more along the lines of the administration of the Tree Protection Act itself rather than a broader view on greenage in the ACT community itself.

THE CHAIR: It is certainly something that the committee on climate change and environment has been keen to see happen at some stage. The other couple of questions I had were around the strategic plan. The plan lists enhanced expertise and knowledge of social and environmental issues as the aim. I think this might have been touched on before. Do you think the office has made progress in this area, and what specific plans are there for this financial year to progress this?

Ms Pham: I think we are very mindful that there are so many social services provided by government with a social outcome. We have tried over the years to build up our capacity in that area. In recruiting our auditors, we do not specify that they actually have auditing experience, because that can be trained and learned. It is more important that they have knowledge in a certain area. We place quite a lot of emphasis on their background—where they came from, the knowledge they had in working with different programs. They are not necessarily auditors, but they have the skill set to analyse issues and to come up with good recommendations.

We recently appointed a senior auditor with a very strong background in health—mental health and services for disability. About three years ago we employed an auditor with a background in non-government organisations. His background was really working on social welfare activities. We try to do that quite a bit with our recruitment. I am confident at the moment that we have good skill set in a number of areas on the social and environmental side that are different from the financial side.

THE CHAIR: I would like to finish on the strategic plan. Is there any provision within this year's budget for review and updating of the strategic plan?

Ms Pham: Sorry, can you repeat that?

Mr Nicholas: We review our strategic plan every year. We have an annual planning day. Basically, the entire office gets together and goes through the priorities and the strategies that we need to meet that. It is an ongoing process. We are examining it in our action plan and our progress towards achieving the particular actions. We examine those very frequently and report on it internally at least every six months. It is ticking over quite consistently.

THE CHAIR: Thank you for that. Mr Smyth.

MR SMYTH: I just want to ask a technical question. I asked the Treasurer this and the Treasury officials seemed unaware of the change. AASB 101 has changed and it deals with the reporting of changes in equity. Are you aware of that change in the standard?

Mr Sheville: I am aware of some of the changes, yes.

MR SMYTH: The revision looks at how any reduction in the value is offset against the profits when reporting on assets. Given the revisions, how are the changes reported in what has been called a profit and loss statement, the operating statement and what should now be called the statement of comprehensive income? Has that appeared in the budget papers this year to your satisfaction?

Mr Sheville: I have not looked at that issue in relation to the reporting within the budget papers. Obviously, as an office, we do not scrutinise the budget papers. However, I guess one of the risk areas that we have identified in relation to agencies this year will be to ensure that those sorts of transactions are dealt appropriately within the new reporting requirements in the current year. We are well aware of those changes. We have even changed our own financial statements so that they will fit in with the new reporting requirements. That is something that we will be reviewing closely when the agencies start their reporting in the current year.

MR SMYTH: Thank you.

Ms Pham: Can I add something regarding the funding? When you mentioned the 17 per cent that the Chief Minister referred to, we did not really go and check whether or not 17 per cent was correct or not. As I said, I have no reason to doubt the information, but we did not check.

What we actually did was to go back to 1999-2000, about 10 years ago, and look at the history of funding provided to this office so that it indicates clearly which year the funding was provided in terms of an increase. I confirm again that since 2007-08 to now—so that is about four budgets—we have not received any funding beyond the normal CPI increase. So the significant increase percentagewise has been quite a long time ago, back in 2004-05 and again in 2006-07—two big funding increases—but the rest of them are very much—

THE CHAIR: And that was the funding that went into your base amount?

Mr Sheville: It reflected a very low base to start.

THE CHAIR: Yes. I certainly take on the point of that low base.

Ms Pham: If the committee would like, I can table this to give you a clear idea of the funding arrangements.

THE CHAIR: Yes, thank you for that.

As I mentioned at the commencement of the hearing today, there is a time frame of five working days for the return of answers to questions taken on notice at this hearing. In relation to questions given on notice, these will be accepted for three working days following this public hearing for the ACT Legislative Assembly Secretariat and the ACT Auditor-General.

Members, please provide any questions on notice pertaining to the ACT Legislative Assembly Secretariat and the ACT Auditor-General and ACT audit office to the Secretariat by close of business Thursday, 27 May 2010. On behalf of the committee,

I would like to thank the Speaker and officials from the Legislative Assembly Secretariat, the ACT Auditor-General and officials from the ACT audit office for attending this afternoon, and in advance for responding promptly to questions taken on notice and given on notice.

Tomorrow at 9 am we will continue with the Department of Disability, Housing and Community Services.

The committee adjourned at 5.21 pm.