



**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**

**WEDNESDAY, 26 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.

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## **Privilege statement**

The committee has authorised the recording, broadcasting and rebroadcasting of these proceedings.

All witnesses making submissions or giving evidence to an Assembly committee are protected by parliamentary privilege.

“Parliamentary privilege” means the special rights and immunities which belong to the Assembly, its committees and its members. These rights and immunities enable committees to operate effectively, and enable those involved in committee processes to do so without obstruction, or fear of prosecution. Witnesses must tell the truth, and giving false or misleading evidence will be treated as a serious matter.

While the committee prefers to hear all evidence in public, it may take evidence in-camera if requested. Confidential evidence will be recorded and kept securely. It is within the power of the committee at a later date to publish or present all or part of that evidence to the Assembly; but any decision to publish or present in-camera evidence will not be taken without consulting with the person who gave the evidence.

*Amended 21 January 2009*

## **The committee met at 9.15 am.**

Appearances:

Burch, Ms Joy, Minister for Disability, Housing and Community Services, Minister for Children and Young People, Minister for Ageing, Minister for Multicultural Affairs and Minister for Women

Department of Disability, Housing and Community Services

Lambert, Ms Sandra, Chief Executive

Hehir, Mr Martin, Deputy Chief Executive

Overton-Clarke, Ms Bronwen, Executive Director, Policy and Organisational Services

Whitten, Ms Meredith, Senior Director, Governance, Advocacy and Community Policy

Collett, Mr David, Director, Housing and Community Services ACT

Hubbard, Mr Ian, Chief Financial Controller

Pappas, Ms Helen, Senior Manager, Early Intervention and Prevention Services, Office for Children, Youth and Family Support

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

Wyles, Mr Paul, Director, Care and Protection, Office for Children, Youth and Family Support

Duggan, Mr Frank, Senior Director, Strategy and Purchasing, Office for Children, Youth and Family Support

Reid, Mr Michael, Director, Youth Directorate, Office for Children, Youth and Family Support

**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 this morning with an examination of the Department of Disability, Housing and Community Services output class 3, community development; output class 2, early intervention; and output class 4, children, youth and family services.

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 that statement?

**Ms Burch:** Yes.

**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 brief opening statement of no more than five minutes?

**Ms Burch:** I do have an opening statement on community services, but firstly I seek an apology from Mrs Dunne for misrepresenting me and I request that she remove her most recent media release from the website, please.

**MR SESELJA:** I thought you were going to apologise for being late first.

**Ms Burch:** I did, to the chair.

**MR SESELJA:** Not to the committee, though.

**Ms Burch:** Mrs Dunne, in a release that was issued yesterday but, strangely, dated Friday, 14 May, so mistake No 1, made reference—in response to a question of when I owned my own childcare centre. Mrs Dunne, that is absolutely and completely wrong. You misrepresented me and I ask that you apologise and withdraw the media release.

**MRS DUNNE:** What part of the assertion that you did not pay long service leave was—

**Ms Burch:** Mr Seselja and Mr Smyth were in the room, as were others. My reference was to my work in an NGO, not in reference to my childcare centre.

**MR SMYTH:** No, no. I asked about your childcare centre.

**MRS DUNNE:** Yes. Mr Smyth did.

**Ms Burch:** I have had the audio checked and it was NGO.

**MR SESELJA:** That was not the line of questioning that Mr Smyth was pursuing. You kept trumpeting that you were running a childcare centre.

**Ms Burch:** No. It is: “When I was managing an NGO, I always kept that aside.” “Smyth—”

**MRS DUNNE:** No. Earlier than that, Mr Smyth asked you—

**Ms Burch:** And then—

**MRS DUNNE:** “When you were in a childcare centre, when you ran your childcare centre, did you pay out accrued long service leave?”

**Ms Burch:** I said I was managing an NGO. I kept that to the side.

**THE CHAIR:** Thank you, minister. Thank you, members.

**Ms Burch:** So the question—

**THE CHAIR:** I note that you have put that out there, minister. We are here before an—

**MR SESELJA:** She is touchy on the childcare thing; she did not pay the workers.

**THE CHAIR:** Excuse me, Mr Seselja. We are here for—

**Ms Burch:** No. What I am here to do—

**THE CHAIR:** We are here for an estimates hearing.

**MR SESELJA:** You are very touchy on that.

**Ms Burch:** You know that I was referring to an NGO, so either you—

**THE CHAIR:** Mr Seselja! Minister! Order!

**Ms Burch:** continue to perpetrate the misrepresentation, so is it that you—

**THE CHAIR:** Minister!

**Ms Burch:** do not know how to do your job?

**MR SESELJA:** You are very touchy because you got caught out yesterday, Joy. This is the evidence of it.

**Ms Burch:** No, no. No, not at all.

**THE CHAIR:** We are here for an estimates hearing this morning.

**MR SESELJA:** Is this why you are late? You were listening to audio on the way?

**THE CHAIR:** I ask the minister and members to turn to the first output class we have this morning. I would say that this matter can be pursued, and no doubt will be, outside this estimates hearing. I want to first move to page—

**Ms Burch:** It will be pursued, because Mrs Dunne—

**MR HARGREAVES:** Madam Chair, could I have a point of order, please?

**Ms Burch:** last week had to apologise for her slip of the tongue, and here she is again continuing to misrepresent or to peddle untruths. Now, either you are doing it deliberately—

**THE CHAIR:** Thank you, minister.

**Ms Burch:** or you are just not up to the job, Mrs Dunne.

**THE CHAIR:** Minister, I will need to stop this conversation now. I understand that there will be other avenues to pursue this matter, and no doubt that will be taken up. This morning I would ask members to move to the budget papers. Minister, I would like to start—

**MR HARGREAVES:** Madam Chair, I have a point of order I would like to raise with the committee.

**THE CHAIR:** Mr Hargreaves, if I could move to the budget papers.

**MR HARGREAVES:** No; I have a point of order, Madam Chair. I wish to raise it in accordance with the standing orders.

**THE CHAIR:** What is your point of order, Mr Hargreaves?

**MR HARGREAVES:** I draw the committee's attention to standing orders 234 and 235. I will read them out for the benefit of members who do not have them available. Standing order 234 says:

**Admission of other Members**

234. Members of the Assembly may be present when a committee is examining witnesses, but shall withdraw if requested by the Chair or any Member of the committee—

or any member of the committee—

and shall always withdraw when the committee is deliberating.

Standing order 235 says:

**Other Member's right to question witnesses**

235. When a committee is examining witnesses, Members of the Assembly not being Members of the committee may, by leave of the committee, question witnesses.

“By leave” means by a motion; and, if one member negates it, it is lost. You can, by leave, question witnesses.

The point of order I am raising, madam chair, is that I have noticed that your directions have been ignored too many times over the last few weeks. I, as a member of this committee, will be raising a point of order to invoke both of those two standing orders if it keeps going.

**THE CHAIR:** Thank you for pointing out those standing orders.

**MR HARGREAVES:** Starting from this morning.

**MR SMYTH:** Just a clarification. The committee set itself some rules that we all agreed to at the start of the process that said other members could come and, at the

discretion of the chair, ask questions. So we have an order—

**MR HARGREAVES:** Standing orders, go over?

**MR SMYTH:** No, no. The standing orders, by a decision of the committee, have been interpreted in a very normal way.

**THE CHAIR:** Thank you, Mr Smyth, for that contribution. I note that the standing orders are in place. At this point, I just want to move on to the first question of the morning. I direct people to page 379 of budget paper No 4.

**Ms Burch:** Can I just go to the opening statement on community services, very briefly?

**THE CHAIR:** Certainly, minister.

**Ms Burch:** The committee is aware that the 2010 budget provides for a range of initiatives to enhance community facilities across Canberra. \$2.068 million will enable a broad range of works across childcare centres and community facilities generally, including internal renovations and extensions, kitchen or bathroom upgrades, internal and external painting, floor coverings and ground upgrade. These works will support the ongoing delivery of childcare services in particular.

In terms of capital expenditure, \$7.412 million has been allocated for the enhancement of a range of facilities, including the new regional community facilities. Importantly, we are providing \$4 million to refurbish part of the former Flynn primary school for use as a childcare centre. The childcare centre would provide places for between 100 and 120 children from birth to five years in west Belconnen. The design of the childcare centre will be sensitive to the heritage significance of the site and building. This initiative further demonstrates the government's commitment to utilise former school sites for community building purposes.

I will leave it there. I am happy for myself and the officers to provide detailed responses to your questions.

**THE CHAIR:** Thank you, minister. I refer to page 379 of budget paper 4; it is in relation to the number of training sessions provided to community organisations about governance, financial management, working with government and so forth. It is indicator "a". These targets cease in 2010-11, when the statement says "'n/a", not applicable. Can you explain why this appears to be discontinued?

**Ms Overton-Clarke:** What we have been trying to do is make the measures a bit more meaningful. We are not discontinuing the training sessions; we are just slightly changing the measures and including ones that are more meaningful. You will see that the one below it is a new measure—the number of partnership forums with the community. We are continuing to fund NGOs for training sessions. They are continuing to provide those sessions. We wanted to include, rather than just a straightforward number-of-sessions measure, something that reflected more the partnership arrangement with the community sector. You will see the Joint Community Government Reference Group. The chief executive meets regularly with

regional community services. So we were including more of a meaningful partnership measure.

**THE CHAIR:** So “b” is the new measure?

**Ms Overton-Clarke:** That is right.

**THE CHAIR:** So, just to clarify, you will be continuing to provide training to community organisations on those areas?

**Ms Overton-Clarke:** That is right. It is primarily ACTCOSS that we fund to do that, and we continue to work with ACTCOSS to identify what the most meaningful measures are. That has been raising the standards, those sort of ongoing training sessions. Of course, because of other activities that we are fully involved with ACTCOSS in, we will work out whether we need to do training in one area or another. But, no, we continue to fund them for the most meaningful training for the sector.

**THE CHAIR:** Thank you. I want to move to the vulnerable people checks that are in the process at the moment. I note recently that the New South Wales government has committed substantial funding to cover the costs of their working with children checks to cover those community organisations that would need to be doing those checks on workers. Can you advise more detail about the cost of the vulnerable people checks in the ACT and what that cost will be to community organisations? My understanding is that they will have to cover the cost, either individual workers or their organisations?

**Ms Overton-Clarke:** Yes.

**THE CHAIR:** And is this different from what was originally proposed by government?

**Ms Overton-Clarke:** I will hand over to Ms Whitten in a moment, who has been fully engaged in this, but I guess we had to move to a position that was respectful of the community consultation process that we undertook, and we got very strong feedback as part of that process that the sector wanted to ensure that the checks were over a three-year period rather than a five-year period, which was the original intention, so with that has come a penalty in terms of a cost that was not foreshadowed beforehand. But I will hand over to—

**MR SESELJA:** I am sorry, the minister is talking to me across Ms Overton-Clarke speaking, so—

**THE CHAIR:** Sorry, Ms Overton-Clarke.

**Ms Burch:** I do apologise to Ms Overton-Clarke.

**Ms Overton-Clarke:** No, that is fine. I will hand over to Ms Whitten for the detail.

**Ms Whitten:** As members would be aware—may be aware—the government issued a consultation report, or the minister issued a consultation report, in February of this

year, which summarises the consultation that was undertaken with the community sector between August and October of last year. As part of that, there was strong support for a three-year check rather than the five-year check proposed in the interim policy paper which was issued on 19 August last year.

In looking at that, the government agreed that a three-year checking process was appropriate; it was consistent with existing checking arrangements, for example in childcare, and it was consistent with other arrangements in other jurisdictions. Each jurisdiction has a slightly different arrangement.

**THE CHAIR:** Could I just ask a quick question in there? Is this check the same check that they do with a childcare organisation, or is that a different check? I am sorry to interrupt, but I am just interested because then people may be able to move between industries.

**Ms Whitten:** The check will include the national criminal history check, plus other non-criminal history information, and that is consistent with the COAG trial that is currently being undertaken in relation to checks for children. So the check is actually not just for children; it is also for people who work with vulnerable people.

In relation to the impact on the community, the check will be free for volunteers and the government has identified in the budget papers that there will be a fee for workers. In Victoria, for example, it has been identified that that fee is likely to be tax deductible, obviously, so that we would expect that the check would be tax deductible as well. In relation to organisations, that might mean that if they are currently paying for a check for their volunteers already, they will not need to pay for that check, and that there may be local arrangements between the employees and employer organisations about the cost of the check and who pays for it.

**THE CHAIR:** Have you done any work to check whether it is tax deductible here in the ACT?

**Ms Whitten:** The issue about tax deductibility or not is a matter for the Australian tax office.

**THE CHAIR:** Certainly. That is why I am interested that Victoria have said they think so. It is the ATO. You would think that would be consistent across the country.

**Ms Whitten:** And that is our approach: we would expect that there would be consistency across jurisdictions in relation to that workplace expense.

**Ms Lambert:** The other thing that is worth noting is that in the Productivity Commission examination of the community sector the approach that we have taken in relation to expanding it to vulnerable people has been commended, so I would expect that there will be pressure around the jurisdictions around making sure that this is a broader check, and I am sure then there will be a connection back to other commonwealth agencies. So it is caught up in another process as well. But we got very strong feedback from the sector that we should have it as working with vulnerable people, not just with children, and I think we remain the only jurisdiction that does that.

**Ms Whitten:** Yes, and in fact Tasmania is now looking at it as well and other jurisdictions may also do so in relation to the not-for-profit report by the Productivity Commission.

**THE CHAIR:** Thank you. Mr Seselja.

**MR SESELJA:** Thank you, Madam Chair. You mentioned the former Flynn primary school and the childcare arrangements that are going on there. Are you able to talk us through them? Obviously, there have been a number of proposals for that site. The community have expressed a view for a community hub; they expressed a view for a school, but they have conceded defeat on that. They were pushing for a community hub and obviously a childcare centre could form part of a community hub going forward. Where are we up to in terms of negotiations or discussions with the Flynn community on their idea for a hub at the former Flynn primary school?

**Ms Burch:** I have met with the Flynn community group a number of times. I rang them the weekend of my announcement and talked them through my proposal and my approach and sought their comment and sought their ongoing involvement in how we move forward with Flynn. I also met with them a couple of weeks ago and their media release refers to that meeting as a positive meeting, saying that they hoped to work with the ACT government to develop a plan for the childcare centre and a sustainable community hub at Flynn, following a positive meeting with the minister for disability—me.

So where we are with the John Flynn Community Group is recognising that a childcare centre on site is an agreeable and welcome addition, not only by this government but by the John Flynn Community Group, and we would expect by the broader community in that area, and I have committed to work with them closely as we move forward.

This approach is a two-phase approach; that is the way I am describing it. The childcare centre, which I secured \$4 million for in the last budget to get it up and going, will be the first tranche of that work. In some level of harmony and tagging along all that work will be the thinking around what goes into the rest of the site. It just makes sense to have consideration for the other areas of the site as we move through for the scope of work for the childcare centre as well. I can let David Collett talk about that building program and how he sees the approach.

**Mr Collett:** We have met with the Executive Director of Housing and Community Services on half a dozen occasions with the Flynn group. It has been quite cordial and instructive, putting proposals together. They have got some interesting ideas about the use of the building, and the government, as well as making the budget appropriation for the childcare centre in the school, has also committed to respecting and preserving the heritage qualities of the building. The Chief Minister has made a commitment to do that irrespective of the outcome of the nomination process that has been entered into by the Flynn community.

We have already made contact with the architect for the Flynn school, Enrico Taglietti, and [we will be involving him in the work for the childcare centre and we will be](#)

[maintaining that dialogue with the Flynn community group about, as the minister says, the use of the remnant portion of the building.](#)

**MR SESELJA:** In the *Northside Chronicle*, Roger Nicoll, representing the Flynn community, said:

We are very keen that the three years of work that the community has put in for a sustainable hub, that that's not wasted and is incorporated into the plan.

Can you assure the Flynn community that that work they have put in over the last three years will not be wasted and that it will be incorporated?

**Ms Burch:** As I said, I met with the Flynn group. I am quite happy to table their media release that describes that positive meeting where we shared views about the way forward in the development of the site. I am quite happy to leave that with the committee.

**MR SESELJA:** Sure.

**THE CHAIR:** I note that that press release has been tabled.

**Ms Burch:** We worked through the key elements. They were interested in cross-generational activity on site and we agreed that we would consider that. They wanted a community childcare centre on site—sorry, a childcare centre on site—and that is what we are delivering. We agreed that we would consider a communal meeting space on site and that is, indeed, one thing that we could not consider.

The other elements of the proposal they put through were to ensure that the building has an environmental sustainability aspect. All our buildings are six-star rating and, indeed, tick the boxes for being environmentally sustainable. I would say that following our meeting the Flynn group and I are pretty much of one mind about moving forward and creating an enlivened hub at Flynn. I think we described and spoke about the sounds of children, which is something the community have recognised and missed. The childcare centre will bring that back to the community.

**MR SESELJA:** Which was ripped away from them. What demographic analysis was done before the decision was made to put a childcare centre here?

**Mr Collett:** Significant demographic work has been done in the west Belconnen area. As members of the Assembly and members of the committee may be aware, there is a growing population in the Dunlop area and on the western fringe of west Belconnen. We were very keen to understand the demographic profile, the fertility patterns and the number of young children coming forward.

After significant research and work by Purdon Associates around those demographics and the need for childcare, we advised the government that sites that were closer to Belconnen and might form drop-off points on the way to work would have a longer viability than childcare centres on the fringe. It was on that basis that we have recommended the site in Kippax and also brought forward the proposal for the childcare centre at the Flynn school.

It was based on significant demographic work, not only of the existing demands but also of how that demand was anticipating changing—making sure that we were not coping with a bubble or a spike in child numbers in the suburbs that was then going to wash through.

**THE CHAIR:** Minister, we had Douglas Mitchell and Roger Nicoll give some evidence from the John Flynn Community Group. It was about 10 days ago.

**Ms Burch:** Yes.

**THE CHAIR:** One of the issues they raised was that they would like to see a master plan or a plan of the whole building, because they felt it did not make much sense to start on one part and put in air conditioning or whatever other building systems in place that you then might have to rip out if you built the rest or you might need to duplicate. Have you got a view on that?

**Ms Burch:** That is one of the things that we discussed. We spoke about that at length. I assured them that this is a first tranche. It is the beginning of the development of Flynn and I recognised that it makes sense to forward consider some elements rather than retrofit. I spoke in terms of ensuring that that consideration is in the scope of work for this first tranche of work. But David Collett can talk to the approach on that.

**Mr Collett:** Absolutely. I spoke before about the six meetings that we held with the John Flynn Community Group. Maureen Sheehan, the executive director, myself and, more recently, Bob Hyland have been involved in those meetings. So the sense that we have got a half-baked scheme with the childcare centre could not be further from the truth.

You asked about how the views and the aspirations of the Flynn group had been given consideration and you were looking for some assurance that that would be given consideration into the future. In fact, we proposed a number of options for the redevelopment of the school. [The Flynn community group came forward with a number of options](#). We discussed those options, saw where they were compatible and where they represented different approaches. Whilst we have brought forward a proposal for the refurbishment of part of the school in this current financial year, it sits within the suite of options that we developed and [discussed hand in hand with the Flynn community](#) and certainly gives consideration to those things.

For instance, they have aspirations to see a resource centre that the school community put effort and energies into being used by the community. We will not be including that, for instance, in the childcare centre. We will be leaving that to be used. We have got a very successful program of developing either the gyms or the libraries in the other regional community hubs as neighbourhood halls, integrating with the hubs. So we will be keeping those larger spaces for that sort of use in the future.

We will be looking at the circulation on the site, where the car parking would be, how the childcare would be accessed in respect of the uses of the rest of the building. We can be absolutely clear about that. It is not something that we will promise to do in the future. It is something that comes through the analysis of the options that we have

done with the Flynn community.

Of course, we have got a huge amount of experience in developing buildings for a broad range of purposes at about this scale and, of course, we are completing the five regional community facilities, including the health facility at Village Creek; so we have got a good understanding of the technical issues, the engineering issues, the servicing issues around these large buildings. Of course, we would not countenance the notion of putting in a power supply that did not have a sufficient capacity to handle the whole building.

We would not countenance doing work that was going to have to be undone or redone for the final building. But we have got, as I say, very significant experience in doing this work and I would be confident we can do all that.

**THE CHAIR:** So where are all of the hubs up to? For instance, there was the hub at Cook. We have got Holt, Melrose—

**Mr Collett:** Is this a test?

**THE CHAIR:** Now you are testing me—Lyons?

**Mr Collett:** You are doing pretty well. There was Village Creek for health and—

**THE CHAIR:** So how are they all going? Are they on target? Are people starting to—

**Mr Collett:** Yes, they are all getting close to completion. In fact, there are a number of the community organisations who have been able to take possession of the space to date. The bulk of them will not be moving in until the buildings are finally complete at the end of June. But a number of groups who have needed to find accommodation have moved in already. Of course, there are a number of groups that have inhabited the space whilst the refurbishment has been done and Hindmarsh have done a very good job of looking after the Y and the Warehouse Circus, for example.

The expectation is that the vast majority of that work will be completed at the end of June, which was the programmed time that the community organisations will either move in or undertake the refit or all the specialist equipment that they want to put in. As I say, a number of them have moved in already.

So we are on track for all of those. I note that—keeping a close eye on it as I have over the last couple of months in order to reassure the deputy chief executive that we were going to finish on time—the neighbourhood halls, which are not our responsibility—they are being handled by TAMS—are very close to completion as well. The suite of works that was outlined in the government's announcement about the use of the surplus schools as a significant community resource is being completed on time.

**MRS DUNNE:** Can I ask a supplementary question?

**THE CHAIR:** Yes, Mrs Dunne.

**MRS DUNNE:** There are a couple of issues around the Flynn childcare centre. There has been an announcement of 100 to 120. I have also heard the minister use, if we can manage it, 130 places.

**Ms Burch:** I do not think I have ever said that, Mrs Dunne.

**MRS DUNNE:** Actually, I think you did it at ACTCOSS. You said that if we could get the planning right, we might get more places—up to 130. But the proposal was put forward by—

**Ms Burch:** I do not think so, Mrs Dunne. But you cannot be trusted, though, Mrs Dunne.

**MRS DUNNE:** The proposal that was put forward—

**Ms Burch:** You misrepresent people.

**MRS DUNNE:** The proposal that was put forward by the John Flynn Community Group for a childcare centre on this space was for about 80 places, because that would leave enough space, Mr Collett, for some of the other proposals that they had for a community hub. If we go to a larger community childcare centre, do you see that those other proposals might be in some way compromised?

**Ms Burch:** First of all, I challenge you again. You are misrepresenting me, Mrs Dunne. A childcare centre of between 100 and 110, depending on the final design and the fit-out of the building, is a welcome addition. So are you indicating that we do not need those additional childcare places?

**MRS DUNNE:** Madam Chair, I asked a question—

**Ms Burch:** I just need to be clear, Mrs Dunne, because you do misrepresent.

**MRS DUNNE:** I thought the minister's job was to answer the questions, not to badger the members of the committee.

**Ms Burch:** Dear, dear, Mrs Dunne!

**MR HARGREAVES:** That is a bit rich.

**THE CHAIR:** Members, settle down. Could you please ask your question again, Mrs Dunne.

**MRS DUNNE:** My question, again, was that the original proposal put forward by the John Flynn Community Group was for a childcare centre of about 80 places. A childcare centre which is now being proposed by the government is in excess of 100 places. My question is: if we build a childcare centre there which is in excess of 100 places, will that compromise some of the other proposals put forward by the Flynn community for a hub for their community? It is not to say whether 100 places or more is undesirable; I am talking about the balance in that building.

**THE CHAIR:** The physical building and how much space it will take up?

**Ms Burch:** In short, as I said, the John Flynn Community Group are welcoming of the childcare place. They are welcoming of the 100 to 120—

**MR SESELJA:** Your rehearsed lines are not an answer, Joy.

**Ms Burch:** Do you want the answer?

**MRS DUNNE:** Yes, we do, but not the—

**MR HARGREAVES:** Madam Chair—

**THE CHAIR:** Members, one at a time.

**MR SESELJA:** You are just repeating the slogans.

**MR HARGREAVES:** Madam Chair, I remind members of the standing order.

**THE CHAIR:** Members!

**Ms Burch:** If you allow me to finish then I will say, in that discussion—

**THE CHAIR:** Minister, I guess the question is about the physical layout of the building.

**Ms Burch:** Yes, and in that discussion, they welcomed and accepted that other facilities and a community hub can be accommodated within the footprint of the building. So, yes.

**MRS DUNNE:** So—

**Ms Burch:** So, yes, the site can accommodate an enrichment and a community hub facility.

**MRS DUNNE:** And the plans put forward by the Flynn community for other facilities will not be compromised if you build a larger childcare centre than the Flynn community had originally envisaged?

**Ms Burch:** We will be able to accommodate the thrust of what the John Flynn Community Group wanted—an intergenerational hub community meeting space—and we can accommodate that within the floor plan.

**MR SESELJA:** A supplementary.

**THE CHAIR:** I have got a line-up of supplementaries. Mrs Dunne, did you have another one before he goes?

**MRS DUNNE:** The other question is: does the department have a preferred provider

in mind at this stage to run the childcare centre?

**Mr Collett:** No, we do not. We need to go through a process to determine the provider but it will be a transparent process that takes into account the demand for childcare in the west Belconnen area, which, as I said, we have done a significant amount of work on and which is a concern for the government, as well as looking at the existing providers in west Belconnen and their viability.

**MRS DUNNE:** So what will be the criteria for going out to tender, I presume, for the provider? Do you have any criteria in mind at this stage?

**Mr Collett:** They will be the sorts of criteria that you would expect—experience in running a childcare centre, viability—but they will be recommendations that we will make to the minister prior to the completion and occupation of the centre.

**MRS DUNNE:** Have you been speaking to any of the providers in west Belconnen about the opportunities?

**Mr Collett:** We have been speaking to providers about their needs, about the demand for childcare centres. As I say, the recommendation that was put forward to government around the use of the Flynn school for a preschool was based on significant demographic work and studies, and that included discussions with childcare operators. We have not pre-empted the selection process but we will stay in contact with the providers in the west Belconnen area to understand the ongoing demand for childcare places and the needs and the requirements of the existing providers.

**MRS DUNNE:** Thank you.

**Ms Burch:** Ms Hunter, can we just remind that, if we are questioning on childcare and the office, we do not have some of the officials here.

**THE CHAIR:** I do agree. It is a different output class.

**Ms Burch:** Yes.

**THE CHAIR:** So I think we need to leave that until that comes up later.

**MRS DUNNE:** Yes, I am happy for that.

**THE CHAIR:** Ms Bresnan.

**MR SESELJA:** Sorry, the minister raised it.

**THE CHAIR:** Certainly, Mr Seselja, but I take the point that, if you want more detailed questioning, it would probably be useful for members—

**MRS DUNNE:** No, but my question was answered quite satisfactorily by Mr Collett, thanks.

**THE CHAIR:** Ms Bresnan.

**MS BRESNAN:** Thank you. Ms Hunter asked a question about a master plan process for the Flynn site and, I guess, a formalised planning process. I want to clarify: did you say there would be a formalised planning process there or that there would not be? I cannot recall whether there was a direct answer to that.

**Mr Collett:** There is not a provision within the territory plan for a master plan, as such. But we will continue to discuss our approach to the use of the whole building, given the commitment that the government has made to respecting the heritage qualities of the building, as we move forward with the childcare centre. The proposal for a childcare centre was based on a range of options that we prepared and discussed with the Flynn community. And the 110 to 120 childcare places can exist—

**MR HARGREAVES:** Excuse me, Madam Chair.

**THE CHAIR:** Yes.

**MR HARGREAVES:** There is a low roar and rumble about the room.

**THE CHAIR:** Thank you, Mr Hargreaves.

**MR HARGREAVES:** Thank you.

**MR SESELJA:** Is that a commentary?

**MR HARGREAVES:** No, that is an observation, Mr Seselja, and you are the 50 per cent guilty party of it.

**MR SESELJA:** It sounded like commentary.

**THE CHAIR:** Members! Mr Collett, thank you.

**Mr Collett:** The 110 to 120 places can fit into a number of classroom modules. The options that were brought forward and discussed between the Flynn community and the department were based on the use of the options so that we got a logical relationship to the outside space, we got a logical use of space. A significant number of classroom modules and support facilities will remain that can be used for the full range of community activities that were discussed and put forward by the Flynn community.

**MS BRESNAN:** So will there be a time frame or time line developed in terms of when those other sorts of facilities would go ahead or when they would start to be constructed? I think you said obviously the childcare places will be there first but then the multi-use community hall would possibly not occur in the near future. So I am wondering what is going to be the process in terms of planning for those different facilities on the site.

**Mr Collett:** The budget appropriation, which is what we are discussing, is clear and provides funds for the childcare centre. We will continue to talk to the Flynn

community about the uses of the rest of the building and, as part of those discussions, we will talk about the likely costs and the likely time frames. And, working with the minister, as we do, we will be bringing forward recommendations to government about how we might achieve that and over what time frame we would do that. One would anticipate that that would be a consideration in framing next year's budget but that is not for me. I do the technical work—

**MS BRESNAN:** I understand the budget but I was trying to get a sense of when those other facilities would be planned for.

**Mr Collett:** Developing the regional community hub over a two-year period, we have demonstrated, is a sensible way to go forward. It provides time for the community organisations to prepare themselves to move in, to look at their services, to think through how they are going to operate in the building. It provides us with an opportunity to move through the building in a sensible way and attend to the structural and the servicing and engineering needs of the building.

So doing this over a number of years is consistent with the approach that we have taken in other areas. But, as I say, the budget appropriation was \$4 million for a childcare centre, and we will be bringing forward recommendations to government consistent with the commitments that the minister has made and that the Chief Minister has made around the treatment of the building.

**THE CHAIR:** Mr Hargreaves and then Mr Smyth, supplementaries.

**MR HARGREAVES:** Thanks very much, Madam Chair. In the context of community hubs, we have spoken a lot this morning about the proposals and the thinking around Flynn. Are there any more community hubs in the ACT that the committee can be made aware of?

**THE CHAIR:** I think we did go through a list before, Mr Hargreaves.

**MR HARGREAVES:** Yes, but—

**THE CHAIR:** Was there further detail you wanted?

**MR HARGREAVES:** Yes, there is. I want to know whether or not the previous Village Creek school is actually going to be regarded as such a hub.

**Mr Collett:** It has been included in the program; the work has been undertaken by the Department of Disability, Housing and Community Services and has been executed by Hindmarsh as part of the overall project management contract. I could clarify some advice that was given to the committee yesterday. There was a slip: the chief financial officer referred to Village Creek being demolished; of course, it is being redeveloped as a health facility.

**MR SMYTH:** A slip of the tongue.

**Mr Collett:** It is the Mount Neighbour facility that was demolished and that was referred to in that line in the financial reports.

Village Creek started off as being a mixed health facility that would include the equipment loan service and a number of other community-based facilities. As we worked closely with Health to better understand their needs and to better understand the synergies and relationships between the equipment loan service and a number of the other services that Health provided, it was clear that Health had more than enough uses within the department to make full use of that building. It still will be a regional centre; it still will be around health and wellbeing; and it still will be focusing, to an extent, on the aged, and support for the aged and their health needs. But it will not provide space for non-government organisations; it will be totally occupied by Health.

**MR HARGREAVES:** In the context of that, will that building become a Health asset or will it remain part of DHCS's assets?

**Mr Collett:** It will not remain part of our departmental assets. It will be transferred.

**MR HARGREAVES:** To the Property Group or something?

**Mr Collett:** To the Property Group; exactly.

**MR HARGREAVES:** With respect—

**Ms Burch:** I thought you may be interested in some development down in our shared electorate of Brindabella.

**MR HARGREAVES:** I was. That is where I was going.

**Ms Burch:** At Bonython, construction is underway on a greenfield site for the Bonython hall. I had an opportunity to meet with the new Bonython Neighbourhood Watch group on the weekend and talk to them about that hall. The building frame is up and the roof is on; that is going along gang busters and is expected to be finished in July—

**MR SMYTH:** But that is a TAMS project.

**Ms Burch:** with lease and occupation of community groups and use by local communities in August. Those at Neighbourhood Watch down at Bonython were very pleased with that.

At Mount Neighbour, as I think Mr Collett may have made mention, we are building older persons units there. Again, that is a welcome addition to many of the older public housing tenants. In Tharwa, we have refurbished the kitchen and a classroom for a community meeting place. Also within the region, at Melrose, we have progressed on creating a regional community centre for 14 health-related organisations.

**MR HARGREAVES:** That is an expansion of a service that was there prior?

**Ms Overton-Clarke:** Yes.

**Ms Burch:** Pardon me?

**MR HARGREAVES:** I think Ms Overton-Clarke answered the question already, but it is an expansion of the service that was already there?

**Ms Burch:** Yes.

**MR HARGREAVES:** That is great. That is good news.

**Ms Burch:** Autism Asperger has already moved in—and a number of other organisations as well. And, whilst it is not in our neck of the woods, Ms Bresnan and Mr Hargreaves, at Cook I had the pleasure of going out to Koala play school. They have moved into the refurbishment there, and they were celebrating, I think, 20 years. They are not here, but it is quite a long time. And a ballet school has moved in there. So clearly the work has moved and some wonderful organisations have settled in those areas.

**MR HARGREAVES:** Thank you. In the context of community services, I am not quite sure of the relationship; maybe this is something for the Property Group. Are the Tuggeranong community arts centre and the Tuggeranong community centre facilities within the portfolio of DHCS—the actual buildings themselves, not so much the activities that go on in them?

**Mr Collett:** The buildings are not part of the Department of Disability, Housing and Community Services portfolio.

**MR HARGREAVES:** And both of them would, therefore, be somewhere else.

**Mr Collett:** I believe so.

**MR HARGREAVES:** Yes; okay.

**Ms Burch:** They are both fantastic local organisations that do a great job.

**MR HARGREAVES:** Thank you. In the context of the redevelopment of the Tuggeranong Health Centre that we heard about from ACT Health the other day, has DHCS been involved in the consultation process or the discussions on what should and should not be provided in the way of services for that hub?

**Mr Collett:** Not in regard to that hub. We were involved in a number of consultation meetings and communication meetings with Health over the re-use of Village Creek, and a broad range of health issues was raised in the context of those discussions, but it was only in the context of the community facilities; we do not have a remit to be involved in the broader Health issues.

**Ms Lambert:** I would think, though, that we would need to talk to the child and family centres. They have probably been involved; they are very involved at the local level. When we get to that output after morning tea, they can probably answer that question for you. They work very much at the local level, intersecting in a way that is not a formal departmental consultation.

**MR HARGREAVES:** My last question—

**Ms Burch:** I just add that, as a local member, I personally would be taking a great interest in that.

**MR HARGREAVES:** A lot of interest in it, yes. My last question is with respect to the over-55s club premises being built. Your department has some role in that. Can I get an update on where we are with that, please?

**Ms Burch:** The site has been selected; it is a site towards the college and at the end of the tennis courts.

**MR HARGREAVES:** In the corner?

**Ms Burch:** In the corner. So the childcare will be located there, the college there and the centre site there. We had originally planned to have that up and were looking to completion at the end of this year. The DA has been—

**MR HARGREAVES:** This calendar year or this financial year?

**Ms Burch:** It was going to be this calendar year, but after the site selection there were some additional comments that we needed to progress, process and work through. It is my understanding that the DA has now been submitted, so we are looking for that to be progressed. David may be able to update on that.

**MR HARGREAVES:** Could you also address the fact that I believe you have got an access problem on that corner. If my understanding of that corner is right, there is an access issue because of the construction of the road going around.

**Ms Burch:** It sits on the corner.

**MR HARGREAVES:** It has got barriers and concrete bits everywhere.

**Mr Collett:** The minister is correct: the DA has been lodged. The issues that were raised by the college and the issues that we needed to look at in terms of the relationship between the facility and the Tuggeranong park have all been resolved, and the DA has been lodged. Given the work that has been undertaken in order to resolve those issues, I am hopeful that the DA will progress smoothly, there will not be any further hiccups and we will be able to get out on site early in the next financial year. Certainly it is not a huge building. I would expect that, whilst there have been some delays around resolving these siting issues, the works can all be constructed during the next financial year and it would be early next calendar year that we could see the facility completed.

**MRS DUNNE:** Do you have a tenderer for that? Sorry, Madam Chair.

**THE CHAIR:** Is that your supplementary?

**MRS DUNNE:** Yes; sorry.

**MS BRESNAN:** That was actually going to be my question.

**MRS DUNNE:** I am just wondering if you have identified the tenderer.

**MR HARGREAVES:** The DA has not been approved yet, so it has got to—

**Mr Collett:** We will wait until the DA is approved so that, if there are any conditions that would apply, we can include that in the tender and not have to pay extra to facilitate.

**MRS DUNNE:** Yes, that makes sense.

**MS BRESNAN:** One of the concerns the over-55 group had was that, in terms of managing the facility, they would be able to control the sorts of activities that go on there. So any management process—will that incorporate that for them so that they control what sort of activities go on there, and bookings and all that sort of thing?

**Ms Burch:** Every time I come across the members of Tuggeranong 55 club they ask the same questions. We have been at the same venues—

**MS BRESNAN:** But I do not think that there has been a clear answer.

**Ms Burch:** Individuals have raised this. My comment to them is that my approach in the first instance will be to look to auspice someone to manage the centre, but clearly—for Tuggeranong 55 and the other smaller senior groups: there is a group that operates down in Lanyon out at the Murra Lanyon centre, and there is a group over at Erindale—this facility needs to be available to all of those senior groups. My thinking is that we have a very short-term arrangement, two years around, from an auspicating organisation that has local connections that can facilitate and has connections with these groups.

Tuggeranong 55 is just incorporated for one year, I think. It could be two, but I am sure it is just one year. To allow them their capacity and development to progress, I think this is a good arrangement. When I talk with them, they can see the logic and they are accepting of it. But I have also made the point very clearly that it will be very different from the likes of Bonython community hall, where there is a manager, you book your time, you pick up your key and you go in. This will be created as a welcoming community space for seniors. I see Tuggeranong 55 as creating that atmosphere, that home and that space for seniors of the Tuggeranong area to be part of.

**MS BRESNAN:** One of the limitations they face with the current space they use is that they are not able to put on additional activities because they have to book.

**Ms Burch:** They have to book. And they cannot put their piano or their library there or do all the things that make a club a club as opposed to a community hire hall.

**MS BRESNAN:** Just booking space.

**Ms Burch:** Yes, absolutely.

**THE CHAIR:** Mr Smyth.

**MR SMYTH:** Mr Collett, what is the size of the John Flynn school? How many square metres is it?

**Mr Collett:** I would need to check; I will take that on notice.

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

**MR SMYTH:** What will be the size of the childcare centre?

**Mr Collett:** I will take that on notice as well.

**MR SMYTH:** All right.

**Mr Collett:** I would like to give you those figures accurately.

**MR SMYTH:** That is okay. Will part of the existing school be put aside for services? And the fourth question then would be: what space is left available then for other uses?

**Mr Collett:** The childcare centre will occupy a bit more than a third of the total building.

**MR SMYTH:** Okay, but you will give us that. On the other hubs that you have done, what were the costs of the master planning exercises for those hubs?

**Mr Collett:** The master planning exercises?

**MR SMYTH:** Yes.

**Mr Collett:** Those plans were done internally. Bronwen Overton-Clarke was key to the selection process around the community organisations that moved in. After they were determined we did quite a bit of work internally matching up the community organisations. The previous minister for community facilities was very keen to theme the hubs, not only in terms of improving their ability to provide services to the community but also to give the organisations that were moving into those facilities the opportunity to exploit synergies in terms of their operations.

Certainly, at the back end of that process we are seeing the strong benefits of that process when we are working with groups about how they might do everything from sharing the receptionists, jointly taking responsibility for letting out the neighbourhood hall, putting in security arrangements for the whole building and sharing photocopiers, fax machines and other things like that.

**MR SMYTH:** What was the cost of the planning for each of the hubs, though?

**Mr Collett:** As I say, it was done internally, so it was not a cost. We went through

that exercise of matching, if you want to put it as strongly as that, the community groups that were seeking spaces based on those themes, and then we looked at the specific requirements of each of the tenants.

Following their original applications, which required them to provide details of their operations, their viability and their financial circumstances we asked them quite detailed questions in terms of ceiling heights, floor loadings, the amount of noise that they would generate, whether they needed external space as part of their operation, whether they needed external access and how many visitors they were likely to have. On the basis of that, we then did the internal planning in order to determine where those facilities were best located. That planning work was done internally. We then took our diagrams to the project manager, and architects were responsible for the final documentation of the spaces.

**MR SMYTH:** Thank you.

**Ms Overton-Clarke:** If I can just add: it is quite a complicated process asking community organisations to apply. Of course, they have certain expectations and wants. When you actually work through how all of that matches out in terms of the space, you need to juggle the existing configuration of the space that you have got compared to what you can change and what they want to do—who their best neighbours are in terms of the theming, as David said. Putting a number of non-government organisations together in a thorough application process ends up being quite a different exercise from locating a single childcare centre into a single site.

**Mr Collett:** It is an art as much as a science.

**MR HARGREAVES:** It is almost poetry, in fact, Mr Collett.

**Mr Collett:** I thought it was poetry, Mr Hargreaves!

**MRS DUNNE:** A quick supp, if I could, Madam Chair.

**THE CHAIR:** Yes, and then we will be going to Ms Bresnan.

**MRS DUNNE:** I presume that the planning for Flynn childcare centre will be compliant with the changes that will come in, as foreshadowed by the commonwealth, in 2012-13.

**Mr Collett:** Absolutely. Making sure that the childcare operators can comply with the licensing requirements around not only the physical accommodation but also the staff-child ratios, the employment of registered nurses and all of those things was one of the considerations that led us to propose the size of the facility that we did. There was careful consideration and a fairly deep understanding of the operations of the childcare centre as well as its physical needs.

**THE CHAIR:** I just have a quick one too—I am sorry, Ms Bresnan—and that was on page 384 around rollovers. Under “budget technical adjustments”, \$5 million is being rolled over to 2010-11 in relation to community facilities and neighbourhood halls.

What is that final work that needs to be done? I note that you said a lot of it will be finished by the end of this financial year. I am wondering what has gone into the next financial year.

**Mr Collett:** It will be the final invoices which will come in through June but which will not be paid in June. They will have to roll over into July and August next year. Not surprisingly, we have a number of relatively large items that need to come in at the end of the process. We talked about Melrose. It is a two-storey facility. We need to build an external bridge and a lift to access the top level. The lead time on the lift meant that it was going to go in in late in June and may even roll over into early July. But it will be largely those invoices that will still be coming in.

**THE CHAIR:** Thank you. Ms Bresnan.

**MS BRESNAN:** My question relates to something we discussed earlier. Ms Hunter asked about the vulnerable people's checks. It was my understanding that community sector workers would be provided with what was being called a blue card. It would enable them to move between jobs and agencies without having to complete another check.

**Ms Overton-Clarke:** I do not know that we will actually be issuing them. That is the Queensland—

**MS BRESNAN:** But that is—

**Ms Overton-Clarke:** The whole idea is that it is portable within the sector, yes.

**Ms Burch:** So the individual owns the clearance; it travels with them.

**MS BRESNAN:** Yes. So the same sort of model will be adopted in the ACT?

**Ms Overton-Clarke:** Yes.

**MS BRESNAN:** Is there going to be any funding allocated to implement that type of program or is it something that is done as a matter of course?

**Ms Overton-Clarke:** We talked about the cost earlier. It is part of that.

**MS BRESNAN:** It is part of that.

**Mr Collett:** Yes.

**Ms Overton-Clarke:** Ms Hunter asked about the cost. The cost is \$71, which works out to be \$26 a year.

**MS BRESNAN:** Essentially, the person will own that check and they do not have to reapply every three years to actually have that, and they can move between—

**Mr Hehir:** That is right. My understanding is that a card will be issued. This is something we were trying to make sure the communication was clear around. The

card itself is not the authority. People need to check the validity of the card. When you go to an employer, you will produce the card with the number and they will have to make the call to make sure that the card is still valid and that there has been no further issue. It is actually the system that will have the authority. The card is being issued just in terms of ease for people to have it and to give the first indication they have been cleared. There is still a process required beyond that.

**MS BRESNAN:** So the card will be issued when they pay the up-front amount to have the check done?

**Mr Hehir:** When they have been cleared.

**MS BRESNAN:** Yes, when they have been cleared, but they are actually issued with something when that all happens?

**Ms Burch:** Yes, and volunteers, similarly—whilst they will not be charged—will be issued with a card. The process, the regulation and the mechanics of it sit with JACS.

**MR HARGREAVES:** In the context of concessions, disability people can get bus concessions on ACTION and now there is the process of their carers being able to access the same thing. Is that an issue for TAMS and ACTION or is that something that DHCS has an involvement with?

**Ms Burch:** Is that the companion card that you are talking around?

**MR HARGREAVES:** Yes. I am not sure whose turn it is to ask a question, but I was interested to know what the take-up was and also the take-up of businesses supporting that system.

**Mr Hehir:** I think it was read out in the minister's speech yesterday.

**MR HARGREAVES:** I would like it read out again, Mr Hehir, please.

**Ms Burch:** I do not have those opening comments, but there has been in the vicinity of 300 applications. The high 100s, from memory, have got their companion card. Certainly, a strong number of local businesses are coming on. I joined Bill Shorten at Bruce stadium at the launch of the national companion card. The Brumbies were there as the key supporter for the companion card, with an avid supporter, I can say, who was very keen because he needed his carer to get him to the match. So it works well.

**THE CHAIR:** Mrs Dunne.

**MRS DUNNE:** Thank you, Madam Chair. Minister, in your opening comments this morning you spoke about \$7.4 million in capital upgrades. What are the capital upgrades for? Some of that is Flynn. You spoke, if my memory serves me correctly, about facility upgrades as part of that. I am just wondering where I can find that in the budget.

**MR HARGREAVES:** 385.

**Ms Burch:** Mr Hubbard, Mr Collett or Martin?

**Mr Hehir:** It is, again, something to do with the community facilities. At page 385 it gives you the breakdown.

**MRS DUNNE:** That is car parks and building facades. I did not think that was what the minister described.

**Mr Hehir:** And there is also the replacement of the centre-based respite houses. That is the total new capital works with that. That is the \$7.4 million.

**Ms Burch:** Is that Pilgrim House?

**Mr Hehir:** That is the \$7.4 million. Pilgrim House comes through Housing.

**MRS DUNNE:** I had read that. I thought the minister described facilities upgrades. I actually cannot remember her words but what the minister described this morning did not sound like facades and car parks. It sounded more like—

**MR HARGREAVES:** Capital upgrades is the next level down.

**Ms Lambert:** We own a significant number of community facilities and we have a regular upgrade program.

**MRS DUNNE:** Okay.

**Mr Hehir:** So that is additional to the \$1.7 million.

**MRS DUNNE:** So the capital upgrades is not in the \$7.4 million?

**Mr Hehir:** No.

**MRS DUNNE:** It is the one below that.

**THE CHAIR:** It is the \$1.2 million.

**Mr Collett:** Yes, so, if you go to page 385—

**MR HARGREAVES:** A close look at 385 will reveal it.

**THE CHAIR:** It talks about \$2 million.

**Mr Collett:** I have heard Ian in this role a number of times; so, with pleasure: below the new capital works and the total of new capital works, which is \$7.412 million, is the capital upgrades, totalling \$2.068 million. We have got an annual program for our community facilities and our childcare centres. And it is around the repairs and maintenance largely to those buildings; so replacing guttering that has rusted out, doing works that are necessary. Sometimes it is bigger ticket items but it is basically the maintenance work that is associated with maintaining our existing community facilities and our existing childcare centres.

**MRS DUNNE:** Perhaps I can flavour what the minister said in her opening comments. Thank you for that, Mr Collett.

**THE CHAIR:** Mr Smyth.

**MR SMYTH:** Minister, on page 379, budget paper 4, output class 3.1, accountability indicator (c) is the number of community capacity building projects supported. Note 3 says that this is a new indicator. There are 15. Did we not build community capacity in this current financial year?

**Ms Overton-Clarke:** Sorry, I realised that what I said earlier to Ms Hunter was incorrect. So (c) is actually the new—

**THE CHAIR:** It is (a).

**MR SMYTH:** So (c) is the new (a)?

**Ms Overton-Clarke:** So (c) is the new one that replaces (a) rather than (b). I would like to correct that. So that is a new, more meaningful indicator. What that reflects is the support side of the community support grants that we hand out. That is relatively new money. It was in the budget two years ago. So it is the community support and infrastructure grants, and that just reflects the support component of those grants.

**MR SMYTH:** The old indicator (a) was called training. So is (c) training?

**Ms Overton-Clarke:** That continues.

**MR SMYTH:** Or is (c) something else?

**Ms Overton-Clarke:** No, (c) is something else. The training continues, even though we have decided not to continue with the measure. The community capacity building projects supported are things like when the community sector comes to us and wants to explore shared services options. They are support projects that we will fund non-government organisations on a one-off basis to pursue projects that they think will be for the enhancement of the sector.

**MR SMYTH:** For instance?

**THE CHAIR:** How much is in that fund?

**Ms Overton-Clarke:** It varies from year to year and, as I said, it is the support component rather than the capital component. We are just examining at the moment whether we actually allocate some of the capital funds to, as David was alluding to earlier, finishing off and fitting out some of the regional hubs. So the division between the different areas varies between years. That component is generally in the order of \$100,000 to \$150,000.

**MR SMYTH:** So this year it is \$100,000 to \$150,000, all up?

**Ms Overton-Clarke:** We have not yet determined exactly what the component will be.

**MR SMYTH:** No, 2009-10?

**Ms Overton-Clarke:** For 2009-10, I can get that figure for you, what the support component was. In 2009-10, it was \$152,055 and there were eight projects.

**MR SMYTH:** And in the coming year, you are going to 15 projects. Will the budget double?

**Ms Overton-Clarke:** In 2010-11, we are looking at supporting 15 projects, that is right. It absolutely depends. Obviously you can have a number of large projects that are funded a small amount, compared to a small amount of projects that are funded a large amount. No, it does not mean that the budget will double.

**MR SMYTH:** But we do not know what the budget will be at this time?

**Ms Overton-Clarke:** We know the overall amount of the budget but that is the capital component and the support component. We have not yet determined that split for next financial year.

**THE CHAIR:** And that overall amount is \$100,000 to \$150,000?

**MRS DUNNE:** But that support component is still recurrent money?

**Mr Hehir:** Yes, it goes out as a grant.

**Ms Overton-Clarke:** So the total amount in 2009-10 is \$525,258 and—

**MR SMYTH:** And that is capital and recurrent?

**Ms Overton-Clarke:** Exactly, that is right.

**MRS DUNNE:** And that is all recurrent, even though some of it is to capital?

**Mr Hehir:** Yes.

**Ms Overton-Clarke:** The grant fund is a recurrent amount, that is right.

**Ms Lambert:** It does not mean that—

**Ms Overton-Clarke:** That is right.

**Mr Hehir:** It goes through the operating statement. How about we say that?

**Ms Lambert:** It also does not mean that there would not be a training component in some of those grants, because obviously the sustainability of community organisations sometimes depends on training.

**Ms Overton-Clarke:** To further clarify, the project component, 15, is not just the community support amount; it is also the non-fixed infrastructure amount, not to be confused with the third component, which is the capital works amount.

**MR SMYTH:** Okay.

**Ms Overton-Clarke:** Clear as mud?

**MR SMYTH:** Clear as mud. So what is the all-up funding for 2010-11?

**Ms Overton-Clarke:** The all-up funding for 2010-11 is—Mr Hubbard?

**Mr Hubbard:** I will find that out for you.

**MR SMYTH:** Good on you, Mr Hubbard.

**Ms Overton-Clarke:** In 2009-10 it was \$525,258; so it will be that plus indexation.

**Ms Burch:** Yes, be consistent. That pool would be available for the grants.

**MR SMYTH:** Would you like to take it on notice and gives us a reconciliation for the two years?

**Ms Overton-Clarke:** Yes.

**MR SMYTH:** A breakdown of the funding of recurrent and capital and then supported capital works on top of that?

**Ms Burch:** Across the three categories?

**MR SMYTH:** Yes.

**Ms Burch:** Yes.

**THE CHAIR:** I note that has been taken on notice. Ms Bresnan, a final question?

**MS BRESNAN:** I have another question. On the accountability indicators, the one below that is the number of visits to community service organisations. What visits are they?

**Ms Whitten:** Would you like me to do this one?

**Ms Overton-Clarke:** Yes.

**Ms Whitten:** We have 26 service funding agreements with community organisations; so it is one visit per organisation each year.

**MS BRESNAN:** Thank you.

**Ms Whitten:** That is under the community support program, which is the peak—

**MS BRESNAN:** So it is a visit to check to see how the service is operating?

**Ms Whitten:** It is about our relationship and partnership with our community service organisations.

**MRS DUNNE:** And you do not talk to them any other time during the year?

**MS BRESNAN:** I was just going to ask that.

**Ms Overton-Clarke:** We do; of course we do.

**Ms Whitten:** We do, regularly.

**MRS DUNNE:** Just checking.

**THE CHAIR:** We will now break for morning tea.

**Meeting adjourned from 10.24 to 10.45 am.**

**THE CHAIR:** We will recommence the public hearing of the Select Committee on Estimates with output class 2, early intervention, 2.1—child and family centre program.

**MRS DUNNE:** Madam Chair, before we do that, at the outset this morning, after the minister arrived late, she accused me of issuing a false press release, which is tantamount to an accusation of lying. I have now had an opportunity to review the audio and my staff have typed up the transcript. I think it is now time for me to ask the minister to withdraw the accusation of lying. The question that Mr Smyth asked was clearly about her business and her business practice, and that is what the press release was about.

**MR SESELJA:** As embarrassing as it was.

**THE CHAIR:** Mrs Dunne, as I ruled earlier, we are here—

**Ms Burch:** Can I please, chair—

**THE CHAIR:** No, minister. As I ruled earlier, this is a public hearing of the Select Committee on Estimates. It is to ask questions about the budget. I understand that that matter has come up this morning. My ruling again is that that can be pursued in other forums. So I would request that we move on to—

**MR SESELJA:** Which forums, chair? Which forums?

**THE CHAIR:** Well, there are many forums in which it can be pursued.

**MR SESELJA:** The minister came in and called Mrs Dunne a liar.

**Ms Burch:** I can assure you that I will be pursuing it.

**THE CHAIR:** Mr Seselja!

**Ms Burch:** I, too, have considered the video.

**MR SESELJA:** Ms Burch has misled the Assembly this morning—

**THE CHAIR:** Mr Seselja!

**MR SESELJA:** and she should withdraw.

**Ms Burch:** And my comment was—

**THE CHAIR:** Mr Seselja, minister!

**Ms Burch:** that, whilst managing an NGO, I have always kept that to the side. It is the practice that should be sitting here.

**THE CHAIR:** Minister, we were not pursuing—

**MR SESELJA:** You misled; you came in late and you misled.

**Ms Burch:** Mr Smyth, your point of your business practice was to put that aside. Now that was my comment.

**THE CHAIR:** Minister, we are not pursuing this matter at this time.

**Ms Burch:** The word “childcare” was not ever mentioned—not ever mentioned.

**MR SESELJA:** We cannot allow claims of lies to be left unchecked, when she is coming in and misleading when making the accusation.

**THE CHAIR:** Okay—

**Ms Burch:** Misleading? Where in the *Hansard*, in the audio that you have checked and that we have checked, was “childcare” mentioned? Never. And the fact that you can sit here and allow that to continue—

**THE CHAIR:** Right, that is it.

**MR SESELJA:** In your business; you got caught out. You got caught out, Joy.

**MR HARGREAVES:** Madam Chair—

**THE CHAIR:** Excuse me.

**Ms Burch:** That you continue to perpetrate—

**MR SESELJA:** Admit it, and withdraw.

**THE CHAIR:** Mr Seselja! I am now—

**Ms Burch:** It goes to last week’s apology. What was it?

**THE CHAIR:** Excuse me, minister.

**Ms Burch:** A slip of the tongue—

**THE CHAIR:** I am now going to close this hearing.

**Ms Burch:** and she had to apologise to the Assembly.

**THE CHAIR:** Could everybody leave for five minutes while we have a private meeting. Thank you.

**Meeting adjourned from 10.47 to 11.05 am.**

**THE CHAIR:** We will now resume this public hearing of the Select Committee on Estimates. First of all, I just want to make a statement. We started with an issue that cropped up this morning. Minister, there seemed to be, or there are, disagreements

about statements that were made yesterday. What I will be doing is checking the transcripts of *Hansard* and, if there is a need for clarification, I will be writing to you on that matter.

We will now move to output class 2.1, the child and family centre program. The first question I have, minister, is on page 373 of budget paper 4—

**Ms Burch:** Sorry, before I go on, I know this morning we were talking around the great interest in community hubs, so can I also table some articles, “Locals optimistic about community hub” and also “From school to community hub”, which is about the Flynn site, given there was such interest from members in Flynn.

Can I also draw your attention to these flowers that I have provided for the committee members in remembrance that today is National Sorry Day.

Given that we are moving to different outputs, may I make some opening statements in relation to this, chair?

**THE CHAIR:** Minister, we have actually lost some time, and I would like to provide the opportunity for members to ask questions. So I would request that we move straight to questions today.

**Ms Burch:** Can I table—

**THE CHAIR:** If you would like to table your opening statement, yes, we would appreciate that.

**Ms Burch:** And, sorry, one more thing: Mr Collett took some questions on notice and we can provide that now and clarify that, very quickly.

**THE CHAIR:** Okay. Thank you. Mr Collett.

**Mr Collett:** The question from Mr Smyth was about the area of the Flynn primary school and the area that would be taken up by the childcare centre. The area of the primary school is 3,223 metres. The area of the childcare centre will depend on the final planning outcomes but, as I said, it will be more than a third of the site, and I anticipate it will go close to a half of that area.

If I could also just correct the record, I misheard the question about our portfolio. I think it was Mr Hargreaves who asked about whether we were responsible for the Tuggeranong Arts Centre and the Tuggeranong Community Centre. I missed the second part of his question. We are not responsible for the arts centre, but we are responsible for the Tuggeranong community facility.

**THE CHAIR:** Thank you, Mr Collett. I want to move to the west Belconnen child and family centre. I understand it will have a new early intervention program with two caseworkers whose primary role will be to divert children and families from Care and Protection Services. Minister, can you provide more detail on how this early intervention program and model will operate?

**Ms Burch:** This is the integrated family support program that will be rolled out through the new centre at west Belconnen. The target is around vulnerable families but also Aboriginal and Torres Strait Islanders. The connection generally to the Aboriginal and Torres Strait Islander community will be felt through our services being delivered through west Belconnen, and they form a key part of our planning and how the centre will look and how it will operate. But I will go to Ms Pappas.

**THE CHAIR:** Could I just throw in an additional question now Ms Pappas is here, and that is: will a similar prevention and diversion program be rolled out through the other child and family centres?

**Ms Lambert:** I might just take the first response to that, if I may. We have been very careful with the child and family centres to focus on the diversionary process that we use as part of managing demand in the Care and Protection Services. So we already have care and protection workers based at Tuggeranong and at Gungahlin child and family centres and we will continue that practice into this child and family centre.

In fact, there are two family support workers, which will have a more general remit than just the families that might be diverted from the care and protection process. That diversion is around keeping families that we think, in managing the risk, do not have to enter the statutory system. It is about diverting them from that system. But I will hand now to Ms Pappas.

**Ms Pappas:** The two positions that are to be based out at the west Belconnen child and family centre will work across three different areas, and that will be doing individual casework with families, vulnerable families, and around coordination, assessment work and connecting to services, and also providing clinical interventions. They will also run a series of group programs which would be in response to the community need or the family's need.

The third activity is a series of community development opportunities, which is about getting families connected with their community and other services in the sector. But the focus will be very much on Aboriginal and Torres Strait Islander families and children and it will be about case coordination, getting services to talk together and to meet together and to be responsive to families.

**Ms Mitchell:** Might I add something, Meredith? The model of integrated family support has been operating for nearly three years and it involves partnerships with a range of NGOs as well, and that will be replicated in the west Belconnen area. In fact, already there is some outreach work going on there in anticipation of the new centre. They have also established a reference group with the NGOs in the area to develop that model and also consult with the Aboriginal community because it is going to have that particular focus.

While having a coordinated and integrated case management model, which is basically what the model is, those families will also have access to similar things that the other centres have, like the maternal child health nurse, speech therapy, and playgroups which are targeted and universal. So it will have a range of—

**Ms Pappas:** Housing managers—

**Ms Mitchell:** housing manager visits as well. The education department comes as well and it will have a connection with a cluster of childcare centres in the area.

**THE CHAIR:** I just want to go to an issue raised there, Ms Mitchell, around a reference group with other NGOs operating in the area, because we have got a very strong presence from UnitingCare at Kippax that have been running a number of different types of programs, family programs, and also playgroups and so forth. Are they a key partner on this group? How are you going about to coordinate, to make sure it is not a duplication of services or, I guess, seen as a takeover of what services have been delivered that people are used to in that area?

**Ms Pappas:** UnitingCare Kippax and the schools as community program, which is already functioning out of five primary schools in west Belconnen, have already developed a partnership which was based on an identified gap, and that is the paint and play program which is delivered at the Florey primary school. It fluctuates between 40 and 60 families that attend that every week. UnitingCare Kippax and the schools as community work, which is part of my area, run that for families every week. UnitingCare Kippax also sit on our reference group, along with lots of other agencies in the local area, existing partners and also partners who are wanting to participate in delivering services.

We are certainly in the process at the moment in the reference group of confirming what the service delivery model looks like. We have had a presentation on that. They have asked us to go back and do some work around being more explicit around some statements around being child-centred. At the next meeting we are going to focus on the early development index and the results in that area and look at mapping unmet demand and unmet need and then pooling our resources and seeing, as a collective, how we are going to work together to resolve those gaps in services. So they are very much involved and integral in the work that is happening out there.

**Ms Lambert:** I think the history of the other centres shows that we do work really hard on this. For instance, when Gungahlin was established we worked very closely with the community services there. There was considerable concern when the Tuggeranong one was built, because of the many services that were there, and again we worked really hard not to duplicate but to complement. While there will always be hiccups in that process, I think we have been fairly successful.

This centre, though, will have a strong focus on Aboriginal and Torres Strait Islander children and young people, so we really do need to make sure that the services focus in on that as well.

**THE CHAIR:** Thank you.

**MR HARGREAVES:** Madam Chair, a supplementary?

**THE CHAIR:** Mr Hargreaves.

**MR HARGREAVES:** Thank you very much. I have essentially two questions. One is: what is the relationship, if any, between the new child and family centre and the

new west Belconnen health cooperative? Secondly, there was a time when there were more Indigenous children and young people in the Kambah-Wanniassa area than anywhere else in town. Are we seeing a demographic shift into Belconnen of that particular cohort?

**Ms Pappas:** As to the first question, about the relationship with that co-op, we have not got a confirmed partnership with them at the moment, but we are certainly looking to meet with them. I understand that there have been some approaches already. The co-op have expressed an interest in being involved; we will pursue that and look for opportunities to develop those partnerships as we go along.

The second question is around the population. We are still seeing Aboriginal and Torres Strait Islander people across all parts of the ACT. We are certainly seeing them at the Tuggeranong Child and Family Centre and the Gungahlin Child and Family Centre. As I understand it, they are dispersed through the entire community but there are pockets in those three areas where there seem to be more families.

**MR HARGREAVES:** I was aware that at some time—not that long ago, about four or five years ago perhaps—there was something of the order of 70 per cent of Indigenous people under the age of 18 in those two suburbs. I was just wondering whether, with the emergence of Gungahlin and west Belconnen, we are seeing a more widely spread Indigenous population, particularly around the young people. I recall the creation of Gugan Gulwan in response to that and wonder whether we should be starting to do some thinking—not acting at the moment, but some thinking—around a similar system going north.

**Ms Burch:** Certainly Gugan Gulwan provide services to the whole of Canberra; it is not just limited to south Canberra. I think you are right, Mr Hargreaves: there is a dispersion of Aboriginal and Torres Strait Islander families across Canberra, and the child and family centres respond. Whilst there will be a focus—and we are quite clear and up-front about that—on west Belconnen, as Ms Pappas has indicated, the other centres do provide strong support and services. I think I have shared with this committee or with people that, being a local member and being an ardent fan of the child and family centres and the work they do there, it was with great pleasure that I went and joined a group of Aboriginal fathers who had just completed a course on positive parenting and their young children. That was down at the Tuggeranong Child and Family Centre.

**MR HARGREAVES:** Are we seeing an emerging need that we will need to address in, say, four or five years time popping up in Gungahlin, in the north-west of Belconnen?

**Mr Hehir:** The child and family centre engagement with the Aboriginal and Torres Strait Islander families started out quite small—I am going to say three years ago, Helen—with the engagement of about five families. That is over 80 families now, and that is within the existing child and family centres. What we are definitely seeing is a continued dispersion. Aboriginal and Torres Strait Islander people are living within the community broadly. There do seem to be some areas where there are slightly higher percentages, and certainly the work around the west Belconnen facility did identify that there were some young families in the west Belconnen area. We are

aware that there are some areas down south and we are quite conscious that there are a number of Aboriginal and Torres Strait Islander families in the Gungahlin area. That is where we actually started our engagement, and it was a very active engagement strategy, to work with Aboriginal and Torres Strait Islander families and bring them in.

In fact, in a sense, we have actually broadened our remit in working with families. Normally we say we work with children zero to eight and their families. With some of the Aboriginal and Torres Strait Islander families, we are working with boys and girls who are 11, 12 or 13, just because it is working for us. They have often got younger siblings as well, so we are working with the whole family to try and make sure we make those really positive connections. There has been quite a series of different engagements and different organisations working with those families.

I think we have talked to either this committee or the annual report committee about the solid young fellows program. I think I have finally got that right. That does seek to engage with them but uses Robert De Castella's organisation as part of that process to talk to them about how to work with their body and how to treat their bodies properly so that they grow into fit young healthy people. So it is quite a broad engagement strategy. It is dispersed throughout Canberra, which is not particularly surprising given the make-up of Canberra. So we are working effectively. But certainly when we were looking at the west Belconnen child and family centre we did see an emerging group there.

**THE CHAIR:** Mr Seselja.

**MR SESELJA:** I want to go to page 377 of budget paper 4, the accountability indicators. The cost per thousand head of population is targeted to go up reasonably significantly. There is a note about new initiatives that are contributing to that. Can we have a bit of a breakdown of those new initiatives and how they are contributing to that cost?

**Mr Hubbard:** This is "g"? Are you talking about "g"?

**MR SESELJA:** Yes, cost per thousand head of population.

**Mr Hubbard:** I can give you the actual fraction that gives you that amount and then the initiatives that make a contribution to that overall budget. If you start off at the target for 2009-10, the budget in relation to this is 2,478,000. The population for the target is 349,813. Then you go to the 2009-10 estimated outcome and what you see there is the budget going up slightly, 2,517,000. The population also increased there; it went to 354,605—to give you the resulting cost per thousand of \$6.99. Then in the next one you see that the budget has gone up to 2,833,000 over the population, which has also increased, at 360,810; that gives you the lift up to 7.85. The major initiative there, which Helen might be able to talk about, is the early childhood reform in supporting vulnerable families funding. I think we have already talked about that.

**THE CHAIR:** Mr Smyth.

**MR SMYTH:** Just following up on that, what is the outcome of the extra spend? It is perhaps a question for the minister. Governments are very good at putting more

money in and saying, “Look what we have done well”—the input-based model—but what are the public actually going to get for this? What is the improvement?

**Ms Burch:** We have just spoken about the integrated families support program that is part of that funding and the benefits that that brings to the community. It is also towards implementing the COAG early childhood reforms; that will benefit the community, with improved quality across the childcare sector.

**MR SMYTH:** They are just words; what does it actually mean? What is the real outcome for a family in Banks?

**Ms Lambert:** If that family in Banks, for instance, comes into contact with the care and protection system, the outcome is that we consider that that family does not need to be involved with the statutory system; there is a family support process available for them through the child and family centre. That is one very concrete outcome. That support will involve providing them with parenting skills, getting them involved with other parents. Another concrete outcome would be for young people who have children and who are on their own; there are programs for them which provide them with support and enable them to participate more effectively in the community.

**MR SMYTH:** When you say the care and protection system, what are the components of the care and protection system?

**Ms Lambert:** That is the statutory system that we operate when we take children into the care of the territory. When people make reports to us, we make an assessment about the risk that is posed to the child. That has to be our primary point, as you would understand: what is the risk to the child? If we decide that the child is not at risk enough to come into the statutory system but that this particular parent or family needs support with parenting, then—because people make complaints in a whole range of ways, and we will make decisions about that—we will ask them to get involved with a child and family centre so that there is a process whereby they get support for the work that they need to do within their family.

**MR SMYTH:** How many families came into contact with the care and protection system in the current financial year?

**Ms Mitchell:** In terms of families, I would not be able to say, but, in terms of actual numbers of people that we are working with at any one point in time, children, it is around 1,400 at any one point in time.

**MR SMYTH:** And what is the expected number who will come into contact with the system in the coming financial year?

**Ms Mitchell:** I think it would be a similar number probably—possibly.

**MR SMYTH:** So if we are spending more money, why is the problem not going away? Why are so many people still coming into contact with the care and protection system?

**Ms Mitchell:** I am sorry, when they are coming into contact with us, we are not

necessarily taking statutory intervention; we are diverting people into the child and family centre system or the non-government system and working with our partners in the community. The interim results of the evaluation of the integrated family support project that we talked about before, which is an early intervention program, are showing significant diversion from the statutory system. I might ask Ms Pappas to give an example that I recently heard about, and it really does tell the story of what can be done.

**MR SMYTH:** Before we go to the example, what percentage of the 1,400 end up in the system and what percentage are diverted?

**Mr Hehir:** If I might take that answer, I will give it in two parts if that is all right. The first figure is, from memory—I will check it for you—as at 30 June last year there were about 499, I think, in that sort of order, children and young people in out-of-home care, which is the actual removal from the family home. There are another group of orders where they can be in the family home and they normally total in the order of 100.

**MR SMYTH:** Sorry, at 30 June 2009 it was 430?

**Mr Hehir:** It was 499. That is a figure I will have to check for you but that is the one that has stuck in my head. Typically we have been seeing that figure grow in the order of nine to 11 per cent, depending on the year, consistently over five or six years now. Ten years, I am being told from the back. That is consistent with growth across Australia. This is not a phenomenon that is limited to the ACT.

While it is early days yet, and we have not reached the end of the financial year, the figures that I have as of yesterday were that there were 501 children and young people in out-of-home care. That is a growth of less than one per cent, or approximately half a per cent, if my starting figure is correct. In my experience, which is only three years, not the 10 years that some people in this room have, or 10 years plus, that is a very low growth figure, particularly given that our level of reports remains high.

Our level of investigations remains at very similar levels to previous years. So what we are seeing, I think, is an effective program which does connect with families who are at risk of having children removed and working with them on their parenting skills, working with them on their other life skills, in many cases, in terms of starting to change that around.

I think this committee has previously been briefed on the diversionary approach that we adopted, again I am going to say, 2½ to three years ago, where we now take the calls. We have three classes of calls effectively. There is the no further action, and there can be a number of reasons for that. There is support or a diversion slipstream; so they get identified as requiring further support and they are passed into both our formal government processes and into contact with a large range of non-government organisations. Then there are those reports which require investigation to determine whether the abuse or neglect or claim is substantiated. From there, we will make decisions on whether the families need ongoing support and connection or whether the child or children need to be removed.

So it is a very formal process but it is a process, for the first time in my memory and for the first time in the memory of my ACT officers dealing with this, where we have seen very low growth rates over the past 11 months.

**THE CHAIR:** You just mentioned that within the last week the numbers seem to be about 501 in the out-of-home care system. Earlier you mentioned the in-home types of orders. Has that stayed around the same?

**Mr Hehir:** I do not have that number with me but my understanding of that is that its growth is also very low. It may be slightly higher, it may be two or three per cent, but that is still very low compared to what we are used to seeing. I can get that checked for you. But what we are seeing is, I think, a really positive outcome.

I have said this before in this meeting. Whenever we make a decision or whenever the courts make a decision to remove a child or young person, we know it is going to cause damage. What we are weighing up and the court is weighing up is: what is the lesser damage? In a sense, if we can keep that child and young person in a family better able to support and nurture the child, that is a really positive outcome for the community, for the child and for the family. So that is what I think the value of these programs is.

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

**Ms Lambert:** But of course we do not just work in that part of the system; we also work in the much broader parenting and family support system. Helen was briefing me the other day about a group of young Aboriginal mothers who had been working together with their children, and they have taken a group decision to undertake qualifications, I think, is it, in child care?

**Ms Pappas:** Yes.

**Ms Lambert:** So that is a direct result of working with us and building their confidence and saying, "Now we are ready to get a qualification and step back into the workforce." There are many examples that we could give of the programs and how they have worked. Sometimes, though, they are intangible and we will not necessarily be able to measure them. We are looking very hard at building a database around this work, which is quite hard to do, but that is what we are having a look at so that we can, if you like, document the outcomes more than just in a qualitative sense.

**THE CHAIR:** Ms Bresnan.

**MRS DUNNE:** Can I, Madam Chair, if I may, clarify something. It may have been the minister, it may have been one of the officials, who said that part of the increase to \$2.833 million also encompassed commonwealth changes to childcare. Did I hear that correctly? Is that in this budget?

**Mr Hehir:** No. Page 94 of BP3 has the initiative; so it is—

**MRS DUNNE:** Is that in this output class, 2.2?

**Mr Hehir:** It is in 2.2. It is in both, sorry. This initiative is split.

**THE CHAIR:** We are on 2.1.

**MRS DUNNE:** I will hold that space until we get to childcare.

**THE CHAIR:** We are on 2.1 but we are pretty close to getting to 2.2, I believe. Ms Bresnan, did you have a question on 2.1?

**MS BRESNAN:** Yes, I did have a question. It is in relation to budget paper 4, page 373. A couple of the programs which are mentioned under the output classes there are the parents as teachers and schools as communities programs. One of the issues that emerged in the achievement gap inquiry, and it was brought forward by a witness, was the importance of engaging even at that very early age around numeracy and literacy. When you get in kindergarten, if you have not addressed some of those key issues, you do lose them.

I am wondering whether those are some of the issues. I appreciate that is an education area but is that one of the issues that are focused on either in those programs or in other areas, to make sure we are engaging children at that young age?

**Ms Mitchell:** I might say that the child and family centres are birth to eight. So a lot of the initiatives there, whether they are targeted playgroups helping parents interact with their children, healthy development and learning, are part of that suite of services there. The parents and teachers program is a sustained home visiting program. It can go up to three years in a person's home. That supports learning and interaction between parents and children.

Can I also say that, when we talk about quality performance in childcare, the national reform is very much about improving the quality of early learning for kids from nought years old; so that they are ready for school.

**MS BRESNAN:** I have heard of the schools as communities program but does that, I guess, work so there is that engagement as well?

**Ms Mitchell:** It is with primary schools, but I will let Helen talk about that.

**Ms Pappas:** The schools as communities program is a group of workers that outreach into selected primary schools, and they are selected because of an identified disadvantage. The workers go into those schools and they connect with school staff and they identify what are the needs of that community.

What we are seeing in those schools is that there was a need for homework clubs for those kids who were socially isolated or who were struggling in the school classroom. So that has been a partnership. We have got three happening over on the north side and one about to start on the south side in a school that has really significant difficulties with their children.

The idea of the homework club is for community agencies, the schools as community worker and the school to work together to support those kids and their parents,

because their parents are also connected to the homework club. Some of them may become dual generational where parents also get some attention around how is that you sit with your child and you read. Some parents cannot read. The University of Canberra have provided some information and will provide training for the volunteers in that program to make sure that they are connected with those families so that, when kids go home, parents know how to engage with their children.

**MS BRESNAN:** One of the other key issues that came out was that low SES was one of the primary factors impacting on learning ability. As you go into people's homes, are you finding that low SES is the primary area that you are seeing?

**Ms Pappas:** The parents as teachers program?

**MS BRESNAN:** Yes.

**Mr Pappas:** With that program primarily we are seeing parents with significant mental health illness. We are seeing parents with drug and alcohol substance abuse. We are seeing very, very young parents—first time parents—and we are seeing very old first time parents, 45-plus, who are also feeling very vulnerable and not quite sure what it is that they do with these children when they get them home.

The idea of that program is that it is sustained. There are monthly home visits, or fortnightly, depending on the need and complexity. The workers go into the family home and say to the parent, "Your child is at X stage of development. You should be expecting them to do X, Y and Z. These are the sorts of activities or conversations that you should be having with your child. This is how you should be reading to them." It is very much a hands-on, role-modelling type of program. It is programmed month by month depending on the child's age.

**MS BRESNAN:** Thank you.

**THE CHAIR:** A final question on 2.1, and then we will move to 2.2. I am aware of the time.

**MR HARGREAVES:** Thanks very much, Madam Chair. Output class 2.1, page 377 of budget paper 4—"f. Client satisfaction with services"—I note that your outcome has gone up five per cent to 90 per cent—excellent stuff—and the target is 95. I am curious about the methodology behind working out the satisfaction rate. Is it done by survey, phone contact or anecdotal evidence? What degree of engagement is there? I know that a big challenge for DHCS over the years has been the engagement of people who are clients. Can you give me a feeling for that sort of stuff?

**Ms Pappas:** The client satisfaction survey is undertaken with all families who are prepared to be involved—those families who have been allocated an individual worker. So it is those families who are receiving case management—a response from the centres. That is done at point of closure. Once the intervention is done, we close the case and then the families are contacted. They are asked a series of questions such as, "Were you satisfied with the response that you got? Was the issue resolved? What else would you have liked to have seen happen?" We ask those sorts of questions. It is an opportunity for families to give us some feedback.

Overall, families are satisfied with the response that they get from the centre. Occasionally, we get families that say, “Nothing much changed, but we were really pleased with the response. We were pleased with the intervention. The staff responded when we needed them to.” It is a gauge of customer service as well.

**MR HARGREAVES:** Thanks, Ms Pappas. Just following on from that, you said it is all those families willing to be involved. Obviously, it is a voluntary thing. What is the percentage of those people willing to be involved or, I guess, how many are unwilling to be involved?

**Ms Pappas:** I do not have the exact numbers here but, overwhelmingly, families are prepared to be involved. We try to do them as a phone survey or at the last home visit, or whenever it is a good time for the family. Overwhelmingly, people are happy to be involved. Sometimes we cannot find them because phone numbers have changed and sometimes families just opt out. I do not have the numbers with me.

**MR HARGREAVES:** I am happy with that.

**THE CHAIR:** We will move on to output class 2.2. This output class is around childcare and also adoptions. There were quite a number of legislative changes around adoptions not so long ago. Can you give us a bit of feedback on how those changes are going? Have you had feedback from families in the process of adoption who have been affected by those changes?

**Ms Burch:** I will go to Ms Mitchell in this instance, but suffice it to say that the adoption associations and different stakeholder groups were a core part of that going forward and making those changes. The changes reflect national changes that we need to respond to as well. The launch was about six weeks ago. I understand that the systems are in place. The amendments were brought to the Assembly some months ago, I understand. The launch was effective from April.

**Ms Mitchell:** It is probably too early to say exactly what impact it has had. Some of the changes in the legislation reflect practice and policy in the ACT, for instance, in terms of open adoptions. I think it would be too early to say what impact something like the naming convention for overseas children is having on people, the need for additional counselling for young people when they are thinking about adoption and those sorts of things. I might refer to Paul Wyles because he might have some direct interaction with adoptive parents or adoptees. It also provides for more streamlined access to the courts without us being involved in relation to step-parent and those kinds of adoptions. I have not had any feedback about how that has gone yet.

**THE CHAIR:** I note—because Mr Wyles is here—that the target for 2009 was 22, the estimated outcome is 18, and then we go to 15. Your note underneath, I assume, is that it is because those step-parent adoptions will no longer be coming through; they are going to the Family Court.

**Ms Mitchell:** Partly.

**THE CHAIR:** That will be part of it, and you mention the suspension of one program.

I assume that is the Ethiopian program that has now resumed.

**Ms Mitchell:** It has been reinstated. It also reflects a downward trend of adoptions from overseas, which is an Australia-wide phenomenon.

**Mr Wyles:** Ms Mitchell is right. These changes reflect some of the practices that were being undertaken by the adoption unit. I have not had any direct feedback. The process of amendments to this legislation was a long one that involved clear consultation with the adoption community. The minister launched those amendments six weeks ago. Certainly, there was good participation by that community and carers who provide pre-adoptive foster care. Some of the key amendments brought this legislation into line with things like the ACT Human Rights Act, the Children and Young People Act and the Hague convention, which governs intercountry adoption. They were really important legislative changes to align this legislation and bring in current practice.

In relation to the reduction in numbers, there was an amendment that more appropriately refers issues around adoption or guardianship of children in step-parent families to the Family Court. So we would see a reduction in those step-parent adoptions, as opposed to what we have had over recent years.

There is a trend internationally in terms of our access to some of those overseas country programs being reduced. There was the temporary closure of the Ethiopian program. There has been a suspension of the Thai program from March. In some ways, our expectation under the Hague convention is that it does encourage placement of those children within country, but it does limit overseas children available for adoption here.

**THE CHAIR:** Thank you. Mr Smyth.

**MR SMYTH:** Given the lack of time, I will defer my question to Mrs Dunne.

**THE CHAIR:** Mrs Dunne.

**MRS DUNNE:** Thank you, Madam Chair. I would like to go to the initiative on page 94 of BP3. Could somebody give me a breakdown of what the \$379,000 is in this next financial year—how much of that relates to diversion from statutory care and how much relates to the national partnership agreement for early childhood education? How much of it falls into this output class and how much falls into output class 2.1?

**Ms Burch:** It is one position for the COAG. The position is to support the sector in the transition to the new COAG arrangements. But Ms Mitchell is working with that.

**Ms Mitchell:** There is one position.

**MRS DUNNE:** So that is, essentially, \$100,000 for COAG?

**Ms Burch:** Approximately. Is that right—\$100,000?

**Ms Lambert:** It is around that, yes.

**MRS DUNNE:** And that is in output class 2.2, this output class. The rest of the money, the \$279,000, is in the other output class, 2.1? Is that a reasonable—

**Ms Mitchell:** Yes, that is reasonable. It is about \$120,000, I think, for the position.

**MRS DUNNE:** Could you give us, on notice, a formal breakdown? That would be good.

**Ms Lambert:** Exactly, all right. I would just say that the other two positions too are not just about diversion. They are also about case management and intensive support.

**MRS DUNNE:** And they are specifically earmarked for Kippax?

**Ms Lambert:** Yes.

**MRS DUNNE:** Thank you.

**THE CHAIR:** We are taking on notice that we will have a breakdown of those positions.

**MRS DUNNE:** Could I just follow up on the COAG stuff? I am mindful of the time, but I just wanted to give a case study of a parent-run childcare centre that I have visited. I think to their credit that they are a bit more ahead of the game than other childcare centres. They run 10 babies in their babies room, 10 toddlers and 11 in their preschool. They are fairly constrained for space. Come 2012, they will have to make a decision as to whether they will reduce their number of babies in their room to eight or increase it to 12. If they increase it to 12 then in 2013-14 there will be knock-on effects in the other rooms.

If this particular childcare centre that I visited recently wanted to increase their size, they would have to actually expand their floor space, which would require building. They might need to get an extra grant of land to have enough space to run and have appropriate outdoor facilities as well. What is in place to facilitate community-based childcare centres, but especially the 20-odd—22 I think—parent-based childcare centres to make those decisions? To what extent are they alerted to it—not “Have you told them?”—and how are they actively engaged? My experience is that some are further ahead in the game than others.

**Ms Mitchell:** Did you want me to—

**Ms Burch:** Yes.

**MRS DUNNE:** I would like somebody to.

**Ms Mitchell:** Yes, I think that is right. We know that in the ACT, 25 per cent of childcare centres already meet the new standards that are proposed to come into place.

**MRS DUNNE:** It is 25 per cent now. Last time I saw the figures, it was 20.

**Ms Mitchell:** It is 25 per cent. That is the advice I have.

**Ms Burch:** And, sorry, and I think for the over-twos, all ACT meet the—

**Ms Mitchell:** They meet the ratios. It is only for the under-twos and the one to four ratio that there will be changes for some centres.

**MRS DUNNE:** But in 2014, there are potentially changes for the toddler rooms, because the ratio is—

**Ms Mitchell:** We already meet the—

**MRS DUNNE:** Every childcare centre meets the one to four—

**Ms Burch:** That is certainly our understanding, yes.

**Ms Mitchell:** Yes, one to five. Sorry—

**MRS DUNNE:** One to five.

**Ms Mitchell:** The main change for the ACT is moving from a one-to-five standard worker to child ratio in the nought to twos to a one-to-four ratio in the nought to twos.

**MRS DUNNE:** That is in 2012?

**Ms Mitchell:** In 2012. But 25 per cent of the centres already meet that. In terms of engaging childcare providers, whether they be parent based, community based or private sector, we regularly visit childcare centres. We have a regular newsletter. We have meetings of directors of childcare providers on a regular basis. So they are aware of the situation.

We are also trialling the new assessment standards and ratings from June this year with two centres to see what it means for those centres with a view to working with all centres over the period to help them adjust to the new arrangements. The commonwealth is also providing some assistance through another national partnership agreement. We will also be using the professional support coordinators to assist those centres. I think we will have a very close relationship.

The ACT kind of overperforms in this space anyway. We are very close to the childcare sector. We meet on a regular basis and we reach some dialogue with them. If people have issues in moving forward, we will work really closely with them.

**MRS DUNNE:** The impression I get from talking to people in the sector is that, yes, they are aware, but I have only really come across one childcare centre who is actively thinking about what that will mean.

**Ms Burch:** I have come across—

**Ms Mitchell:** Okay; I would say that—

**Ms Burch:** more than one, Mrs Dunne, when I talked to them. They are, and I have visited centres that are preparing for it. As we have said, we currently meet the standards for the over twos and 25 per cent already meet the under twos ratio. The Children's Services Forum and the department have been in active dialogue with a number of centres. Indeed, there are a number of centres that have put their hand up to go through the trial process.

**MRS DUNNE:** So as a result of the changes to the under twos and—

**THE CHAIR:** We are going to have to move on, Mrs Dunne.

**MRS DUNNE:** Sorry. It is an important issue, Madam Chair. In relation to the changes to the under-two rooms in 2012, will you be able to guarantee that there will not be a net loss of childcare places as a result of the changes?

**Ms Burch:** You are asking us to make a comment on private industry and their own business decisions and determinations. At the moment I think I understand that this is a report, the child vacancy quarterly snapshot, which was published in 2010 by DEEWR. It reported 890 vacancies across the ACT. So there is a vacancy rate of around 12 per cent currently of childcare places.

**MRS DUNNE:** Do you know where they are?

**Ms Burch:** If businesses choose to enrol into those childcare places or to reconfigure their business, I think it is a matter in many ways for them—

**MRS DUNNE:** Most of them are not businesses; 80 per cent of them are not businesses.

**Ms Burch:** but we are working with the childcare sector on how they transition to these new standards.

**MRS DUNNE:** So you cannot guarantee that there will not be less childcare places?

**MR HARGREAVES:** Madam Chair, she can put more questions on notice.

**THE CHAIR:** Your final one, Mrs Dunne.

**MRS DUNNE:** The other thing is this: if we do not have a net loss of childcare places, the agencies, the organisations are facing staff issues. What is being done to ensure that there are more staff? It is very difficult to find staff as it is now. What are the staffing issues and how are they going to be addressed between now and 2012?

**Ms Burch:** I think Martin Hehir can go to the detail but certainly we have increased training opportunities at university and we have done other initiatives such as removing fees at CIT. This is all around recruiting and attracting a skilled workforce into the sector. Mr Hehir, will you be able to add to that?

**THE CHAIR:** Mr Hehir, could I ask you to give a very concise answer because we will need to move on. Thank you.

**Mr Hehir:** There has been about a 30 per cent growth in terms of qualified workforce in this placement. That is one of the key drivers of the national reforms. It is to improve the level of qualification. We are certainly seeing quite a high level of qualification in the process.

**MRS DUNNE:** But are they for people already in the industry?

**Mr Hehir:** We certainly—

**THE CHAIR:** Mrs Dunne, please, we will have to keep to the schedule. If there are extra questions, could you put them on notice? I am very aware of the time and the other output classes. Sorry, Mr Hehir.

**Mr Hehir:** Some of them are clearly new people coming in as well. I think that we are certainly experiencing growth in the sector. The modelling undertaken at a national level does show that we will be able to meet the requirements in terms of the growth path that has already been illustrated over the past few years and modelled forward. So we are clearly keeping a close eye on it. We meet regularly with the services and we do keep an eye on their staffing issues.

**Ms Burch:** If I can, Ms Hunter, Mr Hubbard has the breakdown of the 370-odd; so I think we can get that attended to.

**Mr Hubbard:** I will just do that quickly, if that is okay? With the COAG funds, we have got a SOGC at 122K.

**Mr Hehir:** That is with on-costs.

**Mr Hubbard:** That is a budgeted amount so we can actually provide the position.

**Ms Lambert:** It is not actually COAG funds; that is the dollars that will be applied to the person who is doing the work related to COAG. It is funded by this government.

**Mr Hubbard:** Correct. The vulnerable families positions are an HP4 at 122K and an HP3 at 110K, plus some brokerage funding at 25K, giving you 257. So adding the 257 to the 122 gives you the 379 for the first year of that initiative, Mrs Dunne.

**MRS DUNNE:** Thank you.

**Ms Burch:** Thank you, Ms Hunter.

**THE CHAIR:** Okay, thank you very much.

We will now move on to youth services, 4.1. I want to start with a question. Earlier in the estimates hearings the Youth Coalition of the ACT came and gave some evidence and were asked some questions about the arrangements being put in place for the youth service providers and the family service providers. As you know, there is a review going on, and those programs will be amalgamated. They said that providers have received some sort of letter of offer; that they will be funded for up to a year but

it is in a three-month sort of arrangement.

I just want to get an idea of how long this process will go on for, particularly as it is very hard for organisations to plan. It is certainly almost impossible to retain staff—it is hard enough to recruit them—when there is such uncertainty around what is happening in the future. I want to get an idea of: what is your time line, what have people been told and what is the, I guess, model or tendering process? Where are we headed in all of this process?

**Ms Burch:** Thank you, Ms Hunter. You had raised this in the Assembly and I think I commented that I am sympathetic to the concerns about ongoing and sustainable funding, knowing when it is coming and when it is ending, and things like that, to support the organisations in the fantastic work that they do. It is my understanding that the sector has been part of this conversation as we have moved forward. It makes sense to reconfigure and align these two programs. It also makes sense to have this conversation with a new purchasing framework as well, which will give more security to organisations. But I will pass to Mr Duggan or Mr Hehir.

**Mr Hehir:** I think we talked yesterday quite briefly around the work that we are doing within the department around a purchasing framework which seeks to have much longer-term engagement around it, and probably it is worth while starting with that. The length of that engagement is intended to be about 10 years, which would be roughly broken up into four, three and three. When I say “broken up into four, three and three,” I mean that at those periods we would actually be looking for certain benchmarks to have been met to enable the contract to be continued. Particularly in the human services, we do feel that continuity and relationship and understanding of the community the people are working with are critical factors—not the most but certainly critical factors.

However, we do feel that it is also important that we are clear that outcomes are actually being achieved and that we are seeing real progress through that process. We are having a number of conversations at the moment with different parts of the organisation, but certainly the Youth Coalition are represented on that purchasing framework group with our department.

What we are moving to is trying to identify the outcomes, as we said yesterday, both at the whole-of-government level but also on a service-type level, for what we would be trying to achieve through our services. We feel that is an important part of the conversation. One of the comments I did make recently to one party was, “It is a bit difficult for us to say you have not delivered when we have not really given you the full picture.” So we actually think that that outcomes conversation is an important part of the conversation.

The work we are doing in the youth and family support areas, which have been quite separated streams, is to say that youth and family are often involved—youths often have families and families often have youths—and really we need to think about how we work across that spectrum, rather than—

**THE CHAIR:** Mr Hehir, I think there is an understanding that there is some sense in the merging of the programs for that very reason. I guess what I am trying to get to is

that there is this conversation, as you said today, going on around what is the model, what outcomes do you want, what is the purchasing framework. But, at the same time as that conversation is going on, I want to know how long is that conversation going on, because organisations have basically said, “There is uncertainty hanging over you for the next—who knows how long—and in the meantime that makes it very difficult.” So I want to get to the heart of what sort of time lines you have given them.

**Mr Hehir:** Sure, okay. I would actually expect this to take a year. I think that we need to have a look at our correspondence. If we have said three months, I will have a look at that. I will need to talk to Procurement Solutions about the way we move forward.

**THE CHAIR:** Certainly, if there has not been official correspondence, I think that that is the understanding from a number of organisations I talk to. If it is going to take 12 months, they need to be told, “You’re here for 12 months.”

**Mr Hehir:** Madam Chair, I would agree with that. I think that is a sensible way of dealing with it. I will need to check what the correspondence is and what advice we have got as to why we went for the three months. But, certainly, if able, I would see that we should be saying it will be a year, because that is how long the process will take. So I think that is where we will go. Just to finish off on the previous comment, it is a difficult process where you do want to try and have the reform model understood before you tender; otherwise, you are trying to achieve reform through the tender process, and that is a much, much more difficult exercise. That is certainly my understanding; that it is going to take a year to get this right.

**Ms Lambert:** And I would echo Mr Hehir’s comments. I do not think three months by three months is acceptable, so I will be having a good look at that too. A year at the outside would be my assessment of how long this will take, and we are engaged in very significant discussions with the sector. There was another one last Friday with some key representatives to talk through how we wish to shift and move in our processes. So we will have active dialogue, but people do need certainty; I understand that, as you know. So we will work to make sure that that certainty is there for them for the next period of time.

**THE CHAIR:** And at the end of that conversation it goes through normal procurement processes?

**Ms Lambert:** Yes.

**THE CHAIR:** Thank you. Mr Hargreaves.

**MR HARGREAVES:** Thanks very much, Madam Chair. Minister, officials—I do not know if you want to go yet, Frank; I am not sure; you might want to be involved—I want to talk about the ministerial youth council that advises the minister.

**MRS DUNNE:** Yes, he does want to go. Mr Duggan is leaving.

**MR HARGREAVES:** He does want to go. See you, Frank. What I was wanting to know is: how it is going along? Is it ticking along nicely, in your view? We have a new minister now. Is it responding to the needs that you are setting? In that context,

have there been reports, advices and activities? Perhaps you could fill the committee in on some of the activities that that council has been providing to you?

**Ms Burch:** Thank you. The Youth Advisory Council, YAC, are indeed a valued advisory council for me. The YAC have been in existence since 2002 and they continue to meet as a council. I also meet with the chair and deputy chair on a regular basis. I attend council meetings. I attended an open council forum down in Lanyon community centre. They go to the north side. They have open forums in different areas across the ACT as well.

They were key in working with us in developing the young people's plan. They have also had open forums. They had a debt forum last year some time, and I am working with them and discussing around what would be the themes and topics for the next open forum where we gather our young people across the ACT together, in their space where their voice can be raised and heard.

As for other recent activity, they were heavily involved in youth week, as was the Youth Coalition. The Youth Coalition is the main driver behind youth week, but certainly YAC were an integral part of that with the InterACT conference and also they were part of a panel that contribute to the dialogue and discussion around the Canberra young person of the year. Mr Reid works quite closely with the Youth Advisory Council, and he may have some other words to say.

**Mr Reid:** The council meet monthly. They did contribute significantly to the planning of the young people's plan, and, as the minister said, they regularly hold open forums where they invite young people and community members to their committee meetings to hear about issues affecting youth. They do that across Canberra. They generally hold a couple of topical forums per year. This year I think they are looking at homelessness and possibly young people's rights at work.

**MR HARGREAVES:** Thanks very much, Mr Reid. Can you tell us how they actually engage with the young people out there? If I remember correctly, I was speaking to Ms Hunter about this at a young carers breakfast one year and she was saying then that one of the biggest difficulties—

**THE CHAIR:** Years ago, years ago.

**MR HARGREAVES:** Yes, you are looking better than I am after all these years—but that is not surprising to anyone. The point, of course, here is that it is very, very difficult to reach out to young people. There are some young people who think everything is fine; they have got other issues, not critical ones. So how does the council actually engage with people to say, "Come along and have a chat"? How do you do that?

**Mr Reid:** Well—

**Ms Burch:** Before you go to that, part of these regional area forums is that they go to the local youth centres. At Lanyon, they went to the local youth centre. So that provided, to the local young folk that may not necessarily have a direct connection with the council, opportunities to certainly be involved in that discussion.

When I met with the council earlier, I also asked them to look at how do they better connect with the school representative councils, the SRCs, and that is getting to the high schools and the colleges, again to better propagate the fact that young people have a voice through the Youth Advisory Council. This is the council that comes and meets me regularly and provides me advice. They have got the ear to the ground, and that is what we need to do.

So that is how I see it from my conversations and experience. But Mr Reid has probably got more detail of the history over the years of how they have done that.

**Mr Reid:** There is a web platform, Youth InterACT, that they can use as well. We do regular mail-outs around information to a number of young people who are registered for that. They have created links. They have created links with the Disability Advisory Council, with the Children and Young People Commissioner. There are also regular presentations for their committees. I am aware, last year for instance, some young people from Cyclops attended, talking about caring issues as well.

**MR HARGREAVES:** My last question—I am sorry, go on.

**Ms Burch:** Sorry, with Youth Week and the Youth InterACT conference, a number of schools send a delegation and there are delegations from different groups. This year—and it is probably often; it is my first year as minister—I notice different focus groups, again led by members of the councils and led by other people with differently focused groups. This year the focus group was transitions, body image. I think there was a handful, half a dozen, focus groups. So, again, it is an opportunity for young people to be part of the conversation that is relevant and of interest to them.

**MR HARGREAVES:** The last question I have, Madam Chair, is on the youth action plan.

**MR COE:** Sorry, I have got a couple of supplementaries on the council.

**MR HARGREAVES:** They will probably knock mine over very quickly, Alistair. It might go into yours too. The council was instrumental in the youth action plan. I want to know whether there has been feedback on the action plan since it has been out there.

**Ms Burch:** Absolutely. We have got the YAC representative on the working group. They are monitoring progress and they are part of that ongoing dialogue as to how government responds to that action plan. Mr Reid, is there anything—

**Mr Reid:** Yes, as part of the implementation of the young people plan, we have formed a government community advisory group, GCAG. They are represented on that, as well as other regional youth services, and that is a way of assisting in the implementation but also reporting back on the implementation. That committee reports to an interdepartmental committee, the children and young people task force.

**MR HARGREAVES:** Thank you.

**MR COE:** I might segue back to where we were. How many applicants were there for

the advisory council?

**Ms Burch:** Mr Reid? I think we advertised. I do not know. You know the exact number.

**Mr Reid:** I could not tell you, sorry.

**Ms Lambert:** We can take that on notice.

**MR COE:** You can take that on notice.

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

**MR COE:** You mentioned, minister, that the council does liaise with the student representative councils. How do they liaise with the schools that do not have SRCs in place?

**Ms Burch:** That is one of the tasks I have asked YAC to consider: how do they make those connections into high schools and colleges? I have used the SRCs as a forum, as a mechanism, that will allow that to happen.

**MR COE:** This has been going for a number of years. How does it happen?

**Ms Burch:** If you let me finish—where schools or colleges do not have an SRC then I would hope YAC, who are bright young people and can think on their feet, would look at alternatives and mechanisms for getting an entree into schools. If you think there is something that I need to be aware of, I can certainly bring it up with them the next time I meet with YAC about how they are doing that with schools that do not have an SRC.

**THE CHAIR:** And could I add in there alternative school settings.

**Ms Burch:** Yes, happy to.

**MR COE:** I understand what you have asked them to do, but this council has been established for a number of years. At the moment how do they communicate with schools that do not have SRCs?

**Ms Burch:** Mr Reid?

**Mr Reid:** We do use the Youth InterACT website. I mentioned we have got a number of hundred young people registered whom we send out regular messages to. In the formation of the young people plan, we did use, I think it was, My School, the department of education website, in terms of advertising and seeking comments. I think we also approached the independent schools around that as well.

**MR COE:** Can you let the committee know how many are on that mailing list?

**Mr Reid:** Sure.

**Ms Burch:** The numbers on the mailing list?

**MR COE:** You said you have got an email list.

**THE CHAIR:** The consultation we have just had, yes.

**Ms Burch:** Yes.

**MR COE:** And what payments are made to members of the council?

**Mr Reid:** I could not tell you off the top of my head. I think it is the regular payment for attendance at committee meetings.

**Ms Burch:** There is something in there somewhere, is there not?

**MR HARGREAVES:** It is on the rem tribunal determination, is it, minister?

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

**Mr Reid:** I am not quite—

**MR COE:** Is that just for the chairman or is that for all committee members? What can they get reimbursed? Do they get telephones, all that sort of thing?

**Ms Burch:** I am sure there is something on this that is relevant to this output, so—

**THE CHAIR:** Can we—

**Ms Burch:** We will get that.

**Mr Reid:** We will take it on notice, yes.

**THE CHAIR:** Take that on notice for the moment. They may get back before the end of the hearing.

**MR COE:** Before you take it on notice, I would like to know what payments are available to them and what payments have been made for the last couple of financial years.

**Ms Lambert:** So you do not just mean—

**Ms Burch:** For the last financial year? Mr Coe, the last two?

**MR COE:** The current financial year—

**Ms Burch:** The last two?

**MR COE:** Current and the one before.

**Ms Burch:** Current and last year's.

**MR COE:** And what are the rules for the members? Do they—

**Ms Burch:** Terms of reference?

**MR COE:** Do they get an honorarium or a per diem, and what other claims can they put in?

**THE CHAIR:** Around, for instance, transport. Thank you. We will go to Mr Smyth.

**Ms Mitchell:** Chair, could I make—

**Ms Burch:** Megan, what is it about?

**Ms Mitchell:** Could I make a clarification about the youth and family support program process? Mr Duggan, I understand, sent letters two weeks ago to all the providers advising that there would be a 12-month extension. I think the confusion is “to be paid quarterly”.

**THE CHAIR:** Thank you. So that will be clarified with the organisations. It is a different interpretation on the letter. Thank you. Mr Smyth.

**MR SMYTH:** Minister, there has been at least one occasion where youth held at Bimberi have ended up on the roof. Has the access to the roof been fixed so that youth cannot climb onto the roof at Bimberi?

**Ms Burch:** Mr Hehir.

**Mr Hehir:** Not yet. The process is underway. We had a look at a number of different options about how to resolve that issue. We have decided on the preferred option, and the chief executive has instructed that we move forward with that option as quickly as possible.

**MR SMYTH:** On how many occasions now have youth held at Bimberi ended up on the roof?

**Ms Mitchell:** I understand it was four.

**Mr Hehir:** Four this financial year.

**MR SMYTH:** Could we take on notice the dates on which that occurred? Why has it taken so long for this to be rectified, minister?

**Ms Burch:** Mr Hehir.

**Mr Hehir:** The first rectification did occur; so the first access point or climbing space was rectified. That has not addressed the problem. That was when we went out to look more comprehensively at what the other options were. But those options are more significant.

**MR SMYTH:** How much did that first rectification cost?

**Mr Hehir:** I would need to take that on notice. Sorry, I do not have that figure.

**THE CHAIR:** I note that the date of the four occasions is on notice and the cost of the first rectification.

**MR SMYTH:** Why did not the first rectification address the problem?

**Mr Hehir:** The first rectification actually involved dealing with the locks on the door—I have forgotten—in the sort of open space out the back of the units where they can actually get a foothold. Unfortunately, we need to be able to lock those doors. While we managed to put a plate, I think, on the inside, we cannot completely cover the outside because we need access with the keys.

If we were to give it enough angle to allow us access with keys, it actually becomes a better climbing point. So that has not been able to be done. We had hoped that it would work. Certainly, it seems to have stopped the access from the inside of the courtyard but, if they are moving out in space and run, they can get access from the back of the courtyard.

**THE CHAIR:** So there are some engineering issues that you are working through at the moment?

**Mr Hehir:** Yes. We have come up with what we believe is the best solution.

**MR SMYTH:** The second rectification—when will it commence and how much will it cost?

**Mr Reid:** Commencing within the next couple of weeks.

**MR SMYTH:** And cost?

**Mr Reid:** I think it was about \$80,000.

**MR SMYTH:** What work will that entail?

**Mr Hehir:** That will involve energised wiring around access points to ensure that they do not climb.

**MR SMYTH:** Energised wiring meaning electric fence?

**Mr Hehir:** Yes.

**Ms Lambert:** In the same way that the perimeter has that as well.

**MRS DUNNE:** We used to call it an electric fence down on the farm.

**Mr Hehir:** Indeed. The internal perimeter fence has the same wire structures to it. It is something that they choose not to attack.

**MR SESELJA:** At Bimberi, have there been any incidents of workers at the facility being assaulted? If so, how many?

**Mr Hehir:** Yes, there have. I am not sure of how many there are. Is there a particular time frame? From the start or—

**MR SESELJA:** Since the start in this financial year.

**Mr Reid:** Fourteen.

**MR SESELJA:** Fourteen incidents?

**Ms Lambert:** My understanding is that there are 14, yes.

**Ms Mitchell:** That involves spitting and shoving as well as—

**THE CHAIR:** I believe I put that in as a question on notice and received some answers on that.

**MR SESELJA:** How many of those have led to charges?

**Mr Reid:** I do not have that information off the top of my head.

**Mr Hehir:** Can we just—

**Ms Lambert:** Charges in what sense? Can you clarify?

**MR SESELJA:** Charges being laid against the—

**Ms Burch:** As in referral to police?

**Mr Hehir:** I think there is a question—

**MR SESELJA:** Police or any other formal disciplinary action.

**Mr Hehir:** It is just an important point to clarify: we do not charge; the police charge.

**MR SESELJA:** The police can charge.

**Mr Hehir:** There would be a number that the workers will have referred to the police. There will be a number that the workers have chosen not to refer to the police. We support their decision making in that process. There are always consequences for ill-disciplined behaviour. We have a formal process around that. The level of consequences varies, depending on the severity of the behaviour.

**THE CHAIR:** So you have in place a behaviour management system? It is understood? It is consistently applied?

**Mr Hehir:** Yes.

**Ms Lambert:** We make sure there are copies of those across the facility as well so that the young people there have access to those.

**THE CHAIR:** And staff are trained in it?

**Ms Lambert:** Yes.

**Ms Burch:** It forms part of their induction and—

**Ms Lambert:** And ongoing training.

**MR SESELJA:** I understand that in one incident someone was king hit and knocked unconscious. Is that correct?

**Mr Hehir:** My understanding is that one person was king hit. I am not sure whether they were knocked unconscious or not. I do not have that detail.

**Mr Reid:** I do not think they were unconscious.

**MR SESELJA:** That is a fairly serious allegation. What was the outcome there in terms of the individuals involved?

**Mr Reid:** That matter was referred to the police.

**MR SESELJA:** Have charges been laid? Do we know?

**Mr Reid:** I am not too sure at the moment.

**MR SESELJA:** What has been done to protect workers from those kinds of assaults?

**Mr Hehir:** The training that the workers undergo does identify that they are working with some young people who can be volatile. These young people are often there for good reason; it is necessary that our training does include that awareness. The need to be aware of where a young person is and the ability to respond to an attack are part of the training that the workers receive.

My understanding is that we bring someone from New South Wales corrections down to undertake that training. It is not a skill that we have in house, so we go to one of the best available. Certainly he is the person who undertakes the training for New South Wales in terms of how to resolve situations with as little physical damage to either party as possible. It is certainly an ongoing part of the training. Mr Reid will probably have the detail of that, but my understanding is that there is indeed training for officers around that.

**MR SESELJA:** I am just wondering, when he does answer—in relation to that particular incident, was the person who was assaulted able to set off the alarm? Were there other people there to assist at the time? What happened after they were assaulted?

**Mr Reid:** In relation to the first question, there is a week-long training course in regard to responding to these types of incidents. Part of that is also around de-escalation of young people and engaging with young people. The other important part of this, as well, is that one of the key activities that are required when young people come to Bimberi is to ascertain their level of risk around their risk levels to themselves and also risk levels to others. So staff are also aware of what their risks levels might be. In relation to this particular incident, I understand that additional staff were there within approximately 30 seconds of the incident.

**MR SESELJA:** Is that because they witnessed the incident?

**Mr Reid:** It was on a monitor, yes.

**MR SESELJA:** There was a monitor. I understand that there are about 100-odd cameras in the facility. How many of those can be monitored at any particular time? Are they all being monitored, or only a small number? How does that work?

**Mr Reid:** There is a control room. They cannot all be monitored at the same time, but they scroll through different areas. The youth detention officers have radio control, so they can certainly radio for assistance. As soon as that is done, cameras can be alerted. With regard to all of the security, there is points-of-contact alert. If one of those energiser wires, for instance, is touched, cameras will automatically track onto that area.

**MR SESELJA:** Is there someone permanently in that control room?

**Mr Reid:** Yes.

**MR SESELJA:** So it is 24 hours a day?

**Mr Reid:** Yes.

**MRS DUNNE:** Was there an incident—if I could, madam chair?

**THE CHAIR:** Yes; then I do want to move onto a committee member. Ms Bresnan has been waiting. But a quick one, Mrs Dunne.

**MRS DUNNE:** Was there an incident report on that incident?

**Mr Reid:** Yes.

**MRS DUNNE:** And can the particular details of the time it took to respond to that incident and the extent of injuries be brought back to the committee? I do not know that it would be appropriate to bring the incident report back, but a synthesis of what is in the incident report in terms of the time it took for other people to respond to that assault, the nature of the injuries, basically the key facts and what has happened to the person who was assaulted and the assaulter since that incident.

**Ms Burch:** We will come back with what we can. I am not sure what we will come back with, but we will come back with what we are able to come back with.

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

**MRS DUNNE:** Another supplementary in this area?

**MS BRESNAN:** I have got a question on Bimberi.

**MR HARGREAVES:** We have got five minutes left.

**THE CHAIR:** Ms Bresnan has been waiting for her question in this area.

**MRS DUNNE:** The question is this. There were allegations of spitting and they were brought up here again today. Is it not the case that one of the people who was spat upon was spat upon by someone who carried hep C and that the officer concerned has been on extended leave as a result of that attack or assault? Can you confirm that?

**Ms Burch:** Again, we will take that on advice and come back with what we can, mindful of privacy and confidentiality.

**MRS DUNNE:** Could I just clarify that. Sorry; I made a mistake.

**Ms Burch:** Mrs Dunne!

**MRS DUNNE:** Not hep C: hep B.

**Ms Burch:** Never!

**THE CHAIR:** Minister!

**Ms Burch:** You did not make a mistake!

**MRS DUNNE:** I often make mistakes, and I always correct the record if I make a mistake.

**THE CHAIR:** Mrs Dunne, you had another question?

**MRS DUNNE:** I just wanted to clarify—was a custodial officer at Bimberi spat upon by a detainee who has hep B? Has the officer received appropriate counselling and tests? Did that go into the workers compensation system? If it has gone into the workers compensation system, was it dealt with immediately as a workers compensation matter?

**MS BRESNAN:** Can I ask my question?

**THE CHAIR:** Ms Bresnan.

**Ms Burch:** We will take that on advice and provide the information as we can.

**MR SESELJA:** Surely Mr Reid knows that. He knew exactly how many incidents there are. Are you saying that we do not know the answer to that question here—that

none of the people at this table can answer that question?

**Ms Burch:** I am saying that we will take that on advice and come back with the information that we can.

**MR SESELJA:** So you do not know? Mr Reid, do you know the answer to that question?

**THE CHAIR:** Mr Seselja, we have taken that. I know the cameras have arrived back again, but can we all settle down.

**MR COE:** That is treating the committee with contempt, chair.

**THE CHAIR:** I will just say that we need to—

**Ms Burch:** No. Well, how? Taking a question on advice?

**MR SESELJA:** I find it very hard to believe that no-one here knows the answer to that question.

**THE CHAIR:** Unbelievable.

**MR COE:** That is not a privacy issue. That is not a privacy issue, and you know it. You know that.

**MRS DUNNE:** If you do know the answer and you do not provide it—

**MR COE:** That is a cop out, an absolute cop out.

**MR SESELJA:** Do you know the answer to that question, Joy?

**THE CHAIR:** Order, members!

**Ms Burch:** I am going to take it on advice and come back.

**MR COE:** You know the answer.

**THE CHAIR:** Order! The question has been taken on notice. We will move on. Ms Bresnan.

**MR SESELJA:** We would not want to press the minister. We would not want to press the minister for an answer.

**MR COE:** Absolute contempt. Absolute contempt.

**MS BRESNAN:** Thank you, chair. I have got a question to ask. It is in relation to Bimberi. I just wanted to ask if there was any intention to conduct an audit of the human rights framework within Bimberi to see how this has been operating in practice.

**Ms Lambert:** As you know, we had a human rights audit which guided our processes.

**MS BRESNAN:** Yes.

**Ms Lambert:** The human rights commissioner—

**MS BRESNAN:** But actually having an audit of the framework now.

**Ms Lambert:** Yes, that is right. The human rights commissioner has been back to Bimberi a number of times. We have not formally discussed with her whether we would have another audit, but I would not see why we would not have a look at it in future. I have not considered it as a policy issue at the moment, I would have to say, but I would not be reluctant to do that.

**Ms Burch:** The Children and Young People Commissioner is a regular visitor there, as is the Official Visitor.

**MS BRESNAN:** I do understand. I am just thinking in terms of how the framework has been working in practice—if it is actually working.

**Mr Hehir:** All the policies and procedures are provided to the Human Rights Commission office for their advice and input into the process. All the formal policies and procedures about how we work there have been provided through that process. We regularly engage with the Human Rights Commission around both the physical form of the building—they were involved in that—and our policies and procedures. Certainly, they do come out and have a look at the practice.

**Ms Lambert:** We obviously have a very close connection with the people who oversight us, but we respect their roles. I would not be at all averse to doing that at an appropriate point in time.

**MS BRESNAN:** Thank you.

**THE CHAIR:** Minister, some time ago, before your time, there was a report, I understand, that was put together when we had Quamby. It was about transitioning out of Quamby. Is that report going to be released publicly?

**Ms Lambert:** There are issues around the report. It will be the minister's decision. She has not seen that. It is still in draft form at the moment. There are issues around, again, client confidentiality, because we are dealing with such a small number of people. We are just discussing that at the moment with the people who did the report. We are making decisions. It may be that in the end what we release will be recommendations and responses to recommendations.

I also chair, as you are probably aware—I know a number of members are aware—a sharing responsibility committee around children and young people which has been expanded from the days post the review of care and protection to include community members. I expect that the work and the findings of that would very much be shared by that committee.

**MR HARGREAVES:** Madam Chair, could I ask about the Official Visitor? Could I

ask either the minister or the department to let me know what are the criteria for appointment of the Official Visitor, what length of time the Official Visitor is appointed for and what time remains in the current appointment?

**Ms Lambert:** I am not sure of all of the detail of that, but I do know the selection process is pretty particular around making sure those people have the best interests of children as part of their qualifications and they have a demonstrated capacity to do that. I do not know of the details of the committee work. It is usually a selection committee which includes young people—

**Ms Mitchell:** Yes.

**Ms Lambert:** and often a member of the youth advisory committee. I think last time it included the Public Advocate as well.

**Ms Mitchell:** I think it was the young people's commission I met. I was on the committee. My memory has completely gone, but I can get back to you with the composition of the panel. It was a pretty rigorous process.

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

**MR HARGREAVES:** Thank you, Madam Chair. When was that process last done?

**Ms Mitchell:** It was about two years ago.

**MR HARGREAVES:** Two years ago. What normal tenure is an appointment for?

**Ms Mitchell:** Three years, I think. Again, I would like to go back to the records.

**MR HARGREAVES:** I was not sure whether it was three or five.

**Ms Mitchell:** It is three.

**Ms Lambert:** Certainly, the first process that I participated in when I took over this responsibility involved a young person on the committee and also a representative from the Public Advocate's office. I am assuming that process has continued in a similar form.

**Ms Burch:** They have regular visits to Bimberi. Also, inmates of Bimberi are allowed access outside to make contact with the Official Visitor. The Official Visitor provides a regular written report and she also meets with me regularly.

**MR HARGREAVES:** She meets with you. In relation to the relationship between the Official Visitor and the department, I am aware that there has to be that statutory independence, and it has to be seen to be so, but I am also interested in the CEO's role as the territory as parent. A lot of people who are residents and guests of Bimberi will in fact come under the responsibility and authority of the territory as parent. There would be regular, I would hope, meetings with the Official Visitor specifically about those issues.

**Ms Lambert:** I do not regularly meet with the Official Visitor on that matter, but I regularly receive her reports. I am well aware of what is happening with the children and young people in care at Bimberi. There is a connection. The reports come to me, as well as to everybody else, and I see any response to those reports as well.

**THE CHAIR:** What percentage of the residents in Bimberi at the moment would be within the care and protection system?

**Ms Lambert:** They technically come under my care. I do not think there is anyone at the moment who is in the care and protection system. Is that right? Yes, there is.

**Mr Reid:** There will be—maybe not with orders, but certainly involvement. There will be a mixture. It changes from day to day in terms of the population that is coming and going.

**THE CHAIR:** Just a general idea of percentage?

**Mr Reid:** I think generally it is around 40 per cent.

**THE CHAIR:** About 40 per cent. Thank you.

**MRS DUNNE:** Madam Chair, I need to go back to a point that was raised. I asked a question and I just need to put it on the record that in the past in estimates committees if ministers and officials have had the answer and withheld it and taken it on notice—it actually ended up in a privileges inquiry on one occasion. So I will ask the question again, if I may. Was there an incident where a detainee who has hepatitis B—now that I have put my glasses on I can see it is “B”—spat at an officer? What treatment was given to the officer and what consequences were there for the detainee?

**Ms Burch:** The advice I am getting from my two senior officials is that to provide the absolute detail that you have to that number of questions—so that we are very clear on it—we may need to go back and get advice and check all our records, which I have said I am happy to bring back.

**MR COE:** Will you provide whatever details you do have? You said “the absolute detail”. What details do you have—

**Ms Burch:** It depends if—

**MR COE:** and will you tell the committee now? This is the point of this committee. The point of this committee is to ask questions just like this.

**THE CHAIR:** Thank you, Mr Coe. I think you have made your point.

**Ms Burch:** The question has been asked. We have taken it on notice and we will come back.

**Ms Mitchell:** But Mr Reid is unaware, and I am unaware, of that incident—

**Mr Reid:** The details.

**Ms Mitchell:** Of that detail, of that incident.

**THE CHAIR:** Thank you. The officials involved have said they are unaware of the detail and it will be taken on notice.

**MRS DUNNE:** Was there an incident?

**Ms Mitchell:** There are a number of instances of people spitting.

**MR HARGREAVES:** Madam Chair, now is a good time.

**THE CHAIR:** Before we go to Mr Smyth, minister, are you in a position to stay until a quarter to one?

**Ms Burch:** That is fine. I was—

**MR HARGREAVES:** Well, I'm not. This is appalling. The committee timetable has a 12.30 finish.

**MR SMYTH:** Yes, but we did start 15 minutes late.

**MR HARGREAVES:** Well, if it hadn't been for you blokes creating such a bloody fuss in the first place we would have finished it on time.

**THE CHAIR:** Thank you, Mr Hargreaves.

**MR SMYTH:** The minister was 15 minutes late.

**MR HARGREAVES:** You're rabbiting on again. Look at you—just look at you.

**MR SMYTH:** I am happy to ask my question, if Mr Hargreaves—

**MR HARGREAVES:** Have a good look at the disorder provisions in the standing orders.

**MR SESELJA:** Are you trying to get some coverage again, John?

**THE CHAIR:** Mr Hargreaves, I would just—

**MRS DUNNE:** Yes, you should John. You should.

**MR HARGREAVES:** Don't you lecture me, Mrs Dunne. You are a visitor here, at the leave of the committee, and that leave will be withdrawn very quickly.

**MRS DUNNE:** Bring it on, John.

**MR HARGREAVES:** I will. Just start me.

**THE CHAIR:** Mr Hargreaves, I wanted to clarify that we did start late this morning.

We had an incident as well. We did start late, so I would request that the minister stay till a quarter to one.

**MR SESELJA:** You make Mick Gentleman look good, John.

**MR HARGREAVES:** Nobody can make you look good.

**MS BRESNAN:** Let us keep going.

**THE CHAIR:** I do not want to waste that time, now that the minister has agreed to give us a bit more time.

**MR SESELJA:** You make Mick Gentleman look good, John.

**MR HARGREAVES:** Not since Superman died.

**THE CHAIR:** Mr Smyth.

**MR SMYTH:** Minister, just to go back to some of the earlier questions, we have heard now that there have been four occasions when the youth detained in Bimberi have ended up on the roof. There were 14 assaults at Bimberi. What is the process when an event like this occurs? Is there an inquiry or a review after each event?

**Ms Burch:** Every event and incident—you can call it an assault or incident—is investigated. I can go to Mr Reid again or Martin Hehir can go through the processes about how that is managed internally at Bimberi.

**Mr Reid:** We do have a review. There is also a debriefing session with all of the staff involved. There is generally a time line review and a process review about what was happening at the time, response times to provide assistance and common access points. That is certainly something that we mentioned before that has come up and that we are looking at rectifying at the moment.

**MR SMYTH:** Since Bimberi has opened, how many reviews had to be conducted?

**Mr Reid:** There was an incident last March. There was a review following that incident, and then there have been four this financial year, which have involved the common access point. One review has encompassed those four.

**MR SMYTH:** So only two reviews have been done?

**Mr Reid:** Yes.

**MR SMYTH:** On each of the four occasions when the young folk got onto the roof, was there a review of each event?

**Mr Reid:** Sorry, there is a review of the incident, but then there is a broader review about whether there are common aspects to this, which there were. Yes, a broader review.

**MR SMYTH:** How many incidents have been reviewed, therefore?

**Mr Reid:** Five.

**Ms Lambert:** In terms of access to the roof?

**MR SMYTH:** All right, how many sub-incidents, then? You have said there are four incidents on the roof and there are 14 occasions of assault.

**Mr Reid:** Sorry.

**MR SMYTH:** There are at least 18 incidents.

**Mr Reid:** I am sorry. I was just talking about the roof.

**Ms Lambert:** I think Michael thought you were just referring to the roof.

**MR SMYTH:** Sorry?

**Mr Reid:** Sorry, I was just referring to the roof.

**MRS DUNNE:** So did the assault incidents get reviewed?

**MR SMYTH:** To the review.

**Mr Reid:** Roof—to the roof incidents.

**MRS DUNNE:** So did the assaults—

**THE CHAIR:** Wait. One at a time, please, members.

**MR SMYTH:** Okay. So for the roof there are two major reviews?

**Mr Reid:** Yes.

**MR SMYTH:** Okay. On the assaults?

**Mr Reid:** There is a debriefing process, an incident report process, and sometimes there are calls for a wider review in terms of referrals to the police; so they will conduct their own reviews. There might also be an involvement of HR processes in terms of injury management prevention and their review of the process as well.

**MR SMYTH:** All right. So there are two reviews on the roof and there are 14 on the assaults?

**Ms Lambert:** They would be incident reports.

**MR SMYTH:** I am sorry, incident. And how many other incidents have been reported? What is the total number of incident reports?

**Mr Reid:** Every incident in the centre?

**MR SMYTH:** Yes.

**Mr Reid:** There have been 14 assaults on staff and there have been 29 occasions of contraband.

**MR SMYTH:** Okay.

**MR SESELJA:** Minister, do you get those incident reports?

**Ms Burch:** I get a weekly briefing that provides information on the incidents at Bimberi. I get a briefing that determines the category of incident and any response that is relevant to a systems-approached response about what could be considered a policy of—

**MR COE:** Minister, the alleged assault that Mrs Dunne spoke about, was that included in one of your weekly reports?

**Ms Burch:** The detail is not. The detail is around categories. I get information on categories and I think we have said in response to Mrs Dunne's question that a number of officials here are unclear and do not have the detail at hand that would go to the level of detail that Mrs Dunne is seeking. We have taken that on notice and that is what we will come back with.

**THE CHAIR:** Minister, I have noticed that there were some media reports not too long ago. They were around the fact that a number of the programs and facilities at Bimberi were not being used. Certainly there is a very healthy horticultural program, an arts program and a number of activities. But, in fact, a number of those programs have not started or the workshops have been sitting empty. Where are we up to on progressing and making sure that young people have got a full program of activities to engage in?

**Ms Burch:** Mr Hehir can go to the detail of that, but if I can go to OzHarvest and the great opportunity for the young folk, for the residents there, to have a community garden and then to have the satisfaction of not only feeding their fellow residents but providing that—

**THE CHAIR:** I certainly understand the success of that program.

**Ms Burch:** Whilst we were there, I also sighted the kitchen, for example, and a barista course. The kitchen was about to be used for that; so the young folk there were getting schooled in making decent coffee, which is a good skill for young people to have for working in the hospitality industry.

**THE CHAIR:** Mr Hehir, how many young people have undertaken a barista course and what other programs have you now added to the mix?

**Mr Hehir:** I will need to take on notice the barista course. I do not have that level of detail.

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

**Mr Hehir:** Just in terms of this answer, we are working with the department of education very closely around the programs. Previously at Quamby there was not really a formal structured educational component to the workshops. They did not receive any formal qualification or formal progress towards a qualification in those processes. This year, and over the past two years, we have been working with the department of education to have a very high level of focus on basic numeracy and literacy skills.

What we do know is that this is a significant problem for many of the young people in Bimberi. We do know that one of the highest factors for ongoing involvement with the criminal justice system is illiteracy; so we have worked very hard with education to improve the focus on literacy and numeracy, and we are certainly seeing quite a deal of progress in that area. They are now testing as soon as they can the literacy level of a young person coming in. They have now engaged with some level of electronic development in terms of their mathematics. They are using the mathletics site, for example, which is commonly used across the school system.

**THE CHAIR:** How is that being looked at to integrate—to use those sets of new skills—into some practical programs? A lot of money was spent on workshops and so forth and—

**Mr Hehir:** That is correct. That is the process we are involved in at the moment. We are working with education and the CIT about how we actually articulate the numeracy and literacy into some of the workshop programs—both woodwork and metalwork. As the minister said, we are working on a living skills program within the kitchen facilities and the education centre. Also, work is being undertaken on the barista course.

We are working on how those numeracy and literacy skills are articulated into a movement towards a qualification—actually recognising that they are part of a curriculum and that they are marked and recorded as such. That is where we have been doing a lot of work. I think I saw two weeks ago a draft articulation of that in terms of a mental carry-all in terms of both the literacy and numeracy skills that would be involved in creating that mental carry-all. So we are moving forward with it. We are in close consultation with education and CIT around how those programs are delivered.

**MR HARGREAVES:** Is the minister aware that in Western Australia the Department of Corrective Services has a memorandum of understanding with Gloria Jean's Coffee to have employment opportunities for people who have barista training coming out of a system and therefore giving them an employment opportunity? If you are aware of that, would you like to have a discussion with some of the other coffee people around town to do the same thing?

**Ms Burch:** Sandra is well aware of that.

**Ms Lambert:** I am certainly aware of it, as I am aware of the other work that is

occurring in education in the juvenile justice institutions in Western Australia. I would say too, chair, that one of the things I have been very particular about is that with the other courses, as distinct from the core courses at Bimberi, these are a point of engagement and a point of enjoyment and that there is the capacity then to build other pedagogical elements into it. That is the focus that we are having at the moment and the reason we are getting involved with CIT. We always have been but we are sharpening that interaction so we can do exactly that sort of articulation that Mr Hargreaves talked about.

**MRS DUNNE:** Can I just ask in relation to the education programs—

**THE CHAIR:** Thank you. We will have to close now because I have got some closing statements. It is obvious that there are some other questions and we did not get to Care and Protection today. Just to alert you, minister, I will be looking at the schedule. I think you are back on again tomorrow and we will need to do some re-jigging of the schedule to ensure that we do get through it. So I just alert you and also your officials that that will need to be done.

**Ms Burch:** So we are getting to Care and Protection again tomorrow?

**THE CHAIR:** That is right. We will need to move it back to tomorrow. Was there some final clarification or information to come back before we finish?

**Ms Burch:** There was some.

**Mr Hehir:** Yes, the young person who king-hit the youth worker at Bimberi has been charged with assault and I understand has entered a plea of guilty. The roof incidents were on 9 January, 4 February, 4 March and 7 March. There was certainly an element of copycatting with those.

**MRS DUNNE:** Did anyone get beyond the roof?

**MR SMYTH:** Just on the roof, could you take on notice or tell us when the second rectification project will be completed?

**Mr Hehir:** Yes. And in terms of the Youth Advisory Council applicants, there were 41.

**THE CHAIR:** Okay, thank you very much.

**MRS DUNNE:** Could I just—

**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 at this hearing. In relation to questions given on notice, the committee has agreed that written questions on notice will only be accepted for three working days following this public hearing for the Department of Disability, Housing and Community Services output classes 2.1, child and family centre program; 2.2, children's services; 3.1, community services; and 4.1, youth services. Members, please provide any questions on notice to the secretariat by close of business on Monday, 31 May 2010.

Questions on notice pertaining to these agencies will not be accepted after that time.

On behalf of the committee, I would like to thank the Minister for Disability, Housing and Community Services and DHCS 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.

**Ms Burch:** Madam Chair, can I also take the opportunity to thank the department staff and officials.

**Meeting adjourned from 12.44 to 1.30 pm.**

Appearances:

Barr, Mr Andrew, Minister for Education and Training, Minister for Planning, Minister for Tourism, Sport and Recreation and Minister for Gaming and Racing

ACT Planning and Land Authority

Savery, Mr Neil, Chief Planning Executive

Meyer, Mr John, Chief Operating Officer

Walsh, Mr Kelvin, Director, Planning Services Branch

Ponton, Mr Ben, Director, Development Services Branch

Simmons, Mr Craig, Director, Construction Services Branch

Wurfel, Mr Peter, Chief Financial Officer, Corporate Services, Client Services Branch

Exhibition Park Corporation

Clarke, Ms Liz, Acting General Manager

Chief Minister's Department

Cappie-Wood, Mr Andrew, Chief Executive

Shepherd, Ms Simonne, General Manager, Australian Capital Tourism

Department of Territory and Municipal Services

Byles, Mr Gary, Chief Executive

Perram, Mr Phillip, Executive Director, Territory Services Division

Marriage, Ms Sue, Director, Sport and Recreation Services

Guthrie, Mr Neale, Group General Manager, Territory Venues and Events

Department of Treasury

Smithies, Ms Megan, Under Treasurer

ACT Gambling and Racing Commission

Jones, Mr Greg, Chief Executive

**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 ACT Planning and Land Authority and the Exhibition Park Corporation.

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 Barr:** Yes, thank you, Madam Chair.

**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, minister, would you like to start by making a brief opening statement of no more than five minutes?

**Mr Barr:** Thank you, Madam Chair. No, I just thank the committee for the opportunity to appear, and I look forward to taking questions.

**THE CHAIR:** Thank you. I want to start with a question on budget paper 4, page 347. It is about solar access codes. When will the revised residential zone codes which amend solar access requirements be released as a draft variation to the territory plan?

**Mr Savery:** We would anticipate that the residential codes will be released towards the end of June, which include the new provisions relating to solar access. You might also be interested to know that the estate development code is due to be released at the start of June and that includes new provisions for solar orientation. Both of those codes are currently being road tested and peer reviewed.

**THE CHAIR:** Thank you. I want to move on to the next page, and this is about the Department of Disability, Housing and Community Services multi-unit sites review. What does the review of commercial zone development codes and the DHCS multi-unit sites review entail?

**Mr Savery:** The commercial zones review is a review of commercial codes. So it is not dissimilar to the process we have just undertaken with our residential codes, our estate development code, the community facility development code. This is an undertaking of the government that we review the policy content of the territory plan over a course of years. We have had to program that in accordance with our resource abilities.

I cannot anticipate every element or feature of review that might take place, but one of the elements that I can refer to is that the supermarket competition policy will be reviewed or translated as part of the commercial code review process. But other elements might feature the extent of residential development opportunity within commercial zones—I am speculating on the opportunities—potential mixed-use development opportunities; where you might apply some of those zones potentially comes up.

In terms of Disability, Housing and Community Services, the government agreed to a strategy for the department of housing and community services a little while back, to undertake a comprehensive review of its land holdings or its assets. As part of that, we are anticipating that the flow-on effect is potentially territory plan variations. So we are working in conjunction with the department in anticipation of those territory plan variations.

**THE CHAIR:** And what is the timetable?

**Mr Savery:** Of their review? It is taking place over the course of the next 12 months. They have already been working on it for several months. We would certainly anticipate that the outcomes of that work would be known to us within the coming financial year, and that is why we are anticipating the need to have capacity to do work.

**THE CHAIR:** You mentioned the supermarket competition policy and how it relates to planning. Will that impact on current DAs?

**Mr Savery:** No. The way that the territory plan and our legislation operates is that any DA that is already in the system will be assessed against the provisions within the territory plan.

**THE CHAIR:** Thank you. Mr Seselja?

**MR SESELJA:** Yes, thank you, Madam Chair. Minister, I wanted to ask a few questions around the change of use charge and ACTPLA's role. When we had the Treasurer here, she put a number of things on record. Firstly, she believed that we have not been getting enough change of use charge and that was as a result of things unknown, I think, according to the Treasurer—that there was apparently some sort of arrangement entered into at some point where a fixed amount was applied per unit. We have not been able to get to the bottom of who was involved in that apparent deal. I wonder, minister, whether you might be able to shed some light from ACTPLA's point of view as to what ACTPLA's view was on how the current arrangements came into place.

**Mr Barr:** In a moment I will get Mr Savery to comment. Of course, as I understand it, the origins of this matter go back to 2003, which you would understand is three years before I was even a member of this place, so—

**MR SESELJA:** We are not looking to blame you for this, Andrew, just so that you know.

**Mr Barr:** No, I appreciate that, but not having been present at the time, I am at somewhat of a disadvantage in terms of being able to give a fulsome answer to your question myself. But there are officials who clearly have looked at this process and at what has occurred, and they are in a position to provide some more information to the committee. So I will start with Mr Savery and he may then be able to throw to other officials at the table.

**Mr Savery:** The main piece of information—and I know you are already aware of this—is that we are undertaking an internal audit to assist us in identifying exactly what has taken place. What we are aware of is that it was in 2003 that some process was put in place by AVO that resulted in a flat fee being charged or being recommended to be implemented. But there is nothing that we are aware of at this stage that would point to any arrangement, any sanctioning, any direction associated with that. It may be that, through the course of the internal audit, we are able to discover whether or not there was something more to that, but we are not aware at this

stage. We have also written to the AVO and asked them to cooperate with our internal auditors so that, if they do have any documents that would assist us in better understanding what took place, they would make those available to us.

**MR SESELJA:** Could you, for the committee's benefit, outline a little bit of what ACTPLA's role is in the change of use charge being levied?

**Mr Savery:** Sure. ACTPLA's principal role is the administration of the legislation; in other words, the application of the policy as it arises through the legislation. That is typically triggered through a lease variation. Someone owns a piece of land or has the lease over a piece of land, they seek to improve or increase the capacity to develop on that piece of land, and we review that through a development application process and appoint a valuer and work with the AVO to have the valuation undertaken for that particular site. Through a process that might involve arbitration, because the lessee may not agree with the valuation that we receive, ultimately, we arrive at a value. It may even go to ACAT in some circumstances, if the valuation is disputed. So ours is one of administration of the process within the legislation.

**MR SESELJA:** With respect to the concerns that have been raised by the Treasurer, this is not new; this is not something that has just been discovered. The government has been aware of the system that has been in place for a number of years; is that correct?

**Mr Savery:** Not strictly speaking. Certainly, until 2006, we had no knowledge that a flat fee was being charged. There was a report that we commissioned in 2006 as part of the planning system reform which was looking at the possibility of codification. If you like, it was the precursor to the codification process. At that point in time, it was determined that we would not go down that path and that we would concentrate on amending the core part of the planning system—development assessment, territory planning and other things—but there was a vague reference within the report that was prepared by the consultants at the time of the prospect that a flat fee was being charged. This is something that we have identified through the course of going through the internal audit process. So until that point in time, there is nothing to suggest that we had any prior knowledge that this flat fee was being charged.

In addition to that, I need to make the point that it is not obvious even today, necessarily, that a flat fee is being charged, because we are getting different valuations for each property and because not in all circumstances are we dealing with the exact circumstance. So a dual occupancy on one occasion may be dual occupancy plus something else; therefore you actually get a different valuation report and you get different figures spat out at the end. But sitting behind it all—unbeknownst to us, and this is clearly part of why we have to go through an internal audit to try and unravel what has taken place—it would appear that this has become institutionalised and no-one has actually questioned what has taken place. As people have come in, they have just accepted, "Well, this is the way we've done business."

**MR SESELJA:** Has ACTPLA received any legal advice on the administration of the charge?

**Mr Savery:** No, but we are seeking some legal advice as part of the internal audit

process. So we are running a parallel exercise of legal advice and internal audit in terms of what may come out.

**MR SESELJA:** Who is providing the legal advice?

**Mr Savery:** It will be GSO.

**MR SESELJA:** GSO, I understand, provided legal advice to Treasury already, although it was, we understand from the other day, preliminary advice. Have you seen that advice?

**Mr Savery:** I am not privy to that advice, no. I am aware of it but not privy to it.

**MR SESELJA:** Is there a reason why ACTPLA, as the agency charged with administering it, would not have seen the advice?

**Mr Savery:** It has not been made available to us. We were not aware that it was being requested. I am not even sure if it relates specifically to the administration of the charge or some other brief that has been given.

**MR SESELJA:** So at no stage did Treasury consult you around these issues?

**Mr Savery:** We have been talking to Treasury, absolutely. We have been involved in the codification project which really brought the flat fee issue to the fore; hence you had the distinction between what has now been described as rectification versus codification. So we have certainly been involved in lots of discussions with Treasury.

**MR SESELJA:** From a planning perspective, does increased collection of change of use per development or overall enhance or work against the policy of seeing more people move closer to the city?

**Mr Savery:** I do not know that I am in a position to answer that. I do not know what the financial analysis is in terms of the work that Treasury is doing around the implications of both rectification and codification, and I am not a financial analyst. Clearly, we have a very strong policy of wanting to encourage increased densities of development but I am not sure what the flow-on effects will be. It is ultimately a decision for Treasury to give advice to government around that.

**MR SESELJA:** Sure, it is a decision for Treasury, but as a planner you would have views about whether various policy levers enhance or detract from the policy of seeing more density.

**Mr Savery:** Yes, but my attitude on codification—well, sorry, change of use charge generally—is one where the government—I firmly believe in the transparency of the process and I do not believe that we have that today. It is one of the reasons why I have advocated for codification. This was without being aware of the issue of the flat fee whereby we have a level playing field. Everyone understands what the before and after values are. We eliminate this constant toing and froing and disputation around the offsetting of offsite work costs.

I am even aware of an example at the moment where someone is arguing the case that we should somehow be recompensing them for the period that they have no tenant within their building whilst they are going through the reconstruction process and that that should be deducted from the change of use charge, which I just find a ridiculous argument.

But my point is this: let us get that transparency in place. Then the government has the ability to make decisions as to whether or not it wants to waive change of use charge, reduce change of use charge and we can implement that policy objective. So we can still come to the same outcome. If we—“we”, sorry, the government—were to say that the regime we now have in place is, let us call it, a codified system which is potentially contributing to or inhibiting urban densification, we have a lever at our disposal. It is change of use charge. We may reduce it by 25 per cent, as they did. They have waived it for service stations. They are proposing to waive it for GPs under certain conditions, and they reduced it for a year in relation to commercial development during the global financial crisis.

**MR SESELJA:** As an incentive—

**THE CHAIR:** Can I just ask about those waivers. What sort of criteria or process does it need to go through to ensure that it is also transparent and is not open to some sort of abuse, I guess, with the way that system is—

**Mr Barr:** Obviously, those policy decisions are ones taken by cabinet on the basis of advice from various agencies. The broader economic questions that we confront here really go to a philosophical view about what value the community should derive from the increased value of a change of use against an economic and microeconomic analysis—effectively, the relative elasticities of demand and supply where the incidence of this tax, this change of use charge, will fall. Then people need to think through the second-round effects when the market adjusts.

There is considerable evidence at the moment that there is a lot of land speculation particularly around certain blocks in certain parts of the city that is leading to very high prices being paid for the land. In fact, were the policy settings to be different, you could perhaps see a downward pressure on the land prices because there would not be the windfall gains that clearly some in the development sector see under the current arrangements.

This is a complex policy area. It clearly involves some quite detailed economic analysis. There are some fairly simplistic lines being run. I understand that is what oppositions do. That is part of the business. We see this in relation to a mining tax at a national level at the moment.

But I think what is important here is that there is an evidence-based policy assessment, that we do have a more significant economic analysis of where the burden will fall. Clearly, when you look at the relative elasticities of supply and demand in relation to this particular market, it is unrealistic to suggest that all of the burden will fall on the consumer side. Equally, it is unrealistic to suggest that all of the burden would fall with developers. But then there will be a secondary impact. The market will adjust, as markets do. So far the commentary analysis from some in this debate would fail

economics 1 at ANU.

**MR SESELJA:** Minister, I understand the Treasurer corresponded with you on this issue. I cannot remember these—I do not think she gave us a date when we had her here before the committee. When did you receive correspondence on this?

**Mr Barr:** The Treasurer wrote to me asking that I ask the planning authority to take some steps in relation to the rectification issue. Mr Savery wrote a letter, I believe, on 30 April—

**Mr Savery:** That is correct.

**Mr Barr:** to that effect.

**MR SESELJA:** 30 April, you wrote to the Treasurer?

**Mr Savery:** No, on 30 April I wrote to my counterpart at the AVO, the Australian Valuation Office, instructing them to correct what we saw as an inappropriate practice and from that day forward to provide us with complete valuations with appropriate charging as a result.

**MR SESELJA:** And since then, how many occasions have there been to put this into practice?

**Mr Ponton:** We have referred a number—I would say 20 to 30—but we have not received any valuations back at this point in time.

**MR SESELJA:** You have not received any from the Australian Valuation Office at this time?

**Mr Ponton:** No.

**Mr Savery:** So they will still be going through the process.

**MR SESELJA:** But it is your understanding that, as it stands at the moment, the Australian Valuation Office is now applying what the government sees as the correct way of applying the law, which is different from—

**Mr Savery:** I believe so because they have actually written back to us. They sought some clarification on my original instructions, which we have subsequently done. So I have no reason to believe that they would not.

**MR SMYTH:** Just on the issue—

**THE CHAIR:** Mr Smyth and then Ms Bresnan.

**MR SMYTH:** Mr Savery, when you gained the knowledge of this practice in 2006, did you inform the minister?

**Mr Savery:** No, on that particular matter I was not even aware that that was existing

until we started the internal audit process; so I have to put my hand up and say that I should have been aware because I saw that report. But it is a paragraph within a fairly long report that makes a vague reference to the potential of a flat fee being charged and I did not pick it up. I did not pick up the import of it. So no, I did not inform the minister, because—

**MR SMYTH:** Who wrote that report?

**Mr Savery:** SGS Economics and Planning—Marcus Spiller.

**MR SMYTH:** Is that report available to the committee?

**Mr Savery:** It was a public document.

**MR SMYTH:** It was public then, was it?

**Mr Savery:** It was not at the time but it has been made public.

**MR SMYTH:** For the ease of the committee, can a copy be provided to the committee?

**THE CHAIR:** I just note that that document will be tabled.

**MR HARGREAVES:** Can I clarify something that you got a response to there, Brendan? Mr Savery, you said that this little paragraph in this report said that there was a potential for a flat charge being charged. What was the regime? Was there a flat charge in place at the time already? Was it a continuation of a flat charge, or—

**Mr Savery:** We know now that the flat charge was in place and had been since 2003.

**MR HARGREAVES:** I just want to stop you there for a sec and get this clear. So what that paragraph was talking about was the potential that it would continue?

**Mr Savery:** No, I think it was noting that it is there. It points to the fact that there is the possibility that there is this fee being charged and it does not necessarily speculate beyond that.

**MR HARGREAVES:** Do we know when that flat charge regime actually started?

**Mr Savery:** Yes, it is 2003. It is referring to the fact that it is—it does not point to 2003, but we know now that it started in 2003.

**MR HARGREAVES:** It did start in 2003?

**MR SESELJA:** How do we know that it started in 2003?

**Mr Savery:** We know because we are in receipt of an email, an internal email within the AVO, that we were not cc'd into. It would appear to give an instruction to use this sort of approach. I mean, it is not described in those terms but—

**MR SESELJA:** At what level in the AVO did that email come from?

**Mr Savery:** I might have to ask Mr Meyer if he knows at what level that—

**Mr Meyer:** I believe that the person at the time was the head of the ACT branch of the Australian Valuation Office. That is as I understand it, without corroboration at this stage.

**MR SESELJA:** The email refers to this as being the practice, or it directs someone to—

**Mr Savery:** It is very succinct.

**MR SESELJA:** I am just trying to get my head around it.

**Mr Savery:** It is a very succinct email. It points to the fact that the conversations are taking place, particularly with the Australian Property Institute, and that further conversations potentially need to take place to arrive at a position to deal with what we believe they are referring to—that is, the anticipated changes arising out of variation 200, the garden city provisions. That is why the 2003 date, because that is the time the variation was introduced. For those of you who are not familiar, it is to do with—

**MR HARGREAVES:** We are familiar.

**MRS DUNNE:** Mr Hargreaves and I are intimately familiar—

**Mr Barr:** So there are a couple over in the corner here. Do you still have the battle scars?

**MRS DUNNE:** No, I don't.

**Mr Savery:** I do not want to speculate—that is what I would be doing—because there is just not enough information; hence the internal audit. Clearly, there is a correlation, we believe, between the date and the variation and the fact that we have not got a benchmark on how to value the properties for dual occupancies, multi-unit developments, as a consequence of variation 200; therefore, why don't we—and these are my words—apply something like a flat fee? For all we know, that was intended to be an interim measure. It does not talk about it being interim or permanent. But what has happened, it would appear, is that it has gone on to become institutionalised. No-one has picked up on it, or no-one has questioned—

**MRS DUNNE:** Wouldn't you have noticed over time that the AVO was coming back with the same valuation?

**Mr Savery:** No, we did not. We literally did not note it.

**MR SMYTH:** Minister, Mr Savery said that ACTPLA did not see the legal advice and they did not see the financial analysis.

**Mr Barr:** Of?

**MR SMYTH:** Concerning the change of use charge.

**Mr Barr:** The use charge, yes.

**MR SMYTH:** What advice did ACTPLA give you when you went into budget cabinet to discuss the new application for the change of use charge?

**Mr Barr:** That is obviously a matter that is cabinet-in-confidence.

**MR SMYTH:** You are not averse to dropping hints on what happens in cabinet when it suits you.

**MR HARGREAVES:** Yes, but it does not suit him now.

**Mr Barr:** I do not believe that that is the case, Mr Smyth. There is actually—

**MR SMYTH:** Oh well. Is it \$600 million from the pokies—

**THE CHAIR:** Mr Smyth, if you could stick to the question.

**Mr Barr:** We will obviously have the chance to talk about gaming machines later today, but—

**MR SMYTH:** We just may. So did you feel fully informed in cabinet when this decision was made that you obviously—

**Mr Barr:** Of course, yes. I am always fully informed in cabinet, Mr Smyth.

**MR SMYTH:** You are fully informed, although nobody had seen the legal advice. Did you see the legal advice and the financial advice from Treasury?

**Mr Barr:** I have, obviously, as part of the cabinet papers that are circulated—

**MR SMYTH:** And the financial advice and the legal advice?

**Mr Barr:** the same information that is available to other members of cabinet.

**MR SMYTH:** That is okay. But was the financial advice and the legal advice in the cabinet papers?

**Mr Barr:** I receive the same papers that are circulated to cabinet members, Mr Smyth.

**MR SMYTH:** So it was not? It is a simple question. Surely you inform yourself—

**Mr Barr:** No, I am not divulging what goes to cabinet and what briefings and information I receive.

**MR SMYTH:** I am just asking if the legal advice was there.

**Mr Barr:** Obviously, there is more than one agency that provides advice to me, as I have a number of different portfolios. There are times when cabinet submissions, as you would be aware—

**MR SMYTH:** I am.

**Mr Barr:** It has been a while since you have been a minister.

**MR SMYTH:** No, that is okay. You can snipe; keep going.

**Mr Barr:** But there would be times—as you would be aware—when advice from agencies is shared amongst ministers and it forms the basis of cabinet submissions.

**MR SMYTH:** There are some occasions when the change of use charge is waived. What is the purpose of those waivers—GPs, service station sites?

**Mr Barr:** Generally they are obviously to get a policy outcome that the government wishes to achieve.

**MR SMYTH:** So why waive the change of use charge to achieve a policy outcome?

**Mr Barr:** Because we have policy objectives, social objectives and economic objectives, and we seek to vary policy levers in order to achieve those objectives.

**MR SMYTH:** So how does the waiving of the change of use charge help you achieve those policy outcomes? What is the value of the lever?

**Mr Barr:** From time to time it can stimulate market activity.

**MR SMYTH:** So does that mean the change of use charge has a dampening effect on the market?

**Mr Barr:** It would depend on the circumstances. In theory, any taxation has a dampening impact on any form of economic activity. If you want to take a purist's position that there be no taxation at all, then yes, there is an argument to be had. There is an entire economic theory built on there being no tax at all.

**MR SESELJA:** You are not making that argument are you, minister?

**Mr Barr:** I am not making that argument, no—

**MR SESELJA:** Just to clarify.

**Mr Barr:** amazingly, and I am sure it would not surprise you.

**MR SESELJA:** We will continue to have taxes in the territory in future.

**Mr Barr:** Yes.

**MR SESELJA:** It is a relief.

**THE CHAIR:** There is a question. Could you let the minister answer and then we are moving to Ms Bresnan.

**Mr Barr:** There will always need to be a level of taxation. Obviously the principles that should underpin good taxation policy are that market distortions are minimised as much as possible. You have to acknowledge that under the arrangements that appear to have developed over time there are market distortions occurring at the moment with the current arrangements; hence the need for a codification process in relation to this tax—

**MR SMYTH:** Has ACTPLA done any analysis on the dampening effect, as you call it?

**THE CHAIR:** One at a time, please.

**Mr Barr:** and hence the view from industry, Mr Smyth, that there has been a need to have greater certainty in this area. I think that is an important public policy debate and one that I would hope would not degenerate into slogans. It might be one that will actually engage the minds of the territory's legislators in a productive manner because there are some significant policy issues at stake here.

**MR SMYTH:** Has ACTPLA done any analysis on what you call the dampening effect of this tax?

**THE CHAIR:** One more, Mr Smyth, and then on to Ms Bresnan.

**Mr Barr:** That is not ACTPLA's role to undertake.

**MR SMYTH:** ACTPLA is about the building industry, ACTPLA is about delivering good planning outcomes.

**Mr Barr:** Treasury is leading the—

**MR SMYTH:** When you have got a policy position of—

**Mr Barr:** Treasury is leading the codification policy process. ACTPLA is involved. Obviously you have seen the documentation that has been prepared by, I think, the ANU economics faculty in relation to the—

**MR SMYTH:** I have seen the previous ones as well.

**Mr Barr:** Yes, indeed, I am sure you have. That is the appropriate area for this work to be done.

**MR SMYTH:** Are you the minister responsible for the government's policy of densification of the urban landscape?

**Mr Barr:** No, that is a whole-of-government policy. All ministers—

**MR SMYTH:** How do you contribute through your portfolios to the densification of the urban landscape?

**Mr Barr:** Very effectively, Mr Smyth.

**MR SMYTH:** No, but what practical things do you do to deliver this very, very good outcome?

**Mr Barr:** Every day, Mr Smyth, working hard for the people of the Australian Capital Territory.

**MR SMYTH:** Could you detail—

**THE CHAIR:** Okay. Ms Bresnan.

**MR SMYTH:** He is avoiding the question. Could you detail—

**THE CHAIR:** Yes, we can come back.

**MR SMYTH:** through your departments what policy initiatives you have put in place to deliver densification?

**Mr Barr:** I refer you to the Canberra spatial plan, Mr Smyth.

**MR SMYTH:** Would you detail for the committee—

**Mr Barr:** I would refer you to the Canberra spatial plan.

**MR SMYTH:** specific items in the Canberra plan that lead to densification?

**THE CHAIR:** Ms Bresnan.

**MR SMYTH:** Well, hang on.

**Mr Barr:** I refer you to the spatial plan.

**MR SMYTH:** Well, in the spatial plan, would you detail for the committee what specific items—

**Mr Barr:** I refer you to—

**MR SMYTH:** What? Don't you know about your own plan?

**Mr Barr:** Yes, I am aware of that, Mr Smyth.

**MR SMYTH:** Well, would you detail for the committee—

**Mr Barr:** I refer you to the plan.

**THE CHAIR:** Mr Smyth!

**MR SMYTH:** He refuses to answer, Madam Chair. You actually have an ability to make him answer the question.

**THE CHAIR:** He has referred to the spatial plan. Can we move to Ms Bresnan?

**MR SMYTH:** He is avoiding the issue and you are assisting him in avoiding this very important question. He is clearly not responsible for anything as the planning minister.

**THE CHAIR:** Ms Bresnan.

**MS BRESNAN:** Thank you. I would like to ask my question.

**MR SMYTH:** Why do you assist him in this?

**MS BRESNAN:** I am not assisting him. I would like to ask a question.

**THE CHAIR:** I am not assisting him in this. He has referred to the spatial plan and, if you want to come back on—

**MR SMYTH:** I have asked him what initiatives and policies are in it.

**THE CHAIR:** Mr Smyth, if you want to come back on this issue, you can. There are other members of this committee and I am moving to Ms Bresnan.

**MR SMYTH:** Why would we come back? Why don't we just handle it sequentially?

**MS BRESNAN:** I have got a question on change of use. I know Mr Smyth did raise any possible impacts. Are you aware of any modelling which has been done on possible impacts, particularly in relation to infill development?

**Mr Barr:** The modelling that has been undertaken by Treasury through that particular consultancy.

**MS BRESNAN:** So Treasury.

**Mr Barr:** Is this in relation to the codification process or the rectification process?

**MS BRESNAN:** The rectification process.

**Mr Barr:** The codification process is separate.

**MS BRESNAN:** Yes, I know.

**Mr Barr:** The rectification one is simply about applying the law as it should be applied.

**MS BRESNAN:** Okay, so in terms of the rectification process, there has not been, or you are not aware of, any modelling that has been done on the impact of infill?

**Mr Barr:** Not by the ACT Planning and Land Authority, not in my portfolio areas, no.

**MS BRESNAN:** Okay. So Treasury has done that modelling?

**Mr Barr:** That is a matter you would have to raise with the Treasurer.

**MS BRESNAN:** Okay. On the codification then, will ACTPLA be working with Treasury to ensure that the modelling is undertaken, to ensure that modelling will be done, to look at the change of that—

**Mr Barr:** Obviously. Treasury is the lead agency in relation to the project. But ACTPLA will be consulted, as it has been through the process. I will take an interest in the matter as the minister for planning, but I come back to this point: there will be competing policy interests in relation to the setting of any particular set of taxation policy. If you want to adopt a purist view that there be no tax at all, then—

**MS BRESNAN:** No, I am just actually asking—

**Mr Barr:** Just to clarify the point: in order to deliver all of the services and all of the requirements for the other 20 hours that I appear before this committee, that this committee will be demanding, there must be taxation.

**MS BRESNAN:** That is actually not what I was suggesting, Mr Barr.

**MR SESELJA:** We all agree that there should be some taxation. I think we are unanimous on that point.

**Mr Barr:** And I am interested in the most efficient way of delivering that taxation.

**THE CHAIR:** Minister, could we go back to Ms Bresnan's question? Ms Bresnan, could you put the question again?

**MS BRESNAN:** I was just asking: given ACTPLA will be one of the key agencies involved in this process, will they be involved—

**Mr Barr:** Will we be involved in the codification process? Yes.

**MS BRESNAN:** I was not making any suggestions as you were then. That is what I was simply asking, to make sure they would be involved.

**Mr Barr:** Yes, we will be involved in the codification process. But Treasury will be the lead agency.

**MS BRESNAN:** I understand that. But ACTPLA will have some involvement, particularly looking at the modelling?

**Mr Barr:** Indeed. Yes.

**MS BRESNAN:** Thank you.

**THE CHAIR:** Mr Hargreaves?

**MR HARGREAVES:** Thanks very much, Madam Chair. Minister, budget paper 4, on page 346, in the third slot of the first dot point, talks about the sustainable futures program. Tell us a little bit about that program, please.

**Mr Barr:** Mr Savery to begin.

**Mr Savery:** The program has been running for well over a year now and I think members would be familiar with the fact that we released a discussion paper at the start of this year, which was preceded by six workshops engaging with a diversity of people within the community, as well as experts, academics and the like. That was to assist us in better understanding what sort of challenges Canberra might face in the future—things like population growth, diversity of the economy, transport, energy, water, climate change—and this is all background information to assist us in then preparing the next version of the Canberra spatial plan that will take us to 2050.

What we are doing right now is modelling up a public consultation process and program as part of the Canberra conversation that the Chief Minister's Department is running, to engage with the general public so that they have the opportunity to participate in the process. At the end of that entire exercise, the intention is that we will have a new planning strategy for the ACT that will accommodate what we anticipate, particularly as a result of climate change—the changes that we need to make to the design and development of the city over the next 40 years—and that will relate to things like infrastructure, urban densities, transport provision et cetera.

**MS LE COUTEUR:** Do we have a time span on this, Mr Savery?

**Mr Savery:** Of course, when you go through consultation of this scale, it can often change your time lines. But, if everything runs according to plan, we would like to have a document available for government consideration in March-April of next year. I might make the point that one of the reasons that we need to keep to a time frame is that—I do not know if members are aware—COAG in December of last year adopted a position where all cities over 100,000 people have to have a report available, if you like, a performance report, for COAG consideration by 1 January 2012 against nine criteria, to reassure COAG that cities are well placed to be able to respond to and accommodate the sorts of changes that are anticipated over the next 30 years.

**THE CHAIR:** Mrs Dunne.

**MRS DUNNE:** Thank you, Madam Chair. On a different line of questioning, if I may, I noted that on Friday night there was a segment on the *Stateline* program in relation to construction of apartment complexes and unit plans. In that program, Mr Savery indicated that if the industry does not do something about the problems that we are seeing with faults in unit complexes and unit plans the government will have to and that ACTPLA had highlighted 10 areas to be reviewed in the approval, construction and certification process. I was wondering, Mr Savery, if you could outline for the committee what those 10 areas might be.

**Mr Barr:** Certainly. In a minute I will get Mr Savery, along with other officials, to comment on this, because this is an important area and something that is increasingly of concern, particularly to consumers. I have met with the Owners Corporation Network and gone through their concerns and I agree that there are significant issues that the industry needs to confront. I wrote yesterday to the Housing Industry Association, the Master Builders Association and the Property Council seeking their input through the industry monitoring group into what measures they propose to address the concerns that have been raised.

The sorts of issues that the government will look at include extending time frames on existing statutory building warranties. This could involve 12 months for the individual unit owner and three years for the body corporate, with both dates commencing from the date of settlement, as opposed to the date of the issuing of the certificate of occupancy and use; the creation of a building defects fund where the developer or builder would be required to provide a percentage of the cost of each development into a pooled fund before the certificate of occupancy is issued, and these funds would then be administered by government and would allow a body corporate to access the funds to repair defective works within the extended warranties period, with any balance of the unused funds to be returned to the developer at the end of that extended warranties period, thereby providing an incentive for quality workmanship; the introduction of a mandatory, independent pre-occupancy inspection at the first point of sale from the developer to the purchaser and accountability for the report owed to the body corporate; and the development of a public campaign, naming and shaming builders whose work has been found to be substandard.

I must put on the public record and declare that I have lived in a multi-unit development that is suffering from significant issues of this kind, so I have a personal interest in this matter as well. I have declared that to the Owners Corporation Network and believe it is appropriate to declare it to the committee today. So I am personally very familiar with the issues that many in multi-unit developments are experiencing.

I intend to, in the first instance, work with industry to get a good outcome here, but I believe we should consider all of the options that I have outlined. I will get Mr Savery and others to comment further on some further measures that the government intends to introduce.

**MRS DUNNE:** Those things that you talked about are prospective. There are hundreds of outstanding issues which you adverted to. What are you considering for addressing those issues which already exist?

**Mr Barr:** That is clearly a more complex matter, in that retrospective legislation in this area is difficult. Mr Savery might want to comment further on some of these matters.

**Mr Savery:** I would like to make a couple of observations; Mr Simmons is best placed to talk about specifics, although I do not think it is appropriate that we necessarily detail individuals or personal complaints that we have received—but will speak more broadly and generically.

**MRS DUNNE:** Yes; that is fine.

**Mr Savery:** It is important to stress that a lot of the complaints we receive are not related to construction; they are issues of fit and finish. In that respect, we, ACTPLA, and the legislation we administer do not deal with those issues; they are consumer affairs issues. If you were to example 100, I might say to you in response that a good 50 per cent of those might end up being what we would describe as fit and finish as opposed to construction standards.

**MRS DUNNE:** Is that the distinction between the constructability of the building and the quality of workmanship?

**Mr Savery:** And the quality of finishes. For instance, if someone is complaining that the paint is peeling off the wall in less than a year, that is a finish detail; it is not the construction of the building. We do not have laws or regulations or a power to intervene in those matters. I am not saying that therefore that is not an issue and no-one should do anything about it, but it is outside our jurisdiction. Even if the government and the minister were of the view that some legislative or other action should be taken, I would not necessarily feel that the first recourse is through planning and building control legislation; it may be through consumer affairs and those types of pieces of legislation and practice.

The other thing I would say is that, again, if we were to be retrospective in terms of dealing with problems that we know exist, we have, in some cases—I do not think that it would be unreasonable to suggest that some of the people who continue to make complaints are not being accepting of the things or the actions that we have already taken to try and address those problems because they have higher expectations than we are actually capable of delivering or that in fact are appropriate. In other words, we are able to get the building corrected to the point that it meets the legislative or building code standards, but some people have a higher expectation of what that particular matter should be, and we cannot go beyond that. So that is another area I would highlight.

Mr Simmons may want to talk more generically about some of the issues we deal with.

**Mr Simmons:** This is really one of those issues that does fall between the strict compliance with the building code—the purpose of the building code is essentially around sustainability, access and egress, fire and structure. Overwhelmingly, our buildings do not fall down. We do not have problems with them not complying with the building code.

Where the issue in multi-unit construction appears to have been—this has been an emerging issue over the last few years and we are by no means unique in this jurisdiction; this is a problem that emerges all through Australia in terms of what is happening in this particular market—is that we are seeing a shifting where there is more of this type of work going on and there are more people who have not necessarily had the experience in this type of work moving into it. It is one thing to go and do the training course and to be properly trained and meet all the training requirements—somebody does have to upgrade their licence from a C class, for example, to a B class—but there is no substitute for experience on the ground doing that work.

The type of buildings which people are asking about, particularly when we are talking about what we refer to as balconies over habitable suites—you will notice that a lot of buildings now lie back: you might have three or four storeys at one level; then the next storey sets back and the next storey sets back. Each of those balconies that are then over the top of habitable areas has much greater issues around waterproofing and ensuring water run-off. That becomes a real problem, and it is one that the industry has been working on. You can go to industry publications of this year from the MBA, for example, specifically addressing that issue and going back and talking to the precasters and the people who do the concrete work to ensure that the profiles of the precast concrete that goes in are shifted to make sure that those problems are avoided or minimised. So we are actually in a process of changing and evolving in terms of the industry and making industry more aware of those things.

But those things are not going to be fundamental failures of the structure of the building. We are in that issue between what is fit and what is finish and the extent to which we would exercise a power around proper and workmanlike manner, which is the actual phrase, and how we enforce or encourage that behaviour. It is one of those things that do not just start with the people on site; it is about how the people on site get to be there. If you look at the training and development system over a long period of time, if you go back a few years and you go back a decade, you have got people doing tiling trades, full apprenticeships, full painting. As the contracting market has grown, with an explosion of self-employed individuals, the amount of people in training doing the full trades has dropped off significantly and we are seeing not quite the quality of people that you would see come through traditional apprenticeship methods—because other incentives have been put into the market to bring people into the building and construction industry. It is our job to work not just with the builders on site but also with those people in the training and development system to improve and encourage a better level of quality of tradesperson actually undertaking that work. That is not a quick fix, but it is a fix.

In the meantime, where there are substantive issues, we say to people who come to us, “Make the complaint.” There is a proper form on which a complaint can be made to us. Once that complaint is made, we will investigate, but what we investigate is breaches of the Building Act, which calls up a building code or any one of the electricity safety, water and sewerage or gas safety acts. They have to be breaches of those codes that actually relate to that work. A lot of this work falls outside that, so it is about our other influencing. Some suggestions have been made. One of those, for example, is looking at how a better quality of tradesperson can be developed and what mechanisms the government has to force a higher level of training into that system, which has really evolved nationally as a problem.

**MRS DUNNE:** So Mr Simmons—

**MS LE COUTEUR:** What type of entry—

**THE CHAIR:** A supplementary, Ms Le Couteur; then Mr Seselja has a supplementary.

**MS LE COUTEUR:** What auditing of building certification is done? Some of the

things I have heard about I would think clearly come under the level of building certification. Even what you were talking about with the balconies—if we are getting significant water egress into the habitable suite underneath, that surely has got to be at the BCA level. There are certainly considerable allegations that even at that level it is not correct.

**Mr Simmons:** The purchase agreement is that 10 per cent of all building auditors' work is audited by us, and that does happen every year. So it is 10 per cent of all the paperwork submitted to us by building certifiers, 10 per cent of the work of each individual certifier. Some certifiers might submit only five during the course of the year, but others will do several hundred, depending on whether they are individuals or companies. Ten per cent of that work is audited on paper, and then a subset of that is physically audited as well.

**MS LE COUTEUR:** How big is that physical subset?

**Mr Simmons:** It depends on what issue comes up in the paper-based audit. It would vary for individuals. With some individuals, when you are auditing across their paperwork, there are indications that you would want to follow a particular line of investigation for a particular activity, with those that would be different from somebody else. It is not a case of one size fits all. It varies depending on the issue that has arisen.

Also, there are complaints that sit outside that system. There are direct complaints made to us about particular builders, about particular building certifiers or about particular building projects. It may be that the person is not aware that what they are actually complaining about is the building certifier. A lot of people are not aware that they have actually employed a building certifier, and that is a significant issue. Our documents are quite clear, but it is not unusual for a person to not know that, when they signed the document, the document they signed was the appointment of a building certifier.

So there is a lot of information that gets exchanged at the point when you are starting the building work and making that more clear. We have done a number of changes to the forms over the years that I have been there to make it more obvious to people that they are actually appointing a building certifier and what their role is. We are doing further work with our communications people to make that even more obvious. That is because, when people see things wrong with their building, they are not necessarily sure what it is. They might think it was the builder when it was actually the role of the building certifier, or vice versa.

**MS LE COUTEUR:** How much of ACTPLA's budget goes to—

**THE CHAIR:** One more, Ms Le Couteur; and then Mr Seselja.

**MS LE COUTEUR:** Thank you. How much of ACTPLA's budget goes to compliance?

**Mr Savery:** If we took a rough estimate—

**MS LE COUTEUR:** A rough estimate will do.

**Mr Savery:** It is about one-fifth.

**Mr Wurfel:** I would agree with the chief planning executive: it would be about 20 per cent of the budget. That relates to the construction services branch. It depends on how you define it. I think the question was about compliance—how broadly or narrowly you define that. That would be a fairly subjective answer, without being tremendously analytical about it.

**MRS DUNNE:** Could I also just clarify this, Mr Wurfel. When we talk about compliance, does that mean lease compliance as well as building construction compliance?

**Mr Wurfel:** That is right; it would, yes.

**THE CHAIR:** Mr Seselja.

**MR SESELJA:** Just a quick question for the minister or Mr Savery. This obviously goes back a number of years now. What was revealed on the ABC is not something that is new; it is not something that has just happened in the last year or two. Many of these complexes would have been built several years ago. We have seen changes in some of the regulatory framework over that time; we have seen different arrangements in place. We have heard a lot of technical explanation about some of what has gone wrong. Mr Savery or Mr Barr, where do you see the regulatory failure which has led to some of this? Obviously, no regulation is perfect, but when we are seeing this widespread concern what are some of the key regulatory failures which have led to this situation?

**Mr Barr:** Just to give you a sense of it, a particular building that I am familiar with won an MBA award in this decade and now has chronic issues.

**MR SESELJA:** Have you had a word to the MBA about that award process?

**Mr Barr:** I am endeavouring to keep the personal and the professional separate in relation to this, but you would all forgive me for having a little bit of passion about this issue and what we can do.

**MR SESELJA:** But by way of example, it is worth exploring?

**Mr Barr:** Yes, it certainly is. The sorts of measures that we have identified in terms of prospective, I think, are ones that we will be bringing to the Assembly for the endorsement of members to change the law to make the circumstances better. There are some issues, though, clearly that do not present themselves until some time after the current warranty periods expire. To be fair to industry, some of these issues do not appear at the time that the certification occurs. And there are all sorts of things that can happen in the regular occupancy of a multi-unit complex. For example, it could be a break in a wet seal in a shower that could then mean it is leaking into the unit below.

I know that there are issues on both sides of this debate but I am increasingly of the

view that, the more that we have been exploring this and looking at the various carrot-and-stick measures, if you like, that should be put in place, we should be bringing the stick out a bit more. I have talked with the Owners Corporation Network about perhaps them also sponsoring an award each year for the best practice in this area where, in addition to naming and shaming builders and developers who are delivering bad product, we should look on the positive side of the ledger as well and look to promote good practice. However, again with that personal experience in mind, the particular building that wins an MBA award then later has major issues.

This is complex. I wish it were easier but I think the work that is being done by the authority and the options that are being put forward, the conversations that have been had with the Owners Corporation Network, are encouraging and we will be able to get a better regulatory framework in place through this process. Mr Savery?

**Mr Savery:** I do not know that I can add much to that. Clearly, the areas that we have identified for the minister's consideration, we believe, are areas where regulation can be tightened or enhanced. If you feel inclined to use the term "weaknesses in regulation", that is where we would say that they exist. Probably it all gravitates around the extent to which the industry to some extent is operating in a self-regulatory environment.

Even though we have an auditing function and responsibility, ultimately there is a high degree of self-regulation operating within this particular industry; so the recommendations we have made to the minister in terms of areas that should be explored—and the minister has now given the industry the opportunity to comment on them—are areas where we think that can be tightened up. And I think issues around mandatory inspections obviously give some indication of where we feel we can have a greater role to play to provide greater levels of consumer confidence.

**THE CHAIR:** Mr Smyth, a supplementary. Are there any further supplementaries on certification before we move into some new lines of questioning?

**MRS DUNNE:** I have got lots.

**MR SMYTH:** Minister, the Owners Corporation Network has written a letter to the Chief Minister dated today, 26 May 2010. I do not know whether you have seen it. But the third paragraph reads:

Individually many of our members have been seeking help from your Government's agencies for up to five years without result and it must be said that they have been met with a level of indifference from your bureaucracy that is both disgraceful and inexplicable.

Minister, do you accept or reject that allegation?

**Mr Barr:** I have met with the Owners Corporation Network and we have discussed at some length the avenues that are available to address concerns. Sometimes the issue can be that they are wanting to pursue legal action, that the developer of the particular units set up a shell company, if you like, and there is no longer a legal entity which you can pursue action against.

I know, again through personal experience as a member of a body corporate seeking to pursue action, often you would get a fair way through it in terms of getting a response from the developer, then there would be stalling tactics and things would just be extended and pushed beyond the period of the building warranty, or token efforts would be made to address particular issues from the body corporate directly to the developer.

In terms of ACTPLA's response, I am confident that ACTPLA has acted in accordance with the law and sought to pursue all avenues that it can with its current legal powers but I do recognise—and through this process it has become clear—that there is a need for further powers for the Planning and Land Authority, and I intend to pursue that.

**MR SESELJA:** Why did it take *Stateline* to do a story before we started to hear from the government on this?

**Mr Barr:** This has been an issue that I have been talking about for some time; it just does not always get the media attention. Now it has, I think we will see progress. I have met with the Owners Corporation Network obviously on a number of occasions in relation to the Unit Titles Act reforms back in 2008. They had put in place a number of—

**MR SESELJA:** Did they express in that letter concerns about any differences they have?

**Mr Barr:** We have certainly discussed concerns that they have in relation to consumer affairs issues and in relation to the powers that are available for the Planning and Land Authority. A number of these issues are particularly in relation to consumer protection and some of the very dodgy practices that were occurring in terms of the establishment of body corporates and body corporate management processes prior to the Unit Titles Act amendments of 2008.

Effectively, what was happening was that during the developer control period, when the developer owned all the units, they were signing up long-term body corporate management arrangements, often with relatives, and locking the unit owners into outrageous fees, with very little actual service in terms of body corporate management. We addressed a lot of those issues through the 2008 amendments to the Unit Titles Act but this is a separate and distinct issue that we need to pursue further.

I met with Mr Petherbridge who chairs the Owners Corporation Network and a number of members of the executive committee earlier this year and last year on some of these specific issues, and we have agreed that we need legislative reform and regulatory reform in order to fully address the concerns that they have and that some of the issues around retrospectivity are challenging, clearly, in that I cannot go back in time and make the builders build those units better than they did at the time. We can take the action that is appropriate under the current legislation. We need to make some further changes, and that is what this process is about.

But I am sure you would agree, Mr Smyth, that it is important in this that we are

engaging with the MBA, the HIA and the Property Council. They have a role to play. I am frustrated that I have had to write to them again after seeking their input in this matter through the industry monitoring group over a number of months and have yet to hear anything back. So I have written again and, if they do not respond, then the government will simply have to go through this process without their input.

**MR SMYTH:** Given that the Owners Corporation Network says that they have been speaking with government agencies for five years and you have been minister for four of those years, what have you done to rectify this problem in the last four years?

**Mr Barr:** I have been actively involved through the Unit Titles Act reforms that I think the Liberal Party opposed in 2008. If my memory serves me correctly, you did. You opposed the consumer protection measures in that particular piece of legislation. So I have done more, Mr Smyth, than you ever did in this area—

**MR SMYTH:** No, that is not true.

**Mr Barr:** through those reforms and I am pursuing—

**MR SMYTH:** What things have you done?

**Mr Barr:** And I am pursuing these reforms now.

**MR SMYTH:** Apart from that one thing, what have you done? Apart from that? Apart from legislation, what have you done?

**Mr Barr:** Completely rewrite the unit titles legislation. That is the most significant reform in this area.

**MR SMYTH:** And has it fixed it?

**MR SESELJA:** Has that fixed it, has it?

**Mr Barr:** It has made a significant difference on the consumer protection side to many of the issues. But I acknowledge that further work is needed, and that is what this process is about.

**MR SMYTH:** But what other specific things have you done, through the application of programs, through increased enforcement, through more auditing? What physical things—

**Mr Barr:** Well, the Planning and Land Authority takes its responsibilities under the law seriously. I have met with Mr Simmons and other officials of the authority on a number of occasions in relation to this and discussed individual cases. I have met with individual Owners Corporation Network representatives in relation to their specific issues. I have this process in place and we have reformed the law in relation to unit titles. Do you want to—

**Mr Savery:** If I can make some observations, and potentially Mr Simmons, and if I could go back to your original question, as well, in terms of that letter, I would reject

the observations that have been made in that letter, particularly the language. I think that does not fairly describe the level of assistance that we have endeavoured to provide. In all cases we have given advice; but that advice is not accepted in all circumstances because people have a higher expectation of what we can do against the legislation in terms of where that particular matter resides; is it an ACTPLA issue, is it a legal issue before the courts, is it a matter that the office for consumer affairs should deal with?

I also think it is reasonable to say that in the last four years, leading up to the Unit Titles Amendment Act, the pre-eminent issue that we were being hounded about was the issue around bodies corporate. It was not around the standards of construction. That is not to say that we did not have instances of people making those complaints to us. But the reason why we—and with the support of the minister—focused our effort and energies into the unit titles legislation was because that is where we felt, from all of the information and all of the complaints and issues that were being raised with us, the most significant benefits could be made.

Having done that, it has become evident now that the focus is shifting, possibly because we have addressed that particular issue, and what is now emerging is “we had another issue as well, but it sat behind everything else”. So we have worked up these options for the minister to consider. We have raised with the industry, through the industry monitoring group, on at least three separate occasions, probably dating back 12 months, that they need to come to the party and tell us what they are prepared to do or what they would recommend to government we should do.

I know for a fact that the MBA, in particular, does not want this practice; it does not want its reputation or the reputation of good builders and good private certifiers to be affected or smeared by what appears to be happening in some developments.

The other thing that I think is worth noting, and again I do not know if we are able to go into details on the individual cases, is that we do take action. There seems to be this notion that we do not do anything. There are individual cases that Mr Simmons and his branch of the department take action on within the letter of the law. Those often take many months of collecting information and evidence, going through proper process and procedural fairness, in order to prosecute a matter. And, of course, we are not always successful when we get tested on some of this. I do not know if Mr Simmons wants to comment further on that.

**THE CHAIR:** Mr Simmons, if you could hold one second, there are two more supplementaries, then we are going to move on from this issue. Did you want to put your supplementaries in case Mr Simmons could also answer those at the same time?

**MRS DUNNE:** It goes to the list of possible reform options which the minister outlined here today and also outlined to the Owners Corporation Network in a letter in April. Two of those things seem to me to be variations on what is already done. You talked about the introduction of a mandatory pre-occupancy inspection at first point of sale. Surely, minister, that is an issue that should be dealt with by the certificate of occupancy, and, if not, why not?

The other issue that you talked about was the naming and shaming of builders whose

work is found to be substandard. Surely, minister, the CO(L)A act already allows for the deregistration or the suspension of the licence of a builder or a certifier whose work is found to be unsatisfactory. So why do we need this sort of finessing when you already have legislative provisions that allow for both of those things?

**THE CHAIR:** And, Ms Le Couteur, could you also put your supplementary in?

**MS LE COUTEUR:** Yes. Looking more positively, I understand that Victoria has a good dispute resolution model. Is that the sort of direction you are going to be looking at? Also, you have concentrated all your answers to questions on multi-unit developments but there are problems for people who are not in multi-unit developments. Can you just elaborate on that as well?

**THE CHAIR:** We seem to be going back to a couple of reforms, why we seem to be going over old ground, individual standalone sites and the Victorian model.

**Mr Barr:** I will get Mr Simmons on Mrs Dunne's question and then we will come back to Ms Le Couteur's question.

**THE CHAIR:** Thank you.

**Mr Simmons:** Okay. What we are talking about is that the certificate of occupancy may be issued but there could be some period of time between when occupancy actually takes place and the certificate of occupancy. What we are looking at is the chain of events that occurs. So the lessee, which could be the developer and the builder in one, owns and seeks the certificate of occupancy. They have done that. The person who has purchased, whether they purchase off the plan or just purchase, has never actually been into the building. They are relying entirely on the work that has been done by somebody whose interest is already within the building; their interest is in having constructed it and then selling it on.

What we are saying is that we intervene at that point and say to the person who is coming in, "This person works as a second check on the work that has already been done." There are various issues that people place to us that the private certification system has within it some inherent conflicts of interest potentially. I do not think that that is necessarily the case; that is a separate argument. But, in terms of clarity, if you are coming in to buy a new property, what we are saying is that, rather than having to rely on any other certification as they have previously done, this gives a right to the person purchasing, before they actually hand over the money, to have somebody come in and do a separate inspection on their behalf purely for that purpose.

**MRS DUNNE:** How would that be different from the certificate of occupancy? What would be materially different?

**Mr Simmons:** It is a different set of eyes. It is simply the case that the construction of buildings is always a complex matter. Having been with a project and gone through it, a building certifier, having applied all due diligence to their work, may have missed something, and somebody else with a fresh set of eyes will see that.

**MRS DUNNE:** None of this would relate to workmanship—dodgy paintwork or

anything like that?

**Mr Simmons:** No, because the issue here, and the substance of what often occurs when people come to talk to us about what the problems are, is that it is not really about the building code, the wiring rules, the gas safety standards or the Water and Sewerage Act. What they are talking about are those issues that do not go to the fundamental safety elements of the building. It is very frustrating for people; we understand that. But it is an area of such enormity that, if the government was to be engaged in whether the plasterer or the cornicing was cracked—and we have had these complaints about the cornicing being cracked or the paint over the cornice not being quite right—

**MRS DUNNE:** The cornice is dropping off or something else is dropping off. That is all workmanship and that would not be covered by that?

**Mr Simmons:** They do not go to the strict nature of what is the purpose of the building code. With respect to what the purpose of the building code is, it is not exclusively out of it but it is well within the capacity of those people, through the defects period contained within the building, to be able to have those matters rectified. It does not need the intervention of the state at that point. There are mechanisms by which these things can be fixed.

What happens sometimes is that there is a delay. When the person has bought the property, the warranty period may have been well in train, so by that time, they have actually missed their opportunity to make their claim. One of the suggestions is to extend that, so that it does not start before they get there; with the certificate of occupancy, it starts when they come in. So the period of time actually gives them a longer time to deal with those issues where the building, when you first walk in, might look fine, but a few months down the track those settling issues have happened and you are starting to see those issues.

With a failed waterproofing, all diligence could have been paid by everybody undertaking that work, but a hairline crack is a hairline crack. If a tiler comes in and the rubber foot fell off the edge of their ladder and they cracked the wet seal, the certifier is not going to see that. The tiler may not even know that they have done it. It is not going to be until several months down the track when there is water dripping through the roof that the problem becomes obvious.

The question then is: what happens next? Does that get fixed? In a lot of these cases, the builders have come back and fixed those things. They may not have done it as quickly as was wanted. It may have had to go to insurance companies. But overwhelmingly, when people come to talk to us, those things do get fixed. But sometimes it is the difference between an accident or an incident that occurs during the construction and something which is systemic. If you go to another property, for example, where every single shower leaked then you have got a systemic problem and that is something that the builder should be back for. But if it is one-off, you are not necessarily going to pick that up. It is about how quickly the system functions for that. That is what some of the changes are aimed at addressing, to give people greater periods of time to enable them to do that.

**Mr Savery:** I just need to—

**THE CHAIR:** Mr Savery, I do know that you want to make a comment.

**MRS DUNNE:** Sorry, there is another question that I have not asked.

**THE CHAIR:** I know that this is a very important issue and we have spent quite a long time on it, so we will be wrapping it up. Mr Savery and then—

**Mr Savery:** I just think there is one critical point on this issue of certificate of occupancy—that is, the certificate of occupancy can be issued whilst the developer or the builder still has occupancy or owns the particular premises. What this provision says is, “When you come to sell that property for the first time, you’re on-selling; despite the fact that you’ve got a certificate of occupancy, there’s a mandatory pre-inspection.”

What they are potentially doing is holding on to that property until the defects period has expired, but they have got their certificate of occupancy. So we are proposing here that, despite that, you can hold on to it, have your certificate of occupancy, but even if it is two years down the track, when you come to the first point of sale, there is a mandatory inspection.

**THE CHAIR:** Okay. Thank you.

**Mr Simmons:** For the purchaser.

**Mr Savery:** For the purchaser, yes.

**MRS DUNNE:** The other question was about naming and shaming where we already have the capacity to suspend or cancel someone’s licence.

**THE CHAIR:** Mr Simmons, I would ask you to give a concise answer.

**Mr Simmons:** We do. For example, last year we suspended six electricians, who had their licences suspended—cancelled actually. I had six cancellations of licences for accumulating more than 15 demerit points. It does happen. When we get to naming and shaming, because of the impact damage, we apply those naming and shaming provisions once somebody’s licence is suspended or cancelled, because there is a range of activities that used to be with the registrar that are now with the ACAT. Because we are making such a substantive decision, it is when a licence has actually been cancelled or suspended that we access the naming and shaming provisions.

We would say in these circumstances that people may be shy of that and that it would be a specific activity that we would want to undertake, because of the reputation damage you potentially do and the significant impact. To name and shame is not a decision taken lightly, as is the case with those decisions to cancel or suspend licences.

**Mr Savery:** And it is also something that we would like to do in conjunction with industries, whereby if a person is deregistered, for instance, and they happen to be a member of the MBA, the MBA no longer gives them membership. Why is the MBA

endorsing this particular person?

**Mr Barr:** Letting them use their brand, which normally is seen as—

**Mr Savery:** An endorsement.

**Mr Barr:** an endorsement in some sense that you are going to get good quality if they are an MBA or HIA member. As the consumer, you would expect some greater level of surety that, through those organisations, the person you are employing to do this work or, in Ms Le Couteur's incident, moving beyond the question of just multi-units, as to who you are actually getting to do this work for you, comes with that seal of approval. It should be something that means something, and that is why I want industry to engage on this point. It is frustrating that we have not got that full level of engagement. I would suspect that, after today, we might.

**THE CHAIR:** I will need to move on, I am afraid. Any further questions will need to be put on notice.

Can we go to budget paper 4, page 350. I want to start a line of questioning around ACAT. I note that the percentage of ACAT decisions that support ACTPLA's position is an accountability indicator. How are decisions from the ACAT assessed and how does ACTPLA internalise and respond to ACAT decisions?

**Mr Savery:** The first thing I would comment on in relation to the performance measures on ACAT is that it is very difficult to put in qualitative measures for anything like this, and that is why it is a quantitative measure. How do we deal with the quality or the portent of what it is that the ACAT makes as a decision? That is why we have an internal committee that is chaired by our general counsel. They review all of the decisions and they provide advice to the director of development services, who may care to comment on this further, as to whether or not this is a practice or process that is leading to the particular decision that we should change or whether in fact it fundamentally affects policy. And if it is a policy issue, then of course we bring that to the attention of government to determine whether we think the policy needs to change or not.

In other words, do we accept ACAT's interpretation versus our interpretation and therefore change our practice or do we actually think that ACAT's decision, which we would not dispute necessarily, is not necessarily the one that was intended by government, so it might be to do with the wording or the provision and therefore we have to ask government: if that is the intent, do you want us to make a change? That might result in a territory plan variation, as an example. Do you want to add to that?

**Mr Ponton:** The only other observation I would make is that, notwithstanding the fact that the performance measure is 85 per cent, we are currently tracking at 99 per cent of our decisions being supported by ACAT, for those that go to appeal.

**THE CHAIR:** Okay, thank you. Mr Seselja.

**MR SESELJA:** Thank you. Just on one of those ACAT decisions, there was a high-profile one in Kingston recently which was not upheld. Are you able to talk us

through what was ACTPLA's position on that and how ACAT differed? It is obviously a difficult one. Perhaps, Mr Savery, you can talk us through what was ACTPLA's position on why that particular development should have been approved in the form that it was.

**Mr Savery:** I am pleased that you asked the question because I get annoyed when the media talks about fiascos. In that case, every time that someone disputes a development application, is it a fiasco? What people do not understand—I am not saying you, sorry; what many people do not understand is that the territory plan—

**MR SESELJA:** The media is no longer here; you can say what you like about them!

**THE CHAIR:** That is right.

**MR SESELJA:** They will not hear you.

**THE CHAIR:** Nobody is listening.

**Mr Barr:** I am sure they are listening upstairs. Hello, everyone!

**Mr Savery:** The territory plan is open to interpretation. It is open to contention. That is why, when you have an application that enters into the merit track, in particular, but also the impact track, the provisions are not black and white, and they are there for interpretation. That is why people employ consultants, they employ lawyers and whoever else, to argue their particular case.

On this matter, and it is not unique, an objector took issue with our interpretation of the territory plan, which related to an interpretation of height. It was an interpretation that we have used in other instances in Kingston. It was tested in ACAT, whereas in previous circumstances it had not been tested in ACAT, so developments have actually taken place in accordance with our interpretation. ACAT took the view that the objector's position was the correct position to take.

If I had a drawing board, I would illustrate it diagrammatically for you. Essentially, the provision talks about a general height principle of four storeys in this and other parts of the Kingston foreshore area. It then talks about the fact that you can exceed that height of four storeys, up to six storeys, as a building element.

Our interpretation has been that that means you cannot have a facade essentially of six storeys, because that is no longer a building element; that is an entire length of building. In other words, we are saying these are about projections that create architectural expression and break up the scale of the building. This particular building was over 100 metres in length, so it is a block in length, and we were looking for architectural articulation in this building. We, along with the architects and the developer, worked through this issue and we came to the conclusion that you could have a number of these higher elements, and I think there were four or five of them along the length of the building.

Our view is that the ACAT's interpretation is that you can only have a smaller number—that is, on the corner of buildings that might create a signature, an iconic

element on the building, a turning point on the building that goes around the corner. What they were saying to us, or their interpretation back to us, was: “The number of repetitions that you have allowed for this building element actually constitutes another two storeys on the building.” In other words, it has gone from a four-storey building to a six-storey building.

**MR SESELJA:** On that, in a little more detail, it is not clear to me: this was under part of the national capital plan that was being decided?

**Mr Savery:** No, it is under the territory plan, so it is not a designated area, in which case it would be a works approval of the NCA. It is not a DCP, so it is under the territory plan.

**MR SESELJA:** It is all under the territory plan?

**Mr Savery:** It is the territory plan.

**MR SESELJA:** So it is your interpretation of the territory plan. How does the plan read about these exceptions to the four-storey rule? Is it a proportion of the building that it refers to? How does it actually describe it?

**Mr Ponton:** No, it does not refer to a proportion. It simply refers to building elements not exceeding 15 by 20 metres in dimension.

**MR SESELJA:** Did the building elements in this case exceed 15 by 20 metres in dimension?

**Mr Ponton:** No, they did not.

**Mr Savery:** But there were repetitions of them—15 by 20; 15 by 20; 15 by 20.

**MR SESELJA:** So it comes down to whether or not it is an in-total or an individual part? Each of these individual elements makes up 15 by 20 or more?

**Mr Ponton:** That is right. Each of the 15 by 20 elements that we approved were co-joined; so there was a larger element 15 by 20; there was a smaller element that was a lift well and that gave you the recess articulation; another 15 by 20 element; and then, again, a lift well. So they were joined.

**MR SESELJA:** So this is not being challenged in the Supreme Court by ACTPLA?

**Mr Savery:** No, we have accepted that decision.

**MR SESELJA:** But if ACAT have got it so wrong and it is an important precedent, why wouldn't you then challenge it if you were confident that you could win? Did you get advice that it was unlikely that you would be successful?

**Mr Ponton:** No, we did not seek advice in relation to that matter. We have gone back and looked at the provisions. Our view is that we need to provide for greater clarity and we are currently going through a process of exploring how we do that. Then that

will go through to the chief executive.

**Mr Savery:** But bear in mind that the ability to challenge an ACAT decision is primarily around a point of law in the AD(JR) Act as opposed to their interpretation versus our interpretation of the merits of the provision.

**MR SESELJA:** Indeed. How much did this case cost ACTPLA? Was ACTPLA represented?

**Mr Savery:** Yes.

**Mr Ponton:** We were.

**Mr Savery:** I do not have the detailed costs.

**MR SESELJA:** If you could get us some of those details, that would be great.

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

**MR SESELJA:** Was there a senior counsel representing ACTPLA?

**Mr Ponton:** We had counsel representing us, yes.

**MR SESELJA:** How many lawyers did you have representing you?

**Mr Ponton:** There was GSO and counsel.

**MR SESELJA:** And how long did the matter run for?

**Mr Ponton:** Ten days of hearings plus mediation.

**MR SESELJA:** So this would not be cheap? This would be in the tens of thousands or more?

**Mr Savery:** No, but can I again make a point in relation to it being suggested that this was a simple matter and that it is a mystery how we came to this decision. If it was such a mystery, why did it take 10 days of hearings and 45 pages of findings to arrive at the decision?

**MR SESELJA:** Is that what ACAT found? Did ACAT find that it was fairly clear cut in the end?

**Mr Ponton:** ACAT made the observation that it was a mystery to them how ACTPLA made this—

**MR SESELJA:** So it was ACAT's statement that it was a mystery to them as to how ACTPLA made it?

**Mr Ponton:** Indeed.

**Mr Savery:** But at the end of the day, in answer to your question, ACAT's decision was ACAT's decision. It is quite clear they do not agree with our interpretation that you cannot have repetition of those building elements.

**MR SESELJA:** And your advice is that they have not made any errors of law that you could, therefore, challenge?

**Mr Savery:** That is right. Bear in mind also that the developer has that opportunity, and they have not determined to challenge the decision either on a point of law.

**MR SESELJA:** Indeed. We look forward to getting some of those numbers.

**THE CHAIR:** Thank you.

**MR SESELJA:** While you take that on notice, could you also take on notice the total amount that has been spent on legal fees in defending cases by ACTPLA in this financial year to date?

**Mr Barr:** To date? Yes, to date is fine.

**MR SESELJA:** To date will be fine. If there is a budget, if we could get the budget for this year as well, then the budget for 2010-11 as well?

**Mr Savery:** It is not a budget; it is an expenditure figure.

**MR SESELJA:** Sorry?

**Mr Savery:** It is an expenditure figure. It is an expense.

**MR SESELJA:** Indeed.

**Mr Savery:** I was just clarifying that.

**MR SESELJA:** You do not try to estimate. That is fine. We will find out how much, if we could.

**THE CHAIR:** I note that that has been taken on notice. We will be breaking at 3.30. That will be the end of the planning session; so if people could be concise with their questions and please be concise with answers, we can see how much we can get through. Mr Smyth.

**MR SMYTH:** Minister, if we could go to some of the numbers, and starting on page 355, budget paper 4, I notice there is a one per cent reduction to the government payment for outputs and, indeed, there is a four per cent reduction in employee expenses. If, as on page 346, your staff level is actually going up two and your budget for employees is going down four per cent, how do you work that magic? And will you tell the Treasurer this is the best way to balance the books?

**Mr Barr:** And can it apply to other agencies? Mr Wurfel.

**Mr Wurfel:** The answer to your question is that there are some detailed notes that are provided at pages 358 and 359 but they do not particularly—

**MR SMYTH:** They are not particularly detailed.

**Mr Wurfel:** No, they do not particularly answer your question. The staffing numbers, as you indicated, on page 346 show a very small increase, from 285 to 287. What we have traditionally is a source of funding for both government payment for outputs and user charges, non-ACT and ACT government, and we use those sources of funds to meet the cost of staffing and other expenses.

We are, during the year, going through a process where we will be undertaking a full review of service levels, resource needs and funding mechanism, including fees and charges. At this time we expect that we can meet the cost of the 287 staff or some other number, if that is an outcome of the review of service levels and resourcing needs, as I have indicated, within a combination of GPO and user charges.

**Mr Savery:** I will be corrected here, obviously, if I am wrong, but the distinction between the 285 and the 287, if that is part of your question, is that the 285 is GPO and own-source revenue, and the other two come out of special projects funding, which is the COAG—

**Mr Barr:** There are a couple of—

**Mr Wurfel:** They have been budgeted for.

**Mr Savery:** Yes, but I am explaining where they are budgeted for. They are for COAG—

**MR SMYTH:** They have to be budgeted for, one would hope?

**Mr Savery:** I am just trying to think—

**Mr Wurfel:** Security payment scheme.

**Mr Savery:** Yes.

**MR SMYTH:** Where does that additional expenditure show up if it is not in employee expenses?

**Mr Savery:** That is in the \$250,000.

**Mr Wurfel:** That is incorporated in it, both on the budget side and on the expenditure side. As I mentioned to you, we source our funding from both GPO and own-source revenue. We will, during the year, be undertaking a review of our resource needs, our service levels and funding mechanisms. Two things could happen, one of which is that the staffing levels may change. The other thing is that it is likely that the fees and charges could change as well.

**MR SMYTH:** The other revenue line goes from a budget for this financial year of

\$51,000 to \$706,000, back down to \$53,000. In your detailed notes on page 359, it says that this is associated with the refund of amounts incorrectly charged. How did we incorrectly charge people \$600,000-odd?

**Mr Wurfel:** We were incorrectly charged in relation to two items, one of which was about \$400,000 internally by InTact. InTact, in fact, overcharged us for IT-related services. That was brought to our attention during the year and we, of course, said, "Thank you very much."

**MRS DUNNE:** Did you get the money back?

**Mr Wurfel:** We have, yes. The other one was related to one of our initiatives where, over a period of time, we have been paying for that directly and then Procurement Solutions invoiced us for it as well.

**MR SMYTH:** Good if you can get away with it.

**Mr Wurfel:** It would have been good if that could have been got away with. But the way that we work, through our processes, we work to budgets; so we have those internal controls, and managers are inclined to pick up those sorts of things as we move through. So they were both picked up.

**MR SMYTH:** On page 353, budget paper 4, there is an act of grace payment of \$80,000. What was that for?

**Mr Wurfel:** Act of grace payments. Yes, we had some act of grace payments during the year. They are related to extension of time fees where people have paid us extension of time fees under an arrangement. I think Craig or Ben can correct me on this. There was a change in government policy in relation to extension of time fees, and some people had paid us amounts which were afterwards decided to be incorrect.

**Mr Simmons:** Yes, it was during the financial crisis. There were some changes to the extension of time payments. People had paid us and they were reimbursed for what they paid us. The Treasury gives them a waiver, but we had collected the money; so we have to give it back to them, which makes me feel really bad.

**MR SMYTH:** It is unfortunate. On pages 352 and 353, under the FMA section 16B rollovers, I notice we rolled over \$336,000 from the East Lake sustainable urban renewal program in 2008-09. The question there is: has that been expended?

At the bottom of the page, second-last item, is a rollover of East Lake electrical infrastructure relocation of \$360,000. Could we please be informed as to what is happening there? Then, if you go to the last item on page 353, I notice that \$720,000 of the East Lake electrical infrastructure relocation was offered up as a saving. Could we have a reconciliation of the East Lake sustainable urban renewable and East Lake electrical infrastructure relocation?

**Mr Savery:** Sure. There is a continuing rollover for East Lake primarily because we are yet to complete the EIS process. All the work is ready to go in terms of carrying out the capital works program but we have to complete that statutory process. So we

have had to keep rolling over.

Of course, associated with that is the fact that we have not been able to complete all of our planning work because, if the EIS and subsequent DA do not support the electrical infrastructure going in the locations that have been recommended, then we would have to change some of our planning works. So there is a bit of a hiatus, even though we are still continuing with the development of our planning and design framework.

In terms of the East Lake electrical infrastructure relocation, the \$720,000, I believe that is because that is now going to be funded by LDA.

**Mr Wurfel:** That is right.

**MRS DUNNE:** By whom, sorry?

**Mr Savery:** Funded by the LDA. It is no longer being appropriated for by the government; it is coming out of the LDA.

**MR SMYTH:** So this is internal to the site? This is not, for instance, the powerline across—

**Mr Savery:** Yes. That is because the government has to contribute to the cost of the electrical infrastructure relocation and the substation in conjunction with ActewAGL.

**MRS DUNNE:** So that is part of the work that Actew is doing in relation to moving substations—

**Mr Savery:** It is entirely associated with that.

**MRS DUNNE:** But it is a contribution to that work?

**Mr Savery:** Yes.

**MRS DUNNE:** Why is the LDA, ACTPLA or anyone making a contribution to that work?

**Mr Savery:** To put it simply, ActewAGL could just upgrade the current switching station. They could put all the additional substation capacity onto the existing switching station within Kingston. The government does not believe that that is a good outcome and wants to facilitate an alternative location that meets a number of objectives.

**MRS DUNNE:** Yes; I have been briefed on that.

**Mr Savery:** ActewAGL is saying, “Well, you’ve got to contribute to the additional cost that occurs as a result of that,” including the undergrounding of powerlines.

**Mr Meyer:** Mr Smyth, I should just say that that second-last item of \$360,000 for East Lake electrical infrastructure is incorrectly titled. It should be the East Lake urban renewal—that rollover title. I just clarify that.

**MR SMYTH:** I have one last one, on the numbers. Page 99 of budget paper 3 shows the efficiency dividend. How much is ACTPLA giving up in the current financial year and where have those savings come from? And in the next year and the two outyears there is \$1.554 million worth of savings. How is that being accommodated?

**Mr Meyer:** Mr Smyth, the one per cent saving that we have identified constitutes \$345,000 through savings from InTACT in terms of their storage costs. They are doing very well to contributing to our bottom line.

**MR SMYTH:** And everybody else, apparently.

**Mr Meyer:** Yes. Obviously, given that we use IDMS or Objective, that is a very significant saving for us in terms of our document storage. So that addresses that. In terms of the second tranche of savings there, we have \$225,000, which constitutes three staff that will be saved through our customer services centre through natural attrition. That comes about through the electronic service delivery, the eDA, and ultimately the EBA systems that we are putting in place.

**MR SMYTH:** This is in 2010-11?

**Mr Meyer:** That is in 2010-11, yes.

**MR SMYTH:** But your staff are not going down. You are saving three staff, and the staff number—

**Mr Barr:** There are other staff coming on for other projects.

**Mr Meyer:** Yes.

**Mr Barr:** Some of the initiatives that are in BP3.

**MR SMYTH:** Okay.

**THE CHAIR:** Could I also ask this: with the savings you are making around the efficiency dividend, are you also looking at your energy consumption, water use and so forth? Are you making any inroads in that area?

**Mr Savery:** I think it is fair to say that we—I will boast about this—are one of the leading agencies—

**THE CHAIR:** It is good to hear.

**Mr Savery:** We are both fighting each other over this. Am I correct in saying that we are going to be given a green-star certificate for the efforts that we have already made? We have reduced our energy budget by about 25 per cent over the last two years. From a raw number dollar point of view, it does not express itself as a 25 per cent saving because there has been an increase in electricity costs in that time, but we have got a net saving in energy costs and it translates into about a 25 per cent reduction in energy. We have had an equally impressive reduction in water use; I do

not know what the exact figure is.

**Mr Meyer:** I think about 22 per cent was the figure. We have put in an external water tank, so that covers the landscaping works and so forth; we use that.

**Mr Savery:** Our entire fleet is four cylinder other than one car. We have got a couple of those ridiculously small cars, too.

**MR SESELJA:** I think you said when I was out of the room that there was a \$345,000 saving from InTACT. Is that correct?

**Mr Meyer:** That is correct.

**MR SESELJA:** What proportion of your total IT spend is that?

**Mr Meyer:** It is a percentage of \$6 million.

**MR SESELJA:** Of \$6 million?

**Mr Meyer:** Yes.

**MR SESELJA:** Okay.

**THE CHAIR:** Thank you. Ms Bresnan.

**MS BRESNAN:** Thank you. In budget paper 3, page 268, the sustainable territory section, the third dot point down mentions developing data systems for ecological and planning purposes. I am just wondering if we can get some more details about that project—or if, indeed, it is something which ACTPLA are involved in. It is page 268 of budget paper 3. It is the third dot point down.

**MS LE COUTEUR:** Is it possibly involved with the ACT mapping project?

**Mr Savery:** Yes. It relates to a number of things. I do not know if John Meyer wants to talk about the virtual infrastructure of the spatial planning system, but we are taking a whole-of-government approach in expanding the capabilities of the land information system that we manage. For the public, it appears as ACTMAPi, but there is actually a more powerful tool sitting behind it because the public does not get access to everything that we have access to. It is like the CIA.

**MR SMYTH:** What is your relationship with the CIA?

**MS BRESNAN:** That is an interesting statement.

**Mr Savery:** What we think we get access to in terms of the CIA is nothing.

**MR SMYTH:** How often does ACTPLA contact the CIA?

**Mr Savery:** I will put it this way. The systems that we operate on were developed by the CIA. They only release those to government agencies once they have much more

sophisticated tools. So we are using old CIA technology, if you like.

**MRS DUNNE:** Like ex-NASA.

**MR SMYTH:** Is this human rights compliant?

**Mr Barr:** So long as it does not involve the Israeli embassy!

**Mr Savery:** I will not go there. We are about to run a whole-of-government workshop, which will be the precursor to gathering what we hope will be a collection of data sets that are administered throughout the ACT government that do not appear. It will give us a greater capacity to put more data information onto our system, and that would be publicly available. It could be interrogated—not necessarily manipulated, but interrogated by people. We feel that we hold only a certain percentage of the total information pool that is existing.

Obviously, one of the key data sets is around ecological and environmental systems. That is held between TAMS, PCL, ourselves, the conservator et cetera. This is really a foundation stone, if you like, for further developing that system. Did you want to talk any more about that?

**Mr Meyer:** No, I think that covers it.

**MS BRESNAN:** Will it involve overlaying vegetation types into maps?

**Mr Savery:** Yes. What we want to do is gather up all the data sets that we have and see if there are any gaps. If there are then we would come back to government and say that we need to fill this gap, whatever it is.

**MS BRESNAN:** So that overlaying would happen. You would see if you have got that data; if not, that is something which would be developed?

**Mr Savery:** That would be a subsequent step, yes.

**MS BRESNAN:** Okay.

**MS LE COUTEUR:** Will the community be involved in this? They may have some data that the government does not have.

**Mr Savery:** They are unlikely to have it in the form of the data sets. These are spatial information data sets that are collected, which come from ESA. ESA is a great source of potential data and spatial data information. Unless someone in the public is running a GIS system out there—

**MS LE COUTEUR:** You never know.

**Mr Barr:** It would not surprise me in this territory.

**MS LE COUTEUR:** Farmers at Mount Majura are using GIS to track rabbit warrens.

**Mr Savery:** They are using it, yes; they do not actually own a data set. But I am happy to be proven wrong.

**THE CHAIR:** Ms Bresnan, any more on your question?

**MS BRESNAN:** Just in relation to this, has ACTPLA had input into the development of the government's land development offset policy?

**Mr Savery:** That is a whole-of-government project; obviously the lead agency is DECCEW and it comes under the umbrella of the Nature Conservation Act. Yes, we have commented on it. It is a cabinet process; I really cannot delve into the detail of it, because it is working its way up to government at the moment.

**MS BRESNAN:** But as you said, the input has come through—

**Mr Savery:** Every government agency has been involved in that.

**THE CHAIR:** Mrs Dunne.

**MRS DUNNE:** Madam Chair, before I ask my question, I want to point out that, when I opened the questioning about building quality and unit plans, I asked what were the 10 areas that Mr Savery had identified for review. The minister talked about four of them. Could I ask on notice whether we could have an exposition of the 10 areas that Mr Savery referred to.

**Mr Barr:** We are more than happy to do that.

**MRS DUNNE:** Thank you.

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

**Mr Barr:** I can do it now.

**MR SESELJA:** No, not now.

**Mr Barr:** Not now?

**MRS DUNNE:** Yes, I thought it might be considered to be flogging a dead horse if I reopened it.

**Mr Savery:** Could I also inform the committee that, since the airing of that program, there is now an 11th because it managed to generate a response where someone has recommended another measure which we think has some potential.

**MRS DUNNE:** The question I would like to ask, and it relates partly to this, concerns the review of the Unit Titles Act. It has been agreed in government that there will be a review a year after the final commencement of elements of the Unit Titles Act. I understand that JACS will have principal carriage of that review. I was wondering what role ACTPLA will have in the review and what you believe your parts of the terms of reference should look like.

**Mr Barr:** JACS are the lead agency on the review. They will be taking the lion's share of the work.

**MRS DUNNE:** Yes, but you have a substantial part of the unit titles legislation.

**Mr Savery:** In relation to the changes that were made, the principal part of the change is transferred responsibility to JACS. So where there are residual responsibilities they are not subject to review. They are our ongoing administration of unit titles through the leasing process. They were not fundamentally changed. The part that was changed related to body corporates and their administration within JACS.

**MRS DUNNE:** So you do not see that you particularly have any role?

**Mr Savery:** We do not administer that part of the legislation.

**MRS DUNNE:** So it will not be necessary for the Attorney-General to speak to you, minister, about the unit titles legislation?

**Mr Barr:** It will come to cabinet and I will have input at that point, but it is not a project that we are jointly running. It is a JACS project.

**MRS DUNNE:** Thank you.

**THE CHAIR:** Ms Le Couteur.

**MS LE COUTEUR:** Budget paper 4, page 351—there are a couple of key deliverables. They both relate to the affordable housing action plan. One of them is to investigate 10 per cent of vacant leased single residential land. I will not read them all out. I am referring to the top of page 351, the top two accountability indicators. Can you tell me in a bit more detail what they relate to and how they relate to the affordable housing action plan? I assume it might have something to do with the 15 per cent affordable housing to be delivered.

**Mr Savery:** Not necessarily.

**MS LE COUTEUR:** But I could be totally wrong.

**Mr Simmons:** This really goes to issues around why the extension of time fee was changed. This is about looking to prevent or crack down on land speculation. One of the things that we were looking at was greenfields—making sure that when leases had been granted we were proactively going out and doing an audit against those leases to make sure that the development was taking place in the time frames that were set. As you would appreciate, the longer a block of land sits there, the greater the expense has to be covered. One of the purposes of the commence and complete covenants in the leasehold system is to encourage the speedy development of houses on the ground. The longer that period takes, the more expensive it is—or, alternatively, the blocks of land remain vacant and get transferred over again. It is about proactively going out and having a look at those.

**MS LE COUTEUR:** My supplementary is: given that I was wrong and it has got nothing to do with checking whether 15 per cent is affordable housing, how do you actually do that checking? Where does that come in—or is it someone else?

**Mr Ponton:** That is dealt with through the deed of agreement for land sales in terms of the requirement for the 15 per cent affordable housing. There is provision in the deed that says that it must occur. Through the administration of the deed, we check to ensure that that is being achieved.

**Mr Savery:** The deed, by way of government definition, reflects what affordable housing is, which has just been changed in the last few months.

**MS LE COUTEUR:** So you would go at the end and check the sales price—that enough of them were under \$320,000—now \$322,000?

**Mr Ponton:** Not just at the end. It is also at the beginning in terms of the estate development plan. We have a plan that identifies which blocks will be in that category.

**Mr Savery:** So the developer has to effectively nominate.

**THE CHAIR:** I note that the government will be offering eligible purchasers of land in the suburb of Bonner a rebate for solar or heat pump hot-water systems. Who is eligible for the rebate and why is the rebate being offered only to residents of Bonner?

**Mr Barr:** It is an LDA program.

**THE CHAIR:** LDA, right. The minister for environment has sent us here, so now we are off to the LDA.

**Mr Barr:** It is not our program, sorry.

**THE CHAIR:** Thank you. We will put it on the next list.

**MS LE COUTEUR:** That is tomorrow.

**THE CHAIR:** Let us move to the tune-up Canberra program.

**Mr Barr:** That is our program.

**THE CHAIR:** Good. I note that the program has been adapted into a two-stage program since last year's budget—the first stage being a report on the building and the second stage being capital improvements. How much of the \$2 million from last year's budget has been expended and how much more funding from ACTPLA will be put into the program? I also wanted some idea about the split between capital improvements and the administration costs for ACTPLA.

**Mr Savery:** I can make some initial comments. When the project was committed to by the government, it had not determined whether there would be stages or not. Our advice to the government, which was accepted, was that prior to the grants being issued we needed to go through a due diligence process to determine how the program

should be run and operated. In particular, we were mindful of the future, whereby we wanted to be in a position to demonstrate to government that if this program proved to be successful we could recommend that it continue or, in the alternative circumstance, if it was not delivering on the objectives that we could recommend to government that it should abandon this approach and do something different.

The only way to do that was to set up some process of measurement and performance. That is what we set out to do. We have engaged consultants to assist us in developing the program. We engaged with the Green Building Council, the Property Council and the MBA to provide their input into the process. As a result, we have come up with a very structured program for who is potentially eligible, what sorts of properties we are targeting, what amounts might be available—bearing in mind that in the first year, which is the current financial year, there is only \$500,000 available and in the next financial year there is \$1.5 million.

Through that process, it was determined by our consultants and recommended to us—and, I understand, accepted by the industry groups that we consulted with—that we would run a two-stage process, with pre stage 1 being a pre-qualification process: “Come in, tell us you’ve got an interest, show us what it is that you are proposing to do and what sort of money you might be seeking and what you are prepared to contribute, bearing in mind there has got to be a minimum dollar for dollar to qualify for the grants. On the basis that you get past the stage 1 assessment, we’ll make more funds available for you in stage 2.”

The equivalent of stage 1 is almost associated with the \$500,000 and then stage 2 with the \$1.5 million. It will not necessarily work strictly according to that formula. We have already run the expressions of interest in April. I might ask Mr Walsh to take over from there in terms of where we are at.

**Mr Walsh:** I might also clarify that stage 1 is constructing the business case and the justification for subsequent capital funding. If a building owner or lessee already has a business case that is robust and sound, they can approach us directly for stage 2 funding—for the actual capital funding. You do not necessarily need to run through stage 1 and stage 2. To qualify for stage 2, you can come straight into stage 2.

As Mr Savery has said, we are running a rolling program here with the tune-up Canberra; 11 June is when the first round will close. Then we will make assessments. We have established an independent panel to look at those assessments with representation from industry, from ACTPLA and from Treasury as well. Once those assessments are made, we are expecting to have, as I mentioned, the announcements made towards the end of June, early in the new financial year, with subsequent rounds running through to 3 June 2011.

**Mr Savery:** Can I also just answer your question on the separation of administrative costs and capital costs? We have quarantined \$2 million to be available for grants. Therefore, our administrative costs are taken out of our GPO.

**MR SESELJA:** In relation to solar access, I just wanted to get an understanding of what has been happening. Obviously, we have asked this question a lot of times and we have seen movement. With the Molonglo valley coming up, what particularly has

been put in place to maximise the solar orientation of the blocks?

**Mr Savery:** Our concept plans which were prepared probably two years ago have become precinct codes. They are used as the principal device for assessing any estate development plans. We have already got our first for the suburb of Wright, which is currently being assessed.

They took a very general and broad principle to the issue of solar orientation as opposed to solar access, because solar access comes down to the individual building unit, which we do not deal with at the point of concept plans. What we endeavour to do through concept planning is to maximise the potential for each block to have good quality solar orientation. Then, of course, if you have got that you increase or enhance the prospect of getting good solar access as you drill down.

In relation to the residential codes that are currently under review, which as I said earlier are due to be released at the end of June, my understanding is—Mr Ponton or Mr Walsh may want to add to this—the LDA has already determined that it wants to adopt the standards that are contained within those codes ahead of those codes being adopted, which could be hypothetically 12 months, because they are going to have to go out for public exhibition. They are potentially going to be the subject of a committee inquiry—all of those sorts of things. So the LDA is saying: “We are not necessarily going to wait for that. We want to adopt those standards now.”

The main issue would be that if subsequently anyone wanted to test it—if we were to approve the EDP on the basis of those future standards—we could not necessarily stand by them or rely on them if anything went to ACAT. The prospect of anything going to ACAT is very remote.

**MR SESELJA:** On some of those specifics that are in the code that are being now adopted by LDA, what does it mean, for instance, for block sizes? Is it harder to get the smaller blocks under the configuration that is needed?

**Mr Savery:** On the question of solar access, it is harder to get solar access on a smaller block without changing your building typology. The smaller lots tend to lend themselves to achieve isothermal comfort, solar orientation and solar access. It actually lends itself to a townhouse-style development, potentially.

But they have got to come to us with what their building forms are. The other thing that it lends itself to doing is actually nominating building envelopes. It is not a requirement that you have a building envelope, but by establishing what the building envelope is on smaller lots, you are ensuring that the adjoining owners have some level of confidence that their solar access will be maintained through any subsequent development that occurs.

**MR SESELJA:** With some of those codes, are things like fence heights included? So are we going to see a limit now on fence heights—no more than, say, six foot?

**Mr Savery:** I do not know what the limit is. The solar fence is a principle embodied within the solar access. It certainly gets factored into setbacks and potentially the height of fences. We have exempted fences from the need for a DA in the last couple

of years. The government has exempted that by way of regulation. So we are certainly mindful that we do not want to see fences coming back into the development application process.

This is really about setting a benchmark at the time of EDPs so that the fences get built in accordance with that rather than seeing them come in as individual development applications. Can I also make the point that trees become an issue. They are not easily resolved in this process. And we are not talking about trees that exist today. We are talking about someone planting a tree in their backyard. We cannot control that through this.

So we can set up the parameters for solar access at the point of greenfield development, but they can be altered through future things that people do on their own blocks that we cannot necessarily regulate for.

**MR SESELJA:** We do often see that coming into conflict I think with some of the tree protection legislation. The solar aspect does not always fit very well with keeping every tree.

**THE CHAIR:** Do you have a particular example, Mr Seselja?

**MR SESELJA:** I have got a tree in my yard.

**THE CHAIR:** He complains about it all the time.

**MR SESELJA:** Indeed.

**THE CHAIR:** As mentioned at the commencement of the hearing today—

**MR SESELJA:** Sorry, can I have just one more?

**THE CHAIR:** 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, the committee has agreed that written questions on notice will only be accepted for three working days following this public hearing for the ACT Planning and Land Authority.

Members, please provide any questions on notice to the secretariat by the close of business on Monday, 31 May 2010. Questions on notice pertaining to this agency will not be accepted after that time.

On behalf of the committee, I would like to thank the ACT Planning and Land Authority for attending today and, of course, the minister. I would also like to thank you in advance for responding promptly to questions taken on notice and given on notice. This public hearing is now adjourned until 3.45 pm, when we will recommence with Exhibition Park Corporation.

**Meeting adjourned from 3.30 to 3.47 pm.**

**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 recommence with the examination of the Exhibition Park Corporation; CMD output class 3.1, tourism; followed by the Department of Territory and Municipal Services output classes 1.1, sport and recreation, and 2.2, events. We will conclude with the ACT Gambling and Racing Commission and output class 1.1, gambling regulation and compliance.

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 Byles:** Yes, Madam Chair.

**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, Minister for Tourism, Sport and Recreation, would you like to make a short opening statement?

**Mr Barr:** No, thank you, Madam Chair. We will just proceed to questions.

**THE CHAIR:** Thank you. Mr Smyth.

**MR SMYTH:** Minister, at the bottom of page 493 of budget paper 4, I note that in the notes the budget statement says:

At the time that the 2009-2010 Budget was prepared it was expected that EPC would be subsumed within the Department of Territory and Municipal Services from 1 July 2009. The Government subsequently retained EPC as a stand-alone Statutory Authority with its own budget.

The truth is that you were directed by the Assembly to do so through the rejection of your bill, and I would suggest that you might like to amend that to reflect the history more accurately. But, to the future of EPIC, the petrol station site and restaurant, can you inform the committee of the status of the former Shell service station site—what is happening and what the time frames are, please?

**Mr Barr:** I will get Ms Clarke to provide that information.

**Ms Clarke:** I am more than happy to provide you with an update of the service station status. There are two components happening at the moment. One is contractual negotiations with the successful tenderer for the service station. I met with the

successful tenderer yesterday and it looks like we will be able to finalise that contract fairly soon. As well, EPIC at the moment is going through a procurement process to demolish the service station and the fast food outlet to provide a clean site for the successful tenderer to develop that site as a service station. As part of that process, we will be issuing an expression for tender to demolish, probably on 3 June—that is the expected date—to seek a company to demolish the site.

As well, there is currently a National Capital Authority development control plan that has been issued. I met with the NCA, National Capital Authority, last week and I was advised that that plan will be reissued following comments received, submissions received, for that plan. The process for that plan, once it is reissued, will be a six-week process for consultation and then the NCA board will consider the recommendations from NCA at its next board meeting, which will be on 20 August; I was told that.

**MR RATTENBURY:** A quick clarification: did you say the service station has been demolished or will be demolished?

**Ms Clarke:** It will be demolished, yes.

**MR SMYTH:** Minister, I have had a briefing on this, so some of these answers I have, but I think the committee might be interested in this. The site closed when?

**Ms Clarke:** The site stopped operating, the service station stopped operating, in January this year.

**MR SMYTH:** And you expect it to reopen when?

**Ms Clarke:** Following the development, the successful tenderer will need to put in a development application and upon approval of that they will be developing that site.

**MR SMYTH:** So an approximate time frame?

**Ms Clarke:** An approximate time frame, I would envisage, would be later in 2011.

**MR SMYTH:** And who bears the cost for the loss of income to EPIC while it is shut?

**Ms Clarke:** The corporation bears that cost.

**MR SMYTH:** And the expected loss over that time is?

**Ms Clarke:** I am sorry; I am not willing to say what that is at the moment. It is commercial-in-confidence.

**THE CHAIR:** Mr Rattenbury.

**MR SMYTH:** Well, how will the loss be funded then?

**Ms Clarke:** The corporation will carry that loss and look at alternative ways of increasing the revenue stream.

**MR SMYTH:** All right.

**MR RATTENBURY:** The intention is to have a new service station on that site; am I correct?

**MS Clarke:** Absolutely; that is right.

**MR RATTENBURY:** Why are we demolishing a working service station to then build a new service station?

**Ms Clarke:** The site is quite old. The facilities there are quite old as well and advice was that that is the best way forward, to provide the successful tenderer with a clean site. The fuel tanks were old as well and it just means, for the territory and the corporation, that at the end of the new lease, in years to come, we will then have, as well, a clean site so that we can develop, if we so choose. There is always a sort of age limit on the tanks. So that is why we are doing that.

**MR RATTENBURY:** Are there any remediation works that need to be done as a result of that?

**Ms Clarke:** We have actually got a company at the moment that is going through ensuring the surveying of the land—that there is no contamination—and getting it to the status that it should be to have a new service station and new tanks put in.

**MR RATTENBURY:** Okay. Thank you.

**MR SMYTH:** If there is contamination, who will be responsible for it?

**Ms Clarke:** The corporation would be responsible for it. But, at this stage, there is no sign that there is any contamination of the site.

**MR HARGREAVES:** How old did you say those tanks were, give or take a bit?

**Ms Clarke:** I would have to take that on notice. I am sorry—22 years?

**MR HARGREAVES:** Has there been any evidence of leach out around that site or reported to any environmental authorities? No?

**Ms Clarke:** No, there has not.

**MR HARGREAVES:** I recall—and Mr Smyth would remember this—that Torrens service station actually suffered from leach out into the pavement shortly after it closed down and we had a remediation issue there. I was just wondering whether there was any similarity between the two sites.

**THE CHAIR:** So there is not a leaching problem. I want to go to the priorities for 2010-11 on page 487. You talk about the implementation of a strategic marketing program. Are you able to give details of what is proposed there?

**Ms Clarke:** I am sorry, I am not at the moment. The board will be considering that. At the moment we are just finalising that marketing and sales plan. But, certainly, the focus for the corporation will be on increasing the revenue coming into the corporation.

**THE CHAIR:** And that is linked to the strategic plan?

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

**THE CHAIR:** And when will that be finalised and out in the public?

**Ms Clarke:** We have actually got the 2009-13 strategic plan posted on our website. The board is meeting tomorrow and will commence discussions for the 2010-14 strategic plan. That should be finalised over the next month.

**THE CHAIR:** So it will be out for public consumption after that?

**Ms Clarke:** Absolutely.

**THE CHAIR:** Okay. Thank you. Mr Seselja.

**MR SESELJA:** Sorry, I do not have a question, chair.

**THE CHAIR:** Ms Bresnan.

**MS BRESNAN:** Yes. In budget paper 4, page 487, one of the priorities is listed as “constructing a plant to process non-potable water for irrigation of the venue” and on page 489 it is described as “plant to process effluent water”. Can you just outline what sort of plant exactly will be installed and how much water is expected to be saved from this?

**Ms Clarke:** We are proposing that there will be about a 20 per cent saving in water. Certainly, we are looking at a project that will be using water from the Flemington Road ponds, and the treatment plant will be developed as part of that. Sorry; it is not really a treatment plant—the plant that needs to filter the water will be developed commencing this coming financial year.

**MS BRESNAN:** Okay. So when is that expected to be working from?

**Ms Clarke:** The water will be coming online around mid-2011. So it will be all finalised and non-potable water able to be used to irrigate the EPIC site, which will be fantastic. A 20 per cent water saving will be really very good.

**MR HARGREAVES:** That is that \$2½ million on page 488 of budget paper 4. That is what that is talking about?

**Ms Clarke:** Yes.

**MS BRESNAN:** And is there any expected opportunity to generate revenue from it or is it mainly going to lead to water savings for the site?

**Ms Clarke:** It will mainly lead to water savings. One of the other projects that we will be looking at over the next 12 months is to drought proof the site. As you are probably aware, it is a very large property and we need to ensure that we have a drought proofing plan in place. Certainly, that project of the non-potable water will be a key for us to ensure that we have a sustainable drought proofing plan.

**MS BRESNAN:** Okay. Thank you.

**MR RATTENBURY:** Could I ask a supplementary?

**THE CHAIR:** Mr Rattenbury.

**MR RATTENBURY:** Sorry, I am unclear. Flemington Road is essentially still stormwater run-off?

**Ms Clarke:** That is right.

**MR RATTENBURY:** I am now unclear between that and effluent processes.

**Ms Clarke:** At this stage my understanding is that there is an issue with the name of the project. It is actually not effluent water; it is non-potable water. It is from Flemington Road. It is stormwater.

**MR RATTENBURY:** There is just one project, which is the Flemington Road stormwater dam.

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

**MR RATTENBURY:** Thanks.

**Ms Clarke:** Sorry, I should have clarified it.

**THE CHAIR:** Mr Smyth.

**MR SMYTH:** Minister, on page 487, the sixth dot point talks about developing a master plan for EPIC. Does EPIC currently not have a master plan?

**Ms Clarke:** I am more than happy to answer. The master plan at EPIC is being reviewed at the moment. There was a draft master plan that is now going to be re-looked at. So we will be working on that over the next couple of months to ensure that it meets our strategic plan.

**MR SMYTH:** When did that draft master plan first come into being? Is that the one that is five or six years old now?

**Ms Clarke:** Yes. I am not sure how old it is but I do know that there was a draft master plan.

**MR SMYTH:** Minister, why does EPIC not have a master plan? Why has it taken so

long and why will it now take even longer?

**Mr Barr:** That is a matter for the board and the corporation to determine.

**MR SMYTH:** But you, as minister, would take the master plan to cabinet?

**Mr Barr:** It has obviously got to come to some finalisation and agreement and that is not there at this point.

**MR SMYTH:** Many of the developments that have been contained in previous attempts at the master plan rested on the status of block 751. Has EPIC acquired that block yet?

**Mr Barr:** Yes, cabinet has approved an acquisition of part of block 751.

**MR SMYTH:** How much of block 751?

**Mr Barr:** Sixteen hectares.

**Ms Clarke:** Nearly 16, yes.

**MR SMYTH:** Will EPIC retain the right to develop low-cost accommodation on that part of block 751?

**Mr Barr:** Yes.

**MR SMYTH:** And has it actually been paid for and transferred?

**Ms Clarke:** It is just going through a process at the moment for that. But obviously there is a process of combining the two. The two blocks of land are going to become one block; so there is a process that needs to be undertaken within the department.

**MR SMYTH:** When do you expect to have control of the block and commence your activity?

**Ms Clarke:** The commitment is there now. We are now going through the process of developing a model, to develop the accommodation map.

**MR SMYTH:** How much did EPIC pay for the block?

**Ms Clarke:** I am not willing to comment about any of the commercial aspects of that because, if we go with the model of having a developer on the block, it would have an impact on negotiations on the contract.

**MR SMYTH:** In what way, in that you would on-sell part of the block?

**Ms Clarke:** That is not part of the model, no.

**MR SMYTH:** How does the value of what you paid for it therefore affect the development, if you are not on-selling it?

**Ms Clarke:** To me, it would mean that it is not an appropriate figure that should be talked about, whether there was a cost or not.

**MR SMYTH:** Minister, is this acceptable?

**Mr Barr:** I am comfortable. We accept the advice of the corporation.

**MR SMYTH:** I will think about it, because I am not sure there is a valid reason for not revealing that cost.

**THE CHAIR:** Mr Rattenbury, any supplementaries?

**MR RATTENBURY:** Yes. On the accommodation, you said the intention is to develop low-cost accommodation on block 751?

**Ms Clarke:** Yes, that is right.

**MR RATTENBURY:** And is there a time line on that?

**Ms Clarke:** We would be hoping to see accommodation developed by the end of 2011 or early 2012.

**MR RATTENBURY:** And how does this relate to the minister's announcement today of low-cost accommodation on block 3, section 95, in Watson in July?

**Mr Barr:** There are a series of blocks that are being released for tourist accommodation across the city. You would be aware that I have mentioned in previous hearings a block in Bruce. There are other blocks in Watson. There is one in Civic. We are also looking at Stromlo forest park, the Lyneham sports precinct. There are a number of blocks that will be released for a variety of different forms of accommodation.

**MR RATTENBURY:** I am interested in whether it has an impact on EPIC's business plan.

**Mr Barr:** Different types of accommodation.

**MR RATTENBURY:** The one in Watson is listed as low cost.

**Mr Barr:** That is right. There are different sorts of low-cost accommodation—I am sure you would understand—such as ones that cater specifically, say, for school groups, as opposed to ones that might be looking at the particular needs of Exhibition Park.

The other point to make is that I think there is capacity in the marketplace for more than one block, and we will be losing some of our other low-cost accommodation in close proximity. For example, the City Gateway Motel has already gone to the ANU and will soon be redeveloped. There are a number of other low-cost motels or low-cost accommodation elsewhere in the city that have been turned over to higher

order economic uses. There are a number of examples of that that have occurred in the last few years.

More than one block is required, and Exhibition Park has a particular, distinct model that it is looking at. But there is a need for additional accommodation across all bands of tourist accommodation, from the high end in the city block to the lower end that would be accommodated through the Watson release and Exhibition Park.

**MR RATTENBURY:** Can I ask: who is currently the CEO of the corporation?

**Ms Clarke:** I am the general manager.

**MR RATTENBURY:** So you have replaced Tony Sadler?

**Ms Clarke:** Yes, I have.

**MR RATTENBURY:** And do you still work for the ACT government?

**Ms Clarke:** Yes, I do.

**Mr Barr:** Mr Sadler's position was a public service position, yes. There is a new chair of the board and a new deputy chair. I have written to the standing committee, seeking a comment on Mr Haskins as the new chair of Exhibition Park. Mr Barclay, the deputy chair, has been acting as chair. Mr Sadler's public service position became vacant upon his retirement, and Ms Clarke won that position.

**MR RATTENBURY:** Ms Clarke, you were formerly on the board?

**Ms Clarke:** Yes, I was for a short period of time.

**Mr Barr:** And she now sits on the board in an ex officio capacity, as we have well established, yes.

**MR RATTENBURY:** As we have ascertained, yes indeed. So you no longer work for the Department of Territory and Municipal Services?

**Ms Clarke:** No. I work for the Exhibition Park Corporation.

**THE CHAIR:** Mr Seselja.

**MR SESELJA:** Yes. I have a follow-up. I was out of the room while some of this was being discussed but, on the issue around revealing the price paid for this block, could you please explain to the committee—it is not clear to me—why this is commercial in-confidence?

**Mr Perram:** One of the particular concerns we have with revealing the cost at this stage is that the model that we are heading towards with EPIC is to go to an expression of interest or tender base for the subleasing of that site. The placement of the value of that land into the market at this stage would prejudice what that price should be.

**MR SESELJA:** But the price of blocks is something that is ordinarily publicly available. It does not normally compromise any other commercial arrangements. People tend to know what is paid for a block of land anywhere in Canberra. Why is this one particularly secret?

**Ms Clarke:** I would not say it was secret. It is just that as part of the—

**MR SESELJA:** It is a secret to the committee at this stage.

**Ms Clarke:** At this stage, as part of developing our model, it is best that we do not talk about the commercial value of that land. But once the model has been—

**Mr Barr:** So it will become public.

**Ms Clarke:** Yes.

**MR SESELJA:** When will it become public?

**Mr Barr:** At the conclusion of the negotiations over the preferred tenderer.

**MR SESELJA:** I have never—

**Mr Barr:** If this is going to become a major issue, how about I take it on notice now and seek some advice? If I can provide the figure and the committee can respect the confidentiality of the figure and not put it in the public arena, it might be a useful way through this. I am happy to do that.

**MR SESELJA:** It may or may not be. It is still not clear to me. Commercial negotiations often go on on the back of sales of land, and sales of land are published as a general rule. We can get that access generally. It is just not clear to me why it is particularly sensitive for someone to know what the land is worth. The land will have a set value and you either paid a little above market or a little below market, but I fail to see how that actually makes a difference to the negotiations.

**Ms Clarke:** We can take that on notice then.

**THE CHAIR:** I note that that has been taken on notice. Members, we do have a full agenda this afternoon, so we will now move on.

**Mr Barr:** Is tourism next, or sport?

**THE CHAIR:** We are now on 3.1, tourism, and then we will be moving on to 1.1, sport and recreation, and then 2.2, events.

**Mr Barr:** Okay. We will just have a switch of personnel then.

**THE CHAIR:** Before we proceed with questioning, can you please confirm for the record that you understand the privilege implications of the statement before you on the table? Thank you. I would like to start with a question around the French

masterpieces exhibition. This was obviously a huge success with thousands and thousands of people attending the exhibition. What was the financial outlay from the ACT government and what return did the government get for its investment?

**Mr Barr:** \$500,000 was the contribution to the National Gallery for the national marketing campaign. There was also a considerable amount of in-kind support provided through promotion of the event on the Visit Canberra website and through Australian Capital Tourism staff being involved in their regular day to day work. Direct return to government? Probably very little. Direct return to the territory economy? Significant. The gallery has estimated something in the order of \$100 million.

**THE CHAIR:** To the ACT economy?

**Mr Barr:** To the ACT economy, yes.

**MR SESELJA:** There is a bit of GST in that.

**Mr Barr:** Presumably only offsetting expenditure elsewhere. GST is allocated on population where people live, not where the economic activity occurs.

**MR SESELJA:** It is a combination, I think, isn't it?

**Mr Barr:** No, it is not. It is all based on population. We can have as much economic activity as we want, but what matters is how many people live in the territory. There is very little return to government directly into the coffers, but clearly there is significant economic activity.

**THE CHAIR:** And you are happy with that estimate from the gallery?

**Mr Barr:** That is based on, as I understand it, a fairly robust assessment of event expenditure for people interstate, visitors coming to attend a major tourism event—so yes.

**THE CHAIR:** Given the success of the French masters exhibition, what plans does the government have for similar events in the future? I am trying to get some idea of what you are planning for in 2010-11.

**Mr Barr:** Any time Ron Radford can get artwork of that quality I am sure we will be happy to support such a partnership. What I think it has done, Ms Hunter, is set a benchmark for the sorts of events and activities that a national institution might be able to bring to the city that would not warrant an in-kind or a cash contribution from the ACT government or Australian Capital Tourism towards a marketing effort.

We have obviously, through discussions with Tourism, talked a little—and I will get someone to comment on this in a minute—about what would be the sort of threshold. Obviously a number of institutions have said, “Well, you’ve supported the gallery. Why won’t you support?”—I do not want to single anyone out—“a certain open day or what would be a regular piece of core business for a national institution?” We have got to set some benchmarks around the threshold of an event before we would

contribute in that level. The sorts of figures we have been talking about are 200,000 to 250,000 visitors. That sets a pretty reasonable benchmark for a blockbuster event that you would support.

I am afraid there is not anything on the scale of the French masterpieces in the next 12 months. We hope that down the track there will be something else. We are not looking at anything that is going to bring half a million people to Canberra like that event did, but there will be other opportunities, I am sure, with other institutions as well.

**MR HARGREAVES:** These visitors that you are talking about, minister—the 200,000 to 250,000—they are visitors to Canberra, not people going through the turnstiles?

**Mr Barr:** Yes, that is right. We are talking—

**MR HARGREAVES:** Over and above the Canberra crowd.

**Mr Barr:** Yes. The postcode data that the gallery got from their ticket purchases indicated about 80 per cent of the half a million visitors, or thereabouts, to the masterpieces exhibition came from outside the ACT. That gives us an idea of the tourism drawcard of the event as opposed to the local attendance. What we are talking about for a blockbuster, in terms of tourism investment, is that you get the 200,000 to 250,000. On my quick maths, 80 per cent of 500,000 is about 400,000. So this one well exceeded that benchmark.

**THE CHAIR:** As we are getting closer to 2013, how does tourism fit in with the centenary unit? How are they working together?

**Mr Barr:** I think Mr Cappie-Wood is best placed to talk about this one.

**Mr Cappie-Wood:** Thank you. With the relocation of tourism from TAMS to the Chief Minister's Department, one of the key reasons for that was to explore the synergies for programmatic alignment as we move towards the centenary, to make sure that in terms of forming up the program for the centenary we are also keeping a very strong mind to the external marketing opportunities. With that happening in the centenary, we are now engaging closely with tourism to say, "What are the elements that we can see an external marketing campaign forming up around?" and, "How, together with the existing events arrangements within the ACT, do we see a complete suite of lead up to and hopefully legacy past the centenary arrangements?"

To date there have been a number of discussions, as the program solidifies around the centenary, about how we then look to the external marketing capacity within Tourism to make sure we get the best out of that.

**THE CHAIR:** Obviously, one of the projects that have been going for some time is the arboretum. That received quite a lot of dollars into it, again, in the 2010-11 budget. One of the things that the Canberra Business Council have certainly said is that it is essential that there be a well-developed tourism strategy around the arboretum. What work is being done there?

**Mr Cappie-Wood:** There have been discussions, already, with LAPS. The Department of Land and Property Services have management responsibility for the delivery of the arboretum, to ensure that their vision that is, if you like, still being finalised in terms of the complete plan for the arboretum, particularly as now there is private sector investment in there, to make sure that we have a clear understanding about how that can be externally marketed, knowing that there is going to be a lead time of a number of years clearly for the arboretum to reach its potential. Those people who have been shown the arboretum from a tourism perspective can see the opportunities there but also recognise that it is going to take a few years for that to really bloom, if you will forgive the terrible pun.

**THE CHAIR:** Mr Seselja.

**MR SESELJA:** Thank you. Minister, there are a number of areas where tourism or tourism related issues are covered in government. Could you talk us through the relationship between tourism, output 3.1; coordinated communication and events, output 1.4; and events, which is TAMS output 2.2?

**Mr Barr:** Australian Capital Tourism transferred from the Department of Territory and Municipal Services into the Chief Minister's Department part of the way through this current financial year. So you will see in the budget papers a part-year effect of that transfer. The events unit within CMD is the responsibility of the Chief Minister and so it largely is delivering community level events. Tourism runs, through its appropriation, tourist focused events, so Floriade, for example and the new autumn event.

Territory Venues and Events, which will come up for discussion later this afternoon, operate three facilities, Canberra Stadium, Manuka Oval and Stromlo Forest Park, and so there are a number of events that are associated with those three territory assets—obviously, sporting matches largely at Canberra Stadium, but they also host the Crusty Demons and some other activities—

**MR HARGREAVES:** What are the Liberal Party doing out there?

**Mr Barr:** Stromlo Forest Park, clearly, has hosted in recent times the world mountain bike championships and other major events.

**MR SESELJA:** So that is what they all do individually. There is obviously an overlap there. If you look at something like Stromlo Forest Park and some of the events there, they are significant tourist events for Canberra. How do those interrelate? Is there a link person within Chief Minister's who sort of has oversight of them all? How do they work together?

**Mr Barr:** Depending on the nature of the event, if it is an event with tourism potential, there is that Australian Capital Tourism involvement with the event manager. In the case of the world mountain bike championships, as we have considered in this and annual report hearings, there was a problem with the private sector event manager, so the government had to step in. So there was close collaboration with Australian Capital Tourism in relation to the marketing and promotion side of the event.

Generally speaking, Australian Capital Tourism confines its role to that. It does not get into the business of trying to run other people's events. It has some distinct events that it runs itself and it provides advice on the external promotion of events. But I think the distinction also needs to be drawn between events that are run by Territory Venues and Events and where their venue is hired and it is an external operator who is running the event. It is then up to the external operator as to whether they want to work with Tourism to broaden the marketing effort, and that often depends, obviously, on whether the event in question is supported by government. If we are putting any money into the event, it is a requirement, from our perspective, that there is a tourism return if it is that sort of event. If it is not a community level one but one that is for an interstate or international market, then we would involve Tourism.

**MR SESELJA:** So it sounds like it is on an issue by issue basis that these various things can be—

**Mr Barr:** It needs to be because Tourism, for example, is not marketing the dogs day out or the teddy bears picnic, which are local community events, or the Weston Creek Community Council fair or whatever. It is sort of really an escalating—on the scale of the events.

**MR HARGREAVES:** Or even the big ones, like the Tuggeranong Community Festival.

**Mr Barr:** Or even the big ones like the Tuggeranong Community Festival that are clearly local events. But then, of course, there are times when it is a grey area. I am sure that if you asked Canberrans whether Floriade is their event or a tourism event, they would say it was their event, but they do not mind inviting tourists too. But equally, we fund it out of tourism to be a major flagship tourism event.

**MR SESELJA:** Sure, okay.

**THE CHAIR:** Mr Smyth.

**MR SMYTH:** Thank you, Madam Chair. Minister, does the government or the tourism organisation have a policy or a plan for blockbusters—how they can help bring them here and how they can assist when they get here—or is it just done on an ad hoc basis?

**Mr Barr:** We have commissioned some work in that area and that came back with recommendations. Depending on how deep your pockets are, you can go and pursue as much or as little as you want in relation to that. We have an events assistance program, which I am sure you are aware of, that I would say is a small to medium scale event; we are not off purchasing V8 supercar races, grand prix, state of origin matches or AFL grand finals with that sort of money. Obviously, if you are prepared to pay and you have the facilities, you could probably procure nearly any event, but obviously you need—

**MR SMYTH:** But, if the gallery comes up with a blockbuster, do we have a plan that we put into operation to assist in maximising the benefit to the people of the ACT and their return on the investment?

**Mr Barr:** Indeed, yes. Obviously, it is a case by case thing because not all events are the same. You need to be able to work on an individual basis and it would depend on the event and the institution you are partnering with. So I do not think it is possible to have a one size fits all so that you can insert an event and a perfect collaboration will occur. But we saw through the “Masterpieces” collaboration with the National Gallery that we were able to leverage off what was the biggest show in town and to get some fantastic new activities in the autumn period that we can then build on. So we can use the legacy of what was a periodic event for us to build a longer-term legacy for the city in that space and certainly at that time of year.

**MR SMYTH:** All right. Australian Capital Tourism have got their strategic five-year plan, which you said was the high level document. What strategies have Tourism developed to deliver that plan?

**Ms Shepherd:** The five-year strategic plan has basically articulated a number of different areas for us to pursue. Probably one of those that is a good example is the strategy, so there is a particular strategy that underpins that. We have been through phase 1 development and that has been released and has resulted in what you see now if you basically log on—a very different website to what we had a year and a half ago, with increased functionality. We have seen the growth in the web traffic and bookings because of that. We are about to release phase 2, I think in the next two months, which is increased functionality and more Web 2.0 functions. So that is an indication of the type of strategy that is underpinning the five-year strategic plan.

Similarly, we have an increased focus around domestic marketing activity and that you will have seen in the form of the tactical marketing campaigns that we have been undertaking—

**Mr Barr:** Launched today—“Wrapt in winter”?

**Ms Shepherd:** such as “Wrapt in winter”, “Culture shock”—

**MR SMYTH:** And the press release is coming?

**Mr Barr:** It is already done. It is done.

**MR SMYTH:** All right. In other areas, though, does the government have an accommodation strategy? Is there a plan to deliver additional accommodation?

**Mr Barr:** Yes, indeed. We have outlined a—

**MR SMYTH:** Could you table a copy of the plan?

**Mr Barr:** We could certainly table the forward release schedule for the sites that we have identified for—

**MR SMYTH:** Yes, but a forward release schedule is not a plan; it is simply a schedule.

**Mr Barr:** “Where’s the plan, where’s the strategy?” That is right.

**MR SMYTH:** Yes, where is the plan? Have you got an accommodation plan?

**Mr Barr:** We have outlined and I have released today—

**MR SMYTH:** Yes, you have.

**Mr Barr:** some information in relation to six to seven sites over the next four to five years. Yes, that—

**MR SMYTH:** How do they fit into your plan?

**Mr Barr:** Within the framework that we have set through the tourism strategic plan, where obviously there are changing circumstances in terms of number of rooms in the city and the supply-side issues that we are working with our federal counterparts on in the national long-term tourism strategy, we can provide some information for you in relation to each of the elements of the strategy that we are involved in. Of course, jurisdiction of our sites cannot be involved in every element of a national plan, but we have taken an active role in that national long-term tourism strategy that goes to principally address supply-side issues and our local issues, particularly in relation to the interaction with the planning system and with the education and training system.

They are going to address two of the principal issues on the supply side, I think areas where the ACT is in a much better position than other jurisdictions. It also helps that the minister for tourism is the minister for training and the minister for tourism is the Minister for Planning.

**MR SMYTH:** So is there a training plan?

**Mr Barr:** So I have—

**MR SMYTH:** I know in the industry there are great concerns about staff.

**Mr Barr:** Indeed, yes.

**MR SMYTH:** Is there a training plan that you can table?

**Mr Barr:** And that is dealt with through the training portfolio.

**MR SMYTH:** But does tourism have a plan about how to attract—

**Mr Barr:** Yes, that is right. Yes, we tabled the document last week. You were not paying attention.

**MR SMYTH:** No, I was paying attention.

**Mr Barr:** Good. You obviously have not read it then, have you?

**MR SMYTH:** But that covers tourism?

**Mr Barr:** Yes indeed. Tourism is—

**MR SMYTH:** So tourism is using the plan from education?

**Mr Barr:** Tourism is one of the industries that are part of our training plan, yes. And that is dealt with through the training portfolio.

**MR SMYTH:** Okay.

**Mr Barr:** It might come as a surprise to you.

**MR SMYTH:** Are you going to table the accommodation plan? Is there an events strategy or plan?

**Mr Barr:** Yes, there is.

**MR SMYTH:** Can you table that strategy or plan?

**Mr Barr:** No, it is still before government for consideration.

**MR SMYTH:** When will that be available for the industry?

**Mr Barr:** Once government has considered that. It is obviously contingent on funding, of which none is available at this point; so I am not going to put a plan out that says we are going to spend X amount of money when there is no budget appropriation for that.

**MR SMYTH:** What comes first, the budget or the plan?

**Mr Barr:** The plan informs a budget cabinet decision and there is—

**MR SMYTH:** So when will we have the plan?

**Mr Barr:** And there will be no further funding for events in this term of government.

**MR SMYTH:** And is there an attractions strategy or plan to develop and assist new attractions to set up in the ACT?

**Mr Barr:** There is industry development work that we are undertaking through the national long-term tourism strategy, yes.

**MR SMYTH:** So that is the attractions strategy?

**Mr Barr:** We have an industry development strand of the national long-term—

**MR SMYTH:** But specifically, is there an attractions plan?

**Mr Barr:** But we are not in the business of business welfare, as you are aware. I know you are, but we are not; so we will continue—

**MR SMYTH:** No, I am about investing and I notice you have started to use the investment word.

**Mr Barr:** We will continue—

**MR SMYTH:** Do you have an attractions strategy?

**THE CHAIR:** Can you ask your question and wait for a response?

**Mr Barr:** We have, through the national long-term tourism strategy and our engagement in that process, been working with other jurisdictions and with the Australian government, who of course operate the majority of the attractions within the city, on long-term plans for tourism in this sector.

**MR SMYTH:** So you can table the attractions strategy?

**Mr Barr:** We can table the elements of a national long-term tourism strategy. They are available. Some are still being worked on, of course.

**MR SMYTH:** Has Tourism ACT developed an attractions—

**Mr Barr:** No, we are not developing our own work separate from the national process. We are involved in a national process.

**THE CHAIR:** For the record, you will table the elements of the attractions strategy—

**Mr Barr:** I will table all I can on the national long-term tourism strategy, each of the elements as applicable to the ACT—

**MR SMYTH:** But I am interested in the local one.

**THE CHAIR:** And you will table—

**Mr Barr:** We are not undertaking local works separate from our involvement—

**MR SMYTH:** So we do not do any planning?

**Mr Barr:** in the national work.

**MR SMYTH:** We do not do any planning specifically for the ACT to develop the ACT tourism strategy?

**Mr Barr:** Our local work feeds into the national work. It is a unified national long-term tourism strategy, Mr Smyth. I am sorry you are not aware of that.

**THE CHAIR:** I note that you are also going to table the accommodation schedule.

**MR SMYTH:** So New South Wales has a strategy but you do not.

**Mr Barr:** In terms of the release schedule for sites, yes.

**MR SMYTH:** No, you said there was a strategy for accommodation.

**Mr Barr:** That is part of the national long-term tourism strategy.

**MR SMYTH:** So you do not have your own local, developed accommodation strategy?

**THE CHAIR:** I note that you are tabling those things.

**Mr Barr:** Thank you, Madam Chair.

**MR SMYTH:** The site on Northbourne Avenue and London Circuit: how does that fit into the strategy and, for instance, the Australian forum project?

**Mr Barr:** That site has been identified by Land and Property Services—

**MR SMYTH:** But is it part of your strategy?

**Mr Barr:** It is indeed part of the government's strategy for land release, yes.

**MR SMYTH:** No, is it part of tourism's strategy and—

**Mr Barr:** It is part of the government's strategy for land release.

**MR SMYTH:** Is it part of the long-term accommodation plan for the ACT?

**Mr Barr:** It is part of the government's strategy for land release.

**MR SMYTH:** No, it is part of the government's land release strategy.

**Mr Barr:** It is part of the government's land release strategy.

**MR SMYTH:** So how does that benefit the Australia forum project?

**Mr Barr:** It is of no relevance to the Australia forum project.

**MR SMYTH:** I would have thought accommodation was very important to the convention industry. And if the Australia forum is built down by the lake and you have got a hotel in Civic, does it help? This is about coordination, and we seem to be getting a significant lack of coordination or thought about the long-term future of tourism from you.

**Mr Barr:** No. That is a comment you have made. I disagree.

**MR SMYTH:** Will you explain—

**THE CHAIR:** Could you ask the question, Mr Smyth, and then we need to move on to Ms Bresnan.

**MR SMYTH:** How does the five-star site assist with the Australia forum?

**Mr Barr:** The Australia forum has not settled on a site yet, Mr Smyth, as you are well aware.

**MR SMYTH:** But in your long-term plan, you are taking that into account, are you not?

**Mr Barr:** The Australia forum is an idea and a concept at this stage. That is all.

**MR SMYTH:** It has been overdue since December 2002.

**THE CHAIR:** Ms Bresnan.

**MS BRESNAN:** Thank you, chair. My question is in relation to accountability indicators in budget paper 4, page 43. It is in indicator “d” relating to Floriade and is about the number of interstate/international visitors. I notice that it has been discontinued and that it will be replaced by the indicator about direct expenditure. I am wondering whether a little more information about the decision behind changing or discontinuing that indicator could be supplied. Indicator “d” would seem to be a more direct indicator, whereas expenditure is slightly more difficult to determine in relation to Floriade specifically. I am wondering whether you had a bit more information behind the decision there.

**Ms Shepherd:** Yes, happy to. Basically when we were reviewing accountability indicators, we looked at the difference between quoting visitor numbers versus economic benefit to the territory. It is not difficult for us to ascertain the economic benefit, because each year we undertake a very robust survey. That has happened for the last, I believe, six years under the same methodology through Ernst & Young, and that is done independent of Australian Capital Tourism. That gives us the direct spend. We only focus on direct spend, because that is the money coming directly to the economy. We do not use multipliers. So that number would actually be a lot larger if we used indirect as well as direct.

In answer to your question about how we get there to determine that, that is how we get there. The number of people visiting—

**MS BRESNAN:** Just—

**Ms Shepherd:** Sorry, I will finish answering the question. The number of people visiting does not necessarily indicate a conference’s benefit, if you like. So 140,000 people could come but not achieve the level of benefit because of the yield from the visitation. We felt that it was better to use a measure that showed the economic benefit to the territory rather than simply volume of people coming, because it depends on the yield of those visitors and we are trying to focus on high-yield visitors.

There is a possibility the numbers could go up but the economic benefit does not increase. If the numbers go up without the commensurate yield or the visitation result then you could find that your economic benefit goes down while your visitation

numbers go up, if that makes sense. Hence, we decided to change the measure to focus on the economic benefit.

**MS BRESNAN:** It is just that you mentioned that Ernst & Young do that work. I am wondering whether we could have some information about it. It would seem that expenditure would be something that would be open to a number of challenges, I guess, in determining that expenditure is actually related to people coming here for Floriade or another purpose. How do you actually determine that direct expenditure?

**Ms Shepherd:** Again, it is probably best if we supply a copy of the report.

**MS BRESNAN:** That would be great.

**Ms Shepherd:** We could supply it for a couple of years previously so that you can get a feel for it. They go through a number of processes. One of the questions, just off the top of my head, is: did you come specifically for the event or are you visiting Canberra and came to the event as a consequence of that visit? Through a series of questions, they determine whether the visitor is here specifically for Floriade or not.

**MS BRESNAN:** How do you actually survey people?

**Ms Shepherd:** It is through people on the ground. It is basically people with clipboards in Floriade. I cannot, off the top of my head, recall the sample size but we can take that on notice and supply that as well.

**MS BRESNAN:** That would be great. I know one has been discontinued because it can fluctuate and be affected by a number of factors, including visitors. Why was there not a decision to keep both those indicators, because they both gave an indication along the way of how many people—

**Mr Barr:** I think in the end we are after economic impact, not bodies.

**MS BRESNAN:** So that is, basically, the economic impact?

**Mr Barr:** If one person attended and spent \$30 million, that would be better for the ACT economy than 150,000 people attending and spending \$25 million. That is a ridiculous scenario, obviously. I cannot imagine someone spending \$30 million at Floriade.

**Ms Shepherd:** That would be wonderful, that amount of money.

**MS BRESNAN:** That would not give much exposure to Floriade either, just one person.

**Mr Barr:** But in the end—

**MR HARGREAVES:** If they live in Canberra, they do not count.

**Mr Barr:** The purpose for tourism is to drive economic impact. That leads to employment and that is the reason.

**MS BRESNAN:** I understand. I was just wanting to get an understanding. There was one more question on that. I notice that the tourism spending indicator will be measured by an independent body or there will be an independent means of measuring. Will that be—

**Mr Barr:** Sorry, which?

**MR HARGREAVES:** Indicator “f”.

**Mr Barr:** Direct expenditure, yes, it is Ernst & Young.

**MS BRESNAN:** I was just going to ask that. Thank you.

**THE CHAIR:** Mr Hargreaves.

**MR HARGREAVES:** Thanks very much, Madam Chair. I want to explore the same output, 3.1, indicators “a” and “b”. You had a great performance against the target. Your outcome exceeded the target quite well, and I think it is great. The capital region as a tourist destination for regional New South Wales going up 30 per cent is a pretty good effort. I was wondering: was it because of the volatility of the marketplace that you decided to stick with the target for 2009-10 into 2010-11, or is there another reason behind that?

**Mr Barr:** I will get Ms Shepherd to go to some of the detail behind the methodology we use but—

**MR HARGREAVES:** It is the principle, actually; I am not interested in the detail.

**Mr Barr:** Sure but, just as a general principle, it is a competitive marketplace. Domestic tourism in Australia was hit pretty savagely through last year; every jurisdiction went backwards. We were not immune to that. However, we were buffeted or cushioned a little from that by some of the tactical marketing that we did, including, of course, the front end of the *Masterpieces* exhibition. We can expect certainly our first quarter of 2010 will be very positive. The challenge is to maintain that momentum.

But you have got to be aware that it is a competitive marketplace and other jurisdictions will increase the amount of money that they spend. In the end, it becomes a bit of a zero-sum game. There are only so many marketing dollars chasing around so much holiday business, if you like.

What is interesting in the longer term is how we go about increasing demand for tourist product, how you get people, for example, to unlock some of the 130 million days of unused recreation leave. The initiative of Tourism Australia that we very strongly supported, the no leave, no life campaign, has always been targeted at how you encourage more people to holiday. So rather than the states and territories spending more and more money chasing a smaller and smaller number of potential holiday makers, why not have a look at what you can do to encourage demand a little? So that is where Tourism Australia has stepped in. I think it has been really

encouraging.

But to answer your question, it is volatile. We, of course, aim to exceed those particular figures. We have been successful in doing so. Will we always be successful? Probably not. But, to date, it has worked. The tactical marketing has worked quite well.

**MR HARGREAVES:** In the context of the capital region aspect of it, it would be fair to say that the ACT is not the only player in this, I would hope. Ken Helm plays a fairly decent role in it.

**Mr Barr:** He is a Reid resident, is he not?

**MR HARGREAVES:** He is.

**Mr Barr:** When he is not out at Murrumbateman

**MR HARGREAVES:** A lovely man, and he has got a great product, let me tell you. You have got some dialogue, obviously, going on with the surrounding councils and Tourism New South Wales around marketing the capital region. Can you give us a couple of sentences around that?

**Mr Barr:** Go for it.

**Ms Shepherd:** We have got very good relationships with both Tourism New South Wales, from a head office perspective, and the regional tourism bodies surrounding us—for example, Capital Country Tourism, Snowy Mountains Tourism. We have a representative that actually sits on their boards and works on cross-region promotion with them.

We have also had success with Tourism New South Wales changing the way that they fund some of their regional tourism bodies. That has allowed those regional tourism bodies a little more flexibility to actually work with us on a campaign basis. Previously Tourism New South Wales said: “No, you’ve got to virtually reinvest the money with us. If we do a destination campaign, we will grant you money. But you need to put that money back into the regional activity we do.” Under the change in funding arrangements that Tourism New South Wales have put in place for their RTOs, it has given people like Capital Country Tourism the flexibility to actually buy into and partner us on campaigns. We have been working with them very closely on that basis.

**MR HARGREAVES:** Thanks, Madam Chair.

**THE CHAIR:** Mr Rattenbury.

**MR RATTENBURY:** I have a couple of quick questions. Following on from Mr Hargreaves, given the successful results in 2009-10, I am interested in why some of those targets have not been stretched. It seems to be sort of—I do not want to be rude—a lack of ambition.

**MR HARGREAVES:** You are rude.

**Ms Shepherd:** I think one of the factors to take into consideration—and certainly we did—is that these are indications of preference and awareness. They are basically the result of activity in the marketplace. We were aware that we would have very high levels of activity in the marketplace as a result of *Masterpieces* because of the collaborative nature, the spend of the NGA, the spend of their sponsors. We were quite aware that we would not have that in the next period. That preference and awareness is an indication basically of your presence and activity in the marketplace. That is why we did not increase them on the basis of that activity.

**MR RATTENBURY:** On page 36 of the budget papers, there is the total cost for this output class. I assume that substantially the numbers reflect the midyear transfer?

**Mr Barr:** Yes, that is correct.

**MR RATTENBURY:** Is it possible to have a breakdown of the spending allocated under this output class?

**Mr Barr:** By staff, portion of staff to salaries—

**MR SMYTH:** Perhaps a reconciliation of the ins and outs first and then a breakdown—

**Mr Barr:** Sure, that is fine. I will take that on notice.

**THE CHAIR:** That has been taken on notice.

**MR RATTENBURY:** Thank you. That is it.

**THE CHAIR:** Mr Smyth.

**MR SMYTH:** Thank you, Madam Chair. Minister, on page 137 of budget paper 3, there is a \$300,000 upgrade to Commonwealth Park, a high-level concept design for the development and improvement of Commonwealth Park. What is the objective and what do we get for the \$300,000?

**Mr Barr:** It largely relates to the future needs for Floriade. So we will really be putting our wish list to the commonwealth for the upgrades that we believe are necessary for infrastructure at the park to meet the medium-term needs of Floriade. We are keen to ensure that the commonwealth are investing in their asset. We are a major user of the facility for a month of the year; so we want to ensure that our needs for Floriade are clearly communicated to the commonwealth. Commonwealth Park is their asset, and we would certainly like them to invest in it. It was timely, given the review of the long-term future of Floriade, to commit to Commonwealth Park in the medium term, because the only other viable alternative site, the arboretum, will not be in a position to accommodate an event like Floriade in the next decade.

**MR SMYTH:** So we are going to do a high-level concept design and then present the bill to the commonwealth to fund?

**Mr Barr:** In short, yes.

**MR SMYTH:** Have we discussed this with the commonwealth?

**Mr Barr:** We have, yes.

**MR SMYTH:** And they are accepting of the idea that you have a wish list?

**Mr Barr:** Mr Cappie-Wood has met with the National Capital Authority.

**Mr Cappie-Wood:** Yes, I have met with Gary Rake to discuss this, and he indicated that not only did he support the idea of scoping out what additional interim structure would be required to support Floriade but also that they would be interested in a capital injection to achieve that, if not enhance that.

**MR SMYTH:** I wish you well. In regard to the new autumn event, minister, you were lucky in that the National Gallery popped up with the exhibition from Paris, which covered autumn this year. What is the new autumn event and what form will it take?

**Mr Barr:** I will be delighted for Ms Shepherd to give you some information in relation to the work that has been progressing for some time now.

**MR HARGREAVES:** Thanks for the dorothy dixer.

**Ms Shepherd:** We basically have been undertaking, as you are aware—we have discussed it in previous committees—research and scoping work for an autumn event. As you referred to, the blockbuster exhibition was a terrific opportunity for the ACT, and it would not have made sense to put up a new fledgling event against an event of that magnitude; so it made more sense to—

**MR SMYTH:** Was there an event ready for autumn this year?

**Ms Shepherd:** When the discussions were basically entered into with the NGA, we were in the process of development at that time. At that time, it was a case of making a decision whether to proceed to try and launch an event. That would not have made any sense. Had we finalised a plan? No, but it was at a stage where it was in tandem with those discussions with the NGA.

**MR SMYTH:** You are aware I did an FOI. A note from you on 9 February 2009 says that the new autumn event has some shape and process. Then a week later on 16 February, it says, “We are no closer to an autumn event.” How do you reconcile that with the statements you just made?

**MR HARGREAVES:** A week is a long time in politics.

**Ms Shepherd:** I am glad I am not in politics. It did have shape, but we were not close to finalising the event at that time. That was a year out almost from any 2010 event.

**MR SMYTH:** But clearly we were not ready to run an event in 2010—

**Ms Shepherd:** In February 09, no, we were not, no.

**MR SMYTH:** But what event would have been run this year if the—

**Ms Shepherd:** We are looking at the same concept that we were looking at in 2009. We were basically looking at rolling out the same concept for 2011.

**MR SMYTH:** All right. So what is that concept?

**Ms Shepherd:** At a very high level, it is an evening event that they are looking at in partnership with a number of the cultural institutions. So it is a night-time event. The reason we have chosen a night-time event is because, similar to Floriade NightFest, it basically in the nicest way possible forces an overnight stay from a visitor perspective. One of the issues we found with Floriade was we were having an increase in day trips, and we needed to address that. Floriade NightFest was basically our answer to that issue, because people are required to stay overnight.

The autumn event was formed as an idea to have as a night-time event for that specific reason. Basically, it is a night-time event in partnership with cultural institutions. It will be basically formed around very spectacular architectural lighting displays, but also the unique aspect of it will be the cultural activities that are taking place within the partnering institutions. There are similar light displays which we have had a look at, for example, at the Adelaide festival. They are simply lit facades of buildings. For us, it is going to be about the depth and breadth of product that will be taking place during the event that will basically be a delineator.

The other thing that you may or may not be aware of is that in the northern hemisphere these types of events have been outrageously successful. We obviously do not have the type of population base that they have, but I am referring to things like La Blanche, Glow in LA, Lakes of London. There is definitely a desire. There was a *Sydney Morning Herald* article a number of months ago talking about people's desire to consume this type of product, particularly within cultural institutions. So that is the basics of the event.

**MR SMYTH:** If it is an overnight event to get people to stay, then I get back to my original question about the hotel and the accommodation strategy or plan. Some hotels and, indeed, restaurants were saying to me that they were full during the masters event. Their suspicion was that a lot of people came for the day and left because they could not get accommodation, they could not get a restaurant booking and they could not get a taxi. If we do not have an accommodation strategy, how do we accommodate these people that you are enticing to your night-time event?

**Ms Shepherd:** I think it is fair to say that the autumn event will not be anywhere near the magnitude of masterpieces. It is a new event. Any fledgling event cannot in itself hope to attract 500,000 people when it does not have the Musee d'Orsay's whole wing of collections. I do not think from an accommodation perspective that we are going to see that type of problem.

As you would have seen in the information that was provided in the first FOI, my

team did a gap analysis of possible places, and that was in consultation with accommodation houses. It was done to see when, roughly, the best time would be to stage the event. In answer to that question, I do not anticipate that it is going to be 500,000 people coming for the autumn event. So I do not think we will have that accommodation issue.

**THE CHAIR:** Mr Rattenbury, one more question, and then are moving on to Sport and Recreation.

**MR RATTENBURY:** Just quickly in relation to the accommodation and tourist numbers, I note the minister's release today that there is a whole range of new information sites coming on line. Is there currently a shortage of accommodation in the ACT? Obviously there was during the masters, but I accept your analysis that that was the exceptional event. Is there demand for this level of accommodation?

**Ms Shepherd:** I cannot comment comprehensively for you because we do not have carriage of those supply-side issues around the hotels. However, I do note that particularly on the school-type accommodation, there are certainly many times of the year when there is simply not enough accommodation for school children at that lower end of the market. I know that is what some of the release is hoping to address.

We have always been working with Garry Watson and the national capital educational tourism project—a mouthful—to look at how that project can help deliver the kids during the year different times when there is not such high demand to help address that issue. So we certainly know the position through the lower end of the market, the school end.

Similarly, as you know, the ACT has peaks and troughs. It is not all about tourism. As you know, it is about government business, it is about conference business. It is not just about the leisure visitor. But prior to Diamant and Realm coming on line, we certainly were also down on the other end of the market—the four to five-star accommodation. Again, it is a case of peaks and troughs. That is why tourism from a leisure perspective always seeks to work in the times when we are low. Basically, “wrapt in winter” is because we have rooms available and they are not being filled by government or conference business.

**Mr Barr:** Ultimately, though, the market will determine. If no-one is interested in operating new hotels in this city, none of these sites will sell. The data that we do have from the Australian Bureau of Statistics on hotel occupancy shows that the ACT has a much higher occupancy rate than the national average. There is evidence there through ABS data that we are undersupplied.

We have observed over recent years that a number of sites that were formerly accommodation are now no longer. They have been transformed into largely residential accommodation apartments. Acacia Motor Lodge on Ainslie Avenue is an example; City Gate motel will soon be another. There are numerous other cases where this has occurred. We do not live in a command economy; so we cannot dictate. We will see the market determine, but there is considerable evidence out there from industry players that there is interest, and we will await the sales process.

What industry have said to me very clearly, though, is that we need through our planning policies to ensure that the sites are reserved for accommodation, because, if they are not, then accommodation hotel providers will simply be outbid in the process by office accommodation—higher level commercial uses. They will not have a chance to enter the marketplace. That is why we have been able to reserve these sites. Of course, time will tell in the next few months.

**THE CHAIR:** Mr Smyth, one question.

**MR SMYTH:** On page 72 of budget paper 3, there is \$1.876 million over the next four years for Floriade NightFest. The text says:

This initiative ensures the future delivery of Floriade and Floriade NightFest.

Was there ever a doubt about their delivery, minister?

**Mr Barr:** I think there are cost pressures that are certainly being faced in the delivery of the event. If this funding had not been made available, then the event would have had to have been scaled back dramatically.

**MR SMYTH:** What is the split between Floriade and NightFest in terms of the funding? Given that for the first NightFest there were assurances made, I think by both yourself and the head of Tourism about how successful it would be and its ability to cover its costs? What is the split?

**Mr Barr:** No, I think the claims in relation to the first NightFest were that it would generate additional economic activity for the territory, which it has.

**Ms Shepherd:** Yes.

**Mr Barr:** The evidence was that that was very clearly there. The cost breakdown—

**Ms Shepherd:** That was last year, as well.

**Mr Barr:** Have you got some data on the split between the two?

**Ms Shepherd:** Yes. It is 100 and a small amount—I would have to clarify the exact figure—104 or 105. The balance is to NightFest. So Floriade day, approximately 105.

**MR SMYTH:** Therefore, NightFest gets 345?

**Ms Shepherd:** Correct.

**MR SMYTH:** It is the same sort of ratio throughout?

**Ms Shepherd:** Yes.

**MR SMYTH:** For the outyears as well?

**Ms Shepherd:** Yes.

**MR SMYTH:** Yes.

**THE CHAIR:** Thank you. We will now move on to Sport and Recreation.

**Mr Barr:** As is tradition in estimates hearings, we present members with a show bag of everything Australian Capital Tourism has been doing. It includes all of the latest marketing. We will now do a change of officials.

**MR SMYTH:** Just to confirm, the question on the reconciliation of funds will show what the true level of spending for tourism is this year and how much it has gone up or down?

**Mr Cappie-Wood:** Yes.

**Mr Barr:** Yes, that is in the—it has gone up.

**MR SMYTH:** That is on notice.

**Mr Barr:** It has gone up, because there are other appropriations from last year's budget and this years.

**MR SMYTH:** I just always worry about the projects that terminate—

**Mr Barr:** That is also true.

**MR SMYTH:** and are not mentioned in the budget papers.

**Mr Barr:** That happens. Some funding was over.

**THE CHAIR:** We are now dealing with 1.6, Sport and Recreation and 2.2, Territory Venues and Events. Witnesses, before we proceed with questioning, can you please confirm for the record that you understand the privilege implications of the statement before you on the table?

**Mr Guthrie:** Yes.

**Mr Byles:** Yes, Madam Chair.

**THE CHAIR:** Thank you. I wanted to start on budget paper 4, page 90. It is around the drought proofing money. We heard from ACT Sport—they came in and gave some evidence on—

**Mr Barr:** I think they prefer to be called “ACT Sport”.

**THE CHAIR:** ACT Sport, thank you, minister.

**Mr Barr:** I have got into trouble for calling them A-C-T Sport before when I first started in the portfolio; so after day one: ACT Sport.

**THE CHAIR:** I am sure Mr Rattenbury knows that, because this is his portfolio area. We heard from ACT Sport, and it is evident from the budget that the drought proofing money keeps getting pushed back in successive budgets. Little of it seems to be actually getting out there. What are the problems that have been experienced or what is the reason for the delays? Why is it taking so long?

**Mr Barr:** I will get Ms Marriage, who has carriage of this project, to outline the issues.

**Ms Marriage:** The \$16 million that keeps getting rolled over, as ACT Sport put to me as well, is part of the ponds development that we are doing across Canberra. That is part of the urban integrated waterways project. I will just emphasise some of those projects. There are the Dickson ponds and the Lyneham ponds, which are currently being designed so that they can commence construction in the next couple of months. Further on, they have got the Tuggeranong scheme, which is for a number of the priority sportsgrounds down in Tuggeranong. The feasibility and design of that reticulation scheme are expected to be completed by the end of 2010. Also, we have got the Weston Creek and Molonglo scheme; funding is provided in 2010-11 to DECCEW to design and to develop that reticulation scheme.

There has been drought proofing work done before that. There have been grants, \$2 million worth of grants, that went out to sport and recreation organisations a number of years ago. There was also some lighting work that was done—\$600,000 worth of lighting—to some of those priority 1 fields so that we can ensure that, should we go into a stage 4 water restriction requirement, the fields that were considered the priority fields for sports would be able to be utilised to their maximum capacity.

There is also underlying work that continues, that is not identified as part of that \$16 million, to do couch overlay to a lot of our sportsgrounds. We have reached the point now where over 100 hectares out of our 266 hectares are either couch or have an overlay of couch to them. That is reducing the water need of those sportsgrounds.

So there are a lot of things that are happening that are not part of that \$16 million. But certainly that \$16 million is identified to be significant pond work, which has required us to be working with DECCEW over a long period of time to get those things in place.

**THE CHAIR:** So the Dickson pond—part of it will be watering the Dickson oval in Anthill Street?

**Ms Marriage:** Yes.

**THE CHAIR:** And Lyneham—where will that water be used?

**Ms Marriage:** At the moment you have already got the Lyneham sportsgrounds as such, which are on a sewer mining scheme. But of the ones that are coming on line, the Tuggeranong one is the most significant one: the Tuggeranong one will cover off on nearly 30 hectares of sportsgrounds, and that will be quite a significant one.

We have also brought back the Point Hut pumping station over the last 12 months. It

had been off after—I cannot remember exactly what year—it had an electrical strike on it in a power storm, and that meant that the pumping station did not work. That has brought back 6.6 hectares of sportsgrounds that are now being utilised with non-potable water. So there are small projects that we are doing at the moment while we wait for these very significant pond projects.

**THE CHAIR:** Where were those fields—the ones you just mentioned?

**Ms Marriage:** The Point Hut ones? They are down at Gordon.

**MR DOSZPOT:** A supplementary on that, Madam Chair?

**THE CHAIR:** Yes, Mr Doszpot.

**MR DOSZPOT:** How many fields have been taken off line due to drought proofing?

**Ms Marriage:** In the last couple of years, none. The last lot of significant drought proofing—water restrictions and reductions—was in 2002.

**MR DOSZPOT:** And how many?

**Ms Marriage:** I would have to take that on notice on hectares.

**MR DOSZPOT:** Could we get a listing? I would appreciate a listing of that.

**Mr Barr:** The number of hectares in 2002 or—

**MR DOSZPOT:** The number of fields?

**Mr Barr:** Forty.

**MR DOSZPOT:** And the names of the fields.

**Ms Marriage:** I have got spreadsheets that I can provide—

**MR DOSZPOT:** Okay.

**Mr Barr:** I could read out the list.

**Ms Marriage:** that outline all of our total irrigated fields and the ones that are switched off.

**Mr Barr:** To put it in perspective, there are currently 256.49 hectares of fully maintained sportsgrounds and 40 hectares that are off line as a result of stage 3 restrictions.

**MR DOSZPOT:** Just on a related question and this is a little bit left field, do sports and recreation or TAMS—whichever one is responsible for watering the ovals—pay the same water rates as education and community organisations?

**Ms Marriage:** We pay the same rate as the standard community. We are one of the highest users in the ACT.

**MR DOSZPOT:** I understand that.

**Ms Marriage:** It is a standard kilolitre rate. We do not get a discounted water rate for our sportsgrounds.

**MR DOSZPOT:** Do you pay the same rates as, say, education-related—

**Ms Marriage:** No; education has a discounted water rate.

**MR DOSZPOT:** Why is that?

**Ms Marriage:** I believe that historically the discounted water rate is for educational institutions and for church institutions or ecclesiastical institutions. There are specific guidelines. DHCS looks after the discounted rates and does that work with Actew, but I understand that it is a requirement that an educational facility must be on the block of land. Sportsgrounds, naturally, do not have an educational facility on them; they are just a green open space. So they do not fit within those criteria.

**MR DOSZPOT:** Does that make sense from your point of view, minister?

**Mr Barr:** It is all government money in the end.

**MR DOSZPOT:** Yes, but if you are having budget implications for watering of sports ovals—

**Mr Barr:** It would just be—

**MR DOSZPOT:** Would you not alleviate that in some way?

**Mr Barr:** If there was a concession, it would simply be a reduced dividend paid to the government through Actew.

**MR DOSZPOT:** I understand that.

**Mr Barr:** So it is the same money; it does not matter.

**MR DOSZPOT:** But it is a big difference for some of the sporting fields that we are talking about at the moment.

**Mr Barr:** No, it is not. In terms of the ovals that are offline, the issue is not money; it is stage 3 restrictions. So it is the quantum of water that we are allowed to use.

**MR DOSZPOT:** It depends which press release you are putting out, I think.

**Mr Barr:** The quantum of water that we are allowed to use is set by Actew. What we can do, though, when we replace a facility with synthetic or we get, for example, the Gordon project up—we get an allowance, and within that allowance that we have got,

we are no longer having to water those facilities so we can bring some extra ones on: hence, Ngunnawal, Nicholls, Harrison, Bonner and Phillip, which are coming on line this year.

**MR DOSZPOT:** You have announced that before, haven't you—those fields that you all of a sudden announced again this morning?

**Mr Barr:** I think I might have mentioned that in the past, yes.

**MR DOSZPOT:** Pre-budget?

**Mr Barr:** I think I have mentioned the Harrison projects from when we first funded them to when we first started moving the bulldozers in to push the dirt around and to when they become operational. It is interesting how the media have an interest in this.

**MR DOSZPOT:** It is, yes.

**Mr Barr:** Yes.

**MR DOSZPOT:** It is interesting how you put it out at very timely times.

**Mr Barr:** I thank you for that strategic advice, Mr Doszpot.

**THE CHAIR:** We will move on to Ms Bresnan, who has a supplementary.

**MS BRESNAN:** Will any of the fields that were taken off line not be able to be rehabilitated—

**Mr Barr:** There is a cost associated, given that they have not been watered—some of them—for eight years.

**MS BRESNAN:** But are there any that may not be able to be put back on line to be used?

**Mr Barr:** At this stage, it is a hypothetical question.

**MS BRESNAN:** Yes.

**Mr Barr:** I think there are some that, given that they have been out of circulation for so long, could have an alternative recreation usage. One of the things I am interested in looking at is the model that we are establishing in Crace. It is called CRIP. The acronym is CRIP, and it stands for community recreation irrigated parkland. That would have the recreation capacity, but it would be more than just an oval with a cricket pitch on it. It would also have a half tennis court, a basketball court and some picnic facilities, so that it becomes a more useable space. A lot of our neighbourhood ovals are just that: there is nowhere to sit in the shade and there are no other facilities, so they do not get utilised as well as they could.

If this model works as we hope it does in Crace, an option to consider in the future is to look at what other sorts of sport and recreation could be supported rather than just

rehabilitating grass if we do not need that. If we need more basketball or netball facilities in particular areas, for example, we can look at that. But at the moment, with stage 3 restrictions remaining in place, we have, through the exercise in 2007, identified with the sports the priority ovals and the ones that would be first to be brought back on line. Ngunnawal was one of those, and we have been able to do that utilising the water allowance that we have saved by some of the other drought proofing projects.

**MS BRESNAN:** Are the fields that are on line now able to cope with the level of need for some of the sports to be able to use them?

**Mr Barr:** I think we are up to 105 different—there are some demand pressures in Gungahlin; hence the need to focus there.

**MS BRESNAN:** To do that one, yes.

**Mr Barr:** Harrison, Ngunnawal, Nicholls and the Harrison district playing field as well as the Bonner neighbourhood oval will be important in terms of—

**MS BRESNAN:** That is where the area of need or demand has been identified?

**Mr Barr:** Yes. A project that is important for, if you like, the first-grade teams within the ACT competitions is the Gungahlin enclosed ovals, so for AFL, league and union, having an enclosed oval in the town centre will be important. And obviously the Throsby project, as a major district hub for sport and recreation, which progresses in this year's budget, is also important. The Lyneham precinct—the master planning work there commenced back in 2004, I think, and has received funding over three budgets—gives us increased capacity. They are naturalising—is that the term we are using now?—Sullivans Creek and going over where the current stormwater drain cuts the facility in half; we get more ovals out of that.

There are some pressures, clearly, but we continue to add new infrastructure in areas where it is clearly in demand. Gungahlin is the priority at the moment. Molonglo valley and how we go about establishing sporting facilities there in the future will be important.

**MS BRESNAN:** Thanks.

**MR DOSZPOT:** Just a supplementary on that, Madam Chair. Minister, you mentioned synthetic surfaces. Nicholls is one that has got a synthetic surface due for completion in September. Where is the funding for that coming from?

**Mr Barr:** That is a joint commonwealth-ACT government project. It is under schools working together. It is on the shared campus of Gold Creek and Holy Spirit schools. It was some funding that the commonwealth made available for shared facilities between public and private schools. It is used by the school but also used as part of the neighbourhood sporting infrastructure. In the end, I think the commonwealth are paying 80 to 90 per cent of the cost; we are just contributing a small amount.

**MR DOSZPOT:** So the fact that you got that included in your press release—

**Mr Barr:** There is ACT government money that is going into that as well.

**THE CHAIR:** We will move to Mr Smyth.

**Mr Barr:** You do not support the project?

**MR DOSZPOT:** I support the—

**THE CHAIR:** We are moving to Mr Smyth.

**MR SMYTH:** The economic impact study on the effect of sport on the ACT economy: has a study been done? We have discussed this over many years. Has the study been done?

**Mr Barr:** Yes. They are done periodically, every five to six—

**MR SMYTH:** The latest one was done when?

**Mr Barr:** Five, isn't it, or six?

**Ms Marriage:** Four to five years.

**MR SMYTH:** So one has just been done?

**Ms Marriage:** There is one that has just been completed in its draft form. It is going to the minister's office to get that final sign-off before it goes out to be publicly released.

**MR DOSZPOT:** Who has that been done by?

**Ms Marriage:** This one is done by Access Economics. Each has been done by a different organisation.

**MR DOSZPOT:** ACT Sport have carried out the previous two, as far as I understand it.

**Mr Barr:** No; they just act as the post-box for it.

**Ms Marriage:** ACT Sport carried the last one as chair of the last one. This one has been done by the sport and rec minister's advisory council, so a representative of that group has done it. Gary Buchanan was the chair of this one.

**MR DOSZPOT:** Who is on the sport minister's advisory council?

**Ms Marriage:** At the moment, you have Heather Reid from Capital Football—are you going to test my memory?

**THE CHAIR:** Can we take it on notice?

**Ms Marriage:** Certainly.

**THE CHAIR:** I am aware that we are running close to schedule, and we have not actually got to questions from all the committee members. Ms Bresnan has been waiting.

**MR DOSZPOT:** Madam Chair, there is one more question I need to ask on that. Why isn't the sports minister's advisory council membership on the web? Why is it not on the website?

**Ms Marriage:** It is probably just an omission at this stage. It normally has been on the web in the past.

**MR DOSZPOT:** And why doesn't ACT Sport have membership on it?

**Ms Marriage:** ACT Sport has never had membership. It is seen as the sports federation which looks after—on top of a whole range of other things—advocacy and lobbying, so it was always considered a conflict of interest to have it on the minister's advisory council, through the last 10 or 12 years.

**MR DOSZPOT:** So other sports that are represented—

**Ms Marriage:** It allows them to come along and lobby the minister's advisory council.

**MR DOSZPOT:** I understand, but you also mentioned a number of people from sporting organisations. Would they not have a so-called conflict of interest in lobbying for their sport?

**Ms Marriage:** They are asked as part of the minister's advisory council not to have that individual interest, and in fact they are pulled up on their conflicts of interest.

**MR DOSZPOT:** And why couldn't ACT Sport be asked the same thing?

**Ms Marriage:** We have had ACT Sport on there previously and have found it to be a difficult conflict of interest regarding confidentiality.

**MR DOSZPOT:** Thank you.

**MR SMYTH:** Before we go to Ms Bresnan, could we just go back to the economic impact statement. You have got the draft copy, and it will go to the minister's office. When?

**Ms Marriage:** It should be on the journey now.

**MR SMYTH:** So it could be quite a long journey.

**Ms Marriage:** I have seen the final draft of it.

**MR SMYTH:** What are the release arrangements for the report when you have ticked it off, minister?

**Mr Barr:** I will have a read and I will put it out.

**MR SMYTH:** So we could expect that fairly soon?

**Mr Barr:** Within reason, yes.

**MR SMYTH:** What is within reason? Soon?

**Mr Barr:** I will choose a day that Mr Doszpot will get very upset about and put it out on that day.

**MR SMYTH:** Weeks, not months?

**Mr Barr:** I would anticipate within the next eight weeks—eight to 10 weeks. Maybe longer; it depends.

**THE CHAIR:** Thank you. Ms Bresnan.

**MS BRESNAN:** Thank you, chair. My question is in relation to the triennial funding arrangements for a number of sports groups. I am aware that they come to an end in December this year.

**Mr Barr:** That is correct, yes.

**MS BRESNAN:** And there has been some level of concern amongst some groups about the continuation of funding.

**Mr Barr:** That is also correct, yes.

**MS BRESNAN:** I am just wondering if you can run us through the process of the renegotiation for those contracts.

**Mr Barr:** Sure.

**MS BRESNAN:** And tell us if their continuing arrangements have been budgeted for?

**Mr Barr:** Yes. The operating assistance—triennial or annual, depending on the nature of the sport—comes out of the overall sports grants budget. The program there—the acronym is SRQP: sport and rec operating program—forms a component of the total sports grants each year. I indicated at the beginning of this year—I get to play a sort of belated Father Christmas early in the new year—when I handed out the grants to the sporting organisations, both the operating assistance and the capital grants, that, noting that the triennial agreements were coming to an end this year, we would be reviewing the level of those triennial agreements, noting that there has not been an increase for some time. I committed to a review and indicated that an increase would be forthcoming. So we will be increasing the amount of operational assistance to sports.

Sport and rec are currently undertaking that review to make a recommendation to me,

and I look forward to the completion of that. The applications for assistance for 2011 open in August or September, and close generally in late October. Then there is an assessment period. The announcements are generally made in January so that sports know the result of their applications at the beginning of the calendar year. That is not only for operational assistance; it is also for capital assistance.

You would note from this year's budget papers that in advance of that process we funded two particular projects for two golf courses which applied in the current round but were unsuccessful, largely because, if we funded those initiatives in that year, we would not have been able to fund many others. So we have pulled those two separate projects out this time and effectively let that money flow from 1 July. That frees up some space within the forthcoming grants round that will be offset against part of the increase in operational assistance.

In any year, you have got capital assistance, community, sport and development assistance, sports loan interest subsidy scheme assistance, emergency assistance and the operating program assistance, all of which combine to give you the total grant amount, but the amounts allocated to each individual program within that total grant amount will vary from year to year depending on need.

**MS BRESNAN:** Sure.

**Mr Barr:** So we have recognised the need to increase operational assistance funding, and we will be doing so in the next triennial round. I cannot tell you today the exact level of that increase, but I will announce that in advance of the application process commencing for 2011.

**MS BRESNAN:** So that will be announced then.

**Mr Barr:** Yes.

**MS BRESNAN:** Have the groups concerned been consulted and informed along the way so that they know what is going on in the process?

**Mr Barr:** Indeed, yes. This has been an issue that ACT Sport raised with me late last year and that individual sports have raised with me. I responded to that at the announcement of this year's grants in January. I indicated that we would be reviewing these matters. Sport and rec are undertaking that process. They are in regular contact with the sports. Either through ACT Sport as their peak body or directly with the government, a number of the sports have raised their concerns about the need for increased operational assistance. We have indicated that we can respond to that through the next triennial round.

**MS BRESNAN:** Thank you.

**THE CHAIR:** Mr Rattenbury.

**MR RATTENBURY:** Thank you. I refer to the accountability indicators on page 74 of budget paper 4. I note that output 1.6b, the indicator there, is discontinued for 2010-11. I want to ask why. The current one reports on the total funding to

community and national leagues sports. Where will that information be available in future?

**Ms Marriage:** The reason that has been discontinued is that it is what I would define as a post office payment. We get the money guaranteed—\$450,000 is the national league team funding and over \$2 million is the grants program. Every year we meet the estimated outcome. All of the information on those grant recipients will remain on the website of sport and rec and will provide that information.

From the sports perspective, we contact the sports that are involved in the national league team funding individually. They are invited to put in new submissions under it. As the minister has already mentioned, the grants program is one that is already publicly put out there and there is the announcement at the end. It was identified that that was one of those things that were not relevant to be reported in that way in future.

**Mr Barr:** We can get the full breakdown down to the \$1,000 grants for each organisation. In fact, I have to give credit to Mr Doszpot. He even attended one of the events where this grant money was handed over.

**MR DOSZPOT:** I had to sneak in, of course. I did not get an invitation.

**Mr Barr:** That is right. You got there in the end, so it was good to see.

**MR RATTENBURY:** I am sure he had a good time.

**Mr Barr:** He did. He enjoyed a good barbeque. He got to say g'day to a few people. It was terrific.

**MR RATTENBURY:** Indicator “c” in the same section is also discontinued?

**Ms Marriage:** Similarly, those performance agreements are contractual. On 1 July, we automatically make the payments to the Raiders and the Brumbies in accordance with the money that comes in. As an accountability indicator, it was seen that if you are meeting your contractual obligations you are automatically meeting the value level. If you are not then naturally it is going to be a breach of the contract and everyone is going to know about it anyway. Neale handles the AFL part so I cannot answer that.

**MR RATTENBURY:** Is the value of those performance agreements available somewhere else?

**Ms Marriage:** The value of those performance agreements are on the ACT contracts site. Both the Brumbies and the Raiders contracts are on there. As I said, I am assuming the AFL one is too.

**Mr Barr:** Obviously there is an initiative in this year's budget papers as well in relation to the longer term—the 10-year Raiders and six-year Brumbies performance agreements.

**MR RATTENBURY:** Just one last question on this section—page 69, 1.6, the total cost figure. It is similar to the question on tourism, I suppose. Can we have a

breakdown of the \$33 million budget?

**Mr Barr:** Yes, certainly.

**THE CHAIR:** Just to clarify for the secretary—

**MR RATTENBURY:** That has been taken on notice.

**Mr Barr:** So output class 1.6, a breakdown of the staffing programs—that sort of level of detail?

**MR RATTENBURY:** That would be great, thank you.

**Mr Barr:** Yes, no problems.

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

**MR RATTENBURY:** Thank you, Madam Chair.

**THE CHAIR:** Mr Doszpot.

**MR DOSZPOT:** Before I ask my question, can I have a little bit of clarification on the previous response that Ms Marriage was going to give us some more information on—that is, sport minister's advisory council membership. Can you give us the names of those people? Could you give us some assurance that there are no lobbyists included on that advisory council? You said that it would not be appropriate to have people who would lobby on behalf of things, so can we have that assurance?

**Ms Marriage:** When I provide you with the list I can provide you with the reasoning behind each of those people being put on that committee.

**MR DOSZPOT:** Thank you. The only place where I could possibly find any relevance to my question was budget paper 4, page 74—and this is a question for you, minister. The Tuggeranong archery organisation have been in discussion with sports ACT regarding a multi-sport development project in Tuggeranong. Is there any dollar value attached to their multi-sport development project within this budget?

**Mr Barr:** No, there is not an appropriation for it.

**Ms Marriage:** No. There is not a direct appropriation under the grants program for this year. They have received \$4,450 to do the planning of the facility. I understand that they are close to completing that planning, but they have not come back to us in sport and rec yet with those plans to indicate that.

**MR DOSZPOT:** As I understand it, they have completed that and the next stage is that they would need to put in a development application.

**Ms Marriage:** Yes.

**MR DOSZPOT:** This would need funding of around \$60,000. Until they can do that,

obviously they cannot put an application in for funding. Where does that leave them? Does that mean they are 12 months out now?

**Mr Barr:** No, they would apply for funding under the capital program for the 2011 sports grants. They would need to submit an application in August or September. The applications will open then and close in October, with an allocation in January next year—if they are successful in getting a grant for that purpose.

**MR DOSZPOT:** So there is no funding set aside within this six-month period?

**Ms Marriage:** No.

**Mr Barr:** No, because it is a competitive process. Like every other sport, they will have to apply for funding. If it is capital infrastructure they are looking for, they apply this year and the decision will be made just prior to Christmas. Generally what happens is that when people come back from holiday there is the event that you attended a couple of years ago where, as I say, I play a belated Father Christmas and hand out all the cheques.

**Ms Marriage:** It was a staged approach in that, after we realised that they were requiring to do some planning, they got their original planning grant through this year's grants process, with the anticipation that they would come back to us before that next grants opening so that they could sit down with us and work through what those plans look like. There is also a leasing implication on the site. The site they are looking at is Greenway enclosed oval, which is currently an ACT government oval. We would be looking at them taking over the sublease of the site—or whichever organisation was going to be managing the facility—so there are other implications to talk about as well.

**MR DOSZPOT:** I think there may be some misunderstanding. Obviously, we are concerned from a whole-of-Tuggeranong point of view because there are multi-sports opportunities there. Just on this generous activity of yours where you are handing out all these funds, the triennial funds are included in that handout?

**Mr Barr:** That is correct.

**MR DOSZPOT:** When was the last time that the triennial funding was increased?

**Mr Barr:** Earlier this decade, I imagine. Is that right?

**Ms Marriage:** 2002.

**Mr Barr:** 2002.

**MR DOSZPOT:** I seem to recall that back in my day, actually, which was earlier than 2002, but anyway. You are saying that 2002 was the last time.

**Ms Marriage:** 2002 was the last time there was a review of the triennial funding.

**MR DOSZPOT:** Okay. So in real terms sports have gone backwards in the activities

they can pursue with the same amount of money eight years later?

**Ms Marriage:** There is a fine balance in the two things—hiring sports grounds and the grants program. We try to maintain the hiring fees of the sports grounds down to the minimal level we can for cost recovery so that that does not impact on the sports. There was also a realisation that they may not get a greater increase in the grants program as well.

**MR DOSZPOT:** When was the last time sports hire rental went up?

**Ms Marriage:** The hire fees go up by CPI each year.

**THE CHAIR:** So why is the grants amount not going up by CPI? Why is it not attracting indexation?

**Mr Barr:** It is just a budget issue.

**THE CHAIR:** Eight years is a long time not to attract any indexation.

**Mr Barr:** It is, yes. But that is not the only source of funds for sports under the program. Under the totality of the grants program, that is just one segment of it. In that period sports have received significant assistance—the interest subsidy, for example, on capital projects. They have received direct funding for capital projects. They have received funding for sports development. They have received emergency funding in certain circumstances. You cannot just look at one element of the grants package and say, “That’s it.” It is not. There are other elements of it.

We have not indexed the operational assistance to CPI. Undoubtedly, there would be the argument: why pick CPI; why not pick some other form of indexation? Ultimately it is a budget issue. It means your grants program would just spiral out and out, potentially out of control. There is a fixed amount of money that we have in the territory and we have determined to undertake the grants program in this way. I have recognised and acknowledged that it has been a long time since there has been an increase so we will be looking to do that in the coming triennial round.

**THE CHAIR:** Minister, have you done some sort of analysis of that whole package of things that are available to ensure that somehow that is keeping ahead of the game?

**Mr Barr:** No, because we would have to reduce that from time to time. The 2006 budget reduced the amount of funding available in that pool. We have offset that at other times by reintroducing the sports loan interest subsidy scheme. We have looked at other programs—for example, the sport in a drought program. In one year there was \$2 million, so we effectively doubled the grants available to sporting organisations in 2008. It varies but, like many grants programs, if you automatically index everything, you lose complete control of your budget. We are just not in a position to do that.

**THE CHAIR:** But obviously there is a place for reviewing every so many years—

**Mr Barr:** Indeed, and that is what we are doing now.

**THE CHAIR:** particularly when you bring out a social plan about inclusion and community and health plans and so forth.

**Mr Barr:** Yes, that is right. That is what we are doing now. I am indicating there will be an increase for the next round of triennial agreements. But, of course, in the end there is an element of user pays in sport participation or else you are asking people who do not participate to subsidise the activities of those who do.

**THE CHAIR:** That is not being suggested but I think it is time for a review.

**Mr Barr:** Yes indeed. I recognise, and I want to put on the record, that of course there is a role for the taxpayer to subsidise—and the taxpayer does, to a massive amount—sport and recreation activities in the city through the provision of all of the facilities that we have. But there is a point where that level of subsidy has to taper off or you have to ensure that you are directing the subsidy into areas that will increase participation or boost areas of lower socioeconomic status. I play netball on Monday nights at the indoor centre. I should not be being subsidised by the taxpayer to participate in that sort of sport and recreation.

However, there is a proper public purpose for the provision of public sporting facilities and there is a proper purpose for the provision of support for sports to be able to operate a range of competitions in the territory. And the argument will always be: what is the appropriate level of public subsidy? If you ask me a broader or more philosophical question about what the government should be doing more of, that would be to assist sports to generate their own revenue streams. We have been doing that through a variety of means, whether it has been assistance to netball or to the tennis centre to build up their facilities that can be utilised by other sports and deliver revenue streams.

**THE CHAIR:** Like futsal?

**Mr Barr:** Like futsal, like the indoor cricket centre having netball as well and those sorts of things that will enable more revenue to come into the sports industry. If it just becomes a question of what is the level of public subsidy, then we are missing the bigger picture. We want to provide the opportunity for sports to generate their own revenue. If we can assist with capital grants to enable that to occur, then we are, in the end, getting more money into the industry. And that is the most important thing.

**THE CHAIR:** Mr Smyth, a final question.

**MR SMYTH:** Ms Marriage, how many estimates have you attended?

**Ms Marriage:** I do not know.

**MR SMYTH:** It has been 10, 12, 15 maybe?

**Ms Marriage:** I started in this role at the time of the Sydney Olympics. I remember I started a month before the Sydney Olympics.

**MR SMYTH:** I have heard on the grapevine that this may be your last estimates. Is

that so?

**Ms Marriage:** My contract expires or concludes at the end of July.

**MR SMYTH:** I do not wish to embarrass you. On behalf of my colleagues, we would like to say thank you for your dedication in your efforts for sport and rec over the last decade or so and we wish you well in the future.

Minister, why have you decided to change the way in which contracts for senior executives are continued?

**Mr Barr:** I have not.

**MR SMYTH:** Why is this contract not ongoing then?

**Mr Barr:** Contracts come up for renewal for executive positions. It is an appropriate process.

**MR SMYTH:** My understanding is that contracts are now being put out or contracts are going out for renewal—

**Mr Barr:** It is not a matter that I am managing. Mr Byles.

**MR SMYTH:** Mr Byles?

**Mr Byles:** That is a matter for an organisational decision by me and that is an arrangement I have with all my executives. I believe that matter should be handled between me and the relevant executive.

**MR SMYTH:** So all senior executive contracts will now be up for open tender or go out to competitive process when they are finished?

**Mr Byles:** Executives join on a contractual basis. That is the nature of the business. I will personally review each and every contract when they are due to expire.

**MR SMYTH:** But I am not aware of any that have expired and executives have just gone. There was a process that until now where they were renewed.

**Mr Byles:** No. But that is probably inappropriate to discuss, the nature of the executive contract arrangement between me and that executive, in this forum.

**THE CHAIR:** I think we need to move on.

**MR DOSZPOT:** I had a supplementary on that, Madam Chair. Can I ask a quick supplementary?

**THE CHAIR:** Not a supplementary on the particular line of questioning?

**MR SMYTH:** Not on the line of questioning but a supplementary to Ms Marriage on the department, which is, I think, quite relevant.

**THE CHAIR:** Mr Doszpot, we will see how that goes.

**MR DOSZPOT:** Ms Marriage, at present TAMS website lists approximately 13 sport and recreation support programs. How many full-time staff are there to manage and run these programs?

**Ms Marriage:** Just the programs area, as such? A lot of my staff actually work across various areas. The area that you are talking about is a commonwealth programs area. There are eight positions within that part of the organisation.

**MR DOSZPOT:** And how many within your total staffing?

**Ms Marriage:** That deliver commonwealth programs?

**MR DOSZPOT:** And ACT.

**Ms Marriage:** In the whole area? There are 50 staff all up, if that is what you are seeking.

**MR DOSZPOT:** In budget paper 4, page 92—

**THE CHAIR:** I am sorry, Mr Doszpot, we will have to stop there because we have the Gambling and Racing Commission. I thought you were going to go another way and farewell Ms Marriage, but I think we do need to take further sport and recreation questions on notice.

**MR DOSZPOT:** I would like to wish Ms Marriage all the best and thank her for the support she has given us.

**THE CHAIR:** I would like to thank the minister for sport and the officials for attending this afternoon. I am sorry, Mr Guthrie, you did not get a question, but I do not think you are worried about that.

**Mr Guthrie:** I am not.

**MR SMYTH:** He is not worried.

**THE CHAIR:** We will move on to the ACT Gambling and Racing Commission. Before we proceed with questioning, can you please confirm for the record that you understand the privilege implications of the statement before you on the table?

**Mr Barr:** Yes.

**THE CHAIR:** Thank you. I would like to start with some legislative changes. If you go to the priorities for 2010-11, I believe it is in BP4, page 415, the first of the priorities is to implement legislative changes to gaming laws as required. Can you tell us about any changes to gaming laws you will be pursuing in the coming year?

**Mr Barr:** I intend to bring forward a submission for change in the ACT. It has

obviously become public knowledge that I have put forward a series of proposals which were simply in circulation amongst government agencies at that point but which obviously became public. It would appear that there is a need for some further work in relation to those particular submissions; so there will now not be legislation forthcoming in these sittings. I would anticipate that I will have to bring forward legislation in the spring session.

It remains my personal view that we have too many poker machines in this city and that we should be seeking through this reform to, firstly, reduce the number of machines in the city; secondly, to create the capacity for there to be some growth in the club industry, though, in growing parts of the city, most particularly Gungahlin in the short term and then Molonglo in the longer term; and that through this process it is my view that we should also be seeking to encourage the clubs to put a greater level of the net gaming machine revenue back into the community through community contribution and take further steps to address problem gambling. So I am working on a series of options that I will bring forward to cabinet and then ultimately to the Assembly that I hope will be able to address all of those issues.

**THE CHAIR:** When you are talking about reducing the number of gaming machines in the city, do you mean in the Civic area and redistributing them across the territory?

**Mr Barr:** No, I am sorry, within the Australian Capital Territory.

**THE CHAIR:** The number?

**Mr Barr:** Yes. I do not believe it is a matter of any great pride for this jurisdiction that we have the highest number of poker machines per capita of any state or territory in Australia and I believe it is appropriate at this point in time to be looking at that. The reforms that I intend to bring forward, I hope, will address that issue.

**THE CHAIR:** How would you go about reducing the number of machines? Would you wait for licences to be handed back in and just not hand them out again?

**Mr Barr:** At the moment, as I understand, the current cap is 5,200. But not all of those machines are currently being utilised. Mr Jones might be in a position to give the figure as of today as to how many are not.

**Mr Jones:** Eighty-six.

**Mr Barr:** There are 86 of the 5,200 that are not currently allocated. In the first instance, you could utilise those unused machines as part of the reduction in the cap. I believe for administrative simplicity it would be better to take a certain number of machines out, for example, one in seven, and just remove those machines proportionately from each of the clubs.

**THE CHAIR:** So you see that as an easy way to go? It would have a greater impact on some than others, because some only have a small number of machines whereas some have massive amounts of machines. The impact on financial viability could differ?

**Mr Barr:** Yes, it would, but it would be proportional. If you had less than, say, seven—it could be one in eight; it could be one in six, depending on the particular model that you proceeded with—provisions to protect smaller clubs, I think, are important. The capacity, though, for the larger club groups that have multiple sites to cope with a reduction in the number of machines is clearly greater.

Obviously commensurate, though, with a reduction in the number of machines might also be to look at the issue of a gaming taxation. As a principle, I believe that state and territory governments should seek to become less reliant on revenue from gaming machines. That is another important principle that I have in the reform package.

**THE CHAIR:** And have you also looked at the issue around smaller clubs being swallowed up by larger clubs—the idea of clubs is, around a certain sport, to build the community—the way shopping malls are taking over, rather than having individual shops, and you get that sort of blandness? Have you thought about that issue?

**Mr Barr:** If you just took a long-run analysis of the club industry in the territory you would see that there is that consolidation occurring, that the number of operators continues to reduce. The number of operators that operate on multiple sites continues to increase. It is, I suppose, part of the club industry model, though, and the community gaming model is that, if you are not dispersing profits to shareholders, then the capital must be retained within the institution. That is why I think there is a pretty compelling case for a greater amount of that capital to be distributed back to the community through what has proved to be a very effective mechanism.

The club industry deserves to be commended for the fact that, although they have a legislative minimum requirement for the amount they return to the community, they often return significantly more than that. And that is to be commended. If we are looking for ways—and going back to our previous conversation in relation to the sport and recreation industry, for example—of getting more money into those sorts of grassroots community sport activities, then the club sector plays a really important role and we should certainly look to encourage that.

**THE CHAIR:** As part of all of this, are you looking at the issues that the club sector have been raising around the transferability of machines? We have mentioned that a number of them are getting bigger, they are on multiple sites and they want to be able to do that. What is your view?

**Mr Barr:** Certainly, there has been a pretty intensive examination—Treasury officials may care to comment in a moment—of the detail of that examination of the issues associated with trading. I have some concerns with the setting of a price for a poker machine and making it a traded commodity in that sense. I fear it will lead us down the path to the similar sorts of issues that we are currently facing with the taxi industry, whereby government is constricting the supply and yet we are enabling some form of market to be set. I think there are real dangers in pursuing that particular policy direction.

It would leave a range of issues if you were to ever want to adjust the cap in the future. Significant compensation issues would come into play if you put a price on the machines. At the moment, it is really just around the right to operate a particular

licence. I might ask the Under Treasurer to comment further on the deliberations of Treasury in looking at this particular issue.

**Ms Smithies:** Honestly, I think the minister has probably covered off the main issues. I think you would be aware that there was a discussion paper out which talked about the possibility of an options scheme or a trading scheme, looking at those issues a little bit more deeply and particularly looking at the market of the ACT and a market in terms of a commodity—what actually is the right that the government is giving and the heavy regulatory framework that then is put on access to a gaming machine licence and the use of those licences. It does cause a whole lot of almost counter-opposing sorts of pressures when you try and create a market situation for a good on a heavily regulated industry where you have a lot of social policy issues that also come into play. They are some of the things that we have been working through in a bit more detail when we provided the next set of options for the government to consider in this issue.

**THE CHAIR:** Mr Seselja.

**MR SESELJA:** Thank you. I have a few questions for Mr Jones. Mr Jones, you conducted an investigation into the attempted Labor Club sale and one of the things you found was that there was considerable evidence that attempts were made to direct and influence the club's board in relation to the process. Who made those attempts to direct and influence the club's board?

**Mr Jones:** The commission's investigation found that both the national executive of the ALP and the ACT branch of the ALP attempted to influence the decision of the club board but were unsuccessful.

**MR SESELJA:** So this is the national executive, which Kevin Rudd sits on, and the local executive, which the Chief Minister sits on?

**Mr Jones:** I am not sure. I do not recall the exact make-up of the two executives or who actually sits on the ACT branch. But, yes, it was those organisations.

**MR SESELJA:** How many of the people who apparently tried to influence the Labor Club board to break the law did you have the opportunity to interview?

**Mr Jones:** We had the opportunity to, I guess, interview anyone that we considered was relevant. We interviewed, in the end, all the relevant directors of the Labor Club and the CEO of the Labor Club, and that was it.

**MR SESELJA:** What about those who attempted to do the influencing? Did you interview any of them?

**Mr Jones:** No, we did not. We did not consider that necessary, because we had documentary evidence from the documents we obtained as part of our investigation, as well as the interviews with the club board directors about, I guess, the role and what those organisations tried to do. So we were satisfied that the information we had obtained was consistent across all of those areas of evidence and we decided in the end it was unnecessary to seek further clarification of what they actually did.

**MR SESELJA:** So, essentially, you concluded that you did not need any more evidence to know that the Labor Party national executive and the ACT executive had attempted to influence the board? The rest of your investigation was really about how they responded to those attempts to influence them?

**Mr Jones:** Yes, that is correct.

**MR SESELJA:** So that would be the reason why, for instance, you did not interview any of the members of the ACT executive?

**Mr Jones:** Yes, that is correct. The evidence that we obtained through those other sources was sufficient and all that evidence was consistent, so it was unnecessary to seek further evidence to clarify that. We were satisfied that that is, indeed, what had happened.

**MR SESELJA:** Okay. This is where, I suppose, it gets a bit difficult for you. Did you as a public servant, but also conducting an investigation, in any way feel constrained in investigating ministers of the ACT government?

**Mr Jones:** No, because we were not investigating ministers; we were investigating the compliance of the club with the Gaming Machine Act, so we did not feel constrained at all. We have got legislative powers to conduct investigations into gaming machine licensees, and that is what we did.

**MR SESELJA:** Sure, but theoretically you have said that you had enough evidence from the documentation to know that the attempts to influence had occurred. Theoretically, you could have been in a situation where you needed to pursue individuals in order to get that information. Would you have hesitated to interview the Chief Minister and to ask what he did as a board member in trying to influence the Labor Club?

**Mr Barr:** The Chief Minister is not a board member.

**MR SESELJA:** No, but he is a member of the entity that Mr Jones concluded attempted to influence the Labor Club.

**Mr Jones:** If that was necessary for the evidence, or if we had inconsistent or conflicting evidence, yes, we would have done so. In fact, who we were going to interview was discussed right at the beginning of our investigation in very broad terms, and that was certainly a possibility.

**MR SESELJA:** So at no stage did you consider interviewing members of the administrative committee of the Labor Party?

**Mr Jones:** That was certainly a possibility, too, if it was necessary to confirm activity or what was actually undertaken, yes.

**MR SESELJA:** Okay.

**THE CHAIR:** Mr Smyth.

**MR SMYTH:** Why was no action taken against those people that attempted to influence the board?

**Mr Jones:** Certainly, under any of our jurisdiction, it was not unlawful or in breach of any of the laws that we administer to attempt or influence an organisation, including the Labor Club.

**MR SMYTH:** Had they been successful in their influence, would you have been able to take action?

**Mr Jones:** No, I do not think so.

**MR SMYTH:** Effectively, the board would have lost control of the Labor Club.

**Mr Jones:** It is a hypothetical, but, no, I do not think so. The decision, and certainly the one that we investigated, was by the board of the Labor Club under the Gaming Machine Act. We do not have jurisdiction over Corporations Law or anything like that. So it is a hypothetical, I suppose.

**MR SMYTH:** You mentioned in your report that there are a number of things outside of your jurisdiction, for instance, taxation issues or the responsibility of directors. What has happened with those issues?

**Mr Jones:** We gathered no evidence on that that would give us an inclination to pass anything of significance on to other regulatory agencies, so, given that we were not faced with any evidence that any other regulators would have been interested in, we did not do so.

**MR SMYTH:** Did you seek evidence? You said you were not given any, but did you actually seek evidence for other breaches that would, therefore, be attached to the gaming industry?

**Mr Jones:** No. We were investigating the provisions of the Gaming Machine Act, so we did not go out of our way to seek Corporations Law or tax office—

**MR SMYTH:** So it might be there—you just did not find it—given that it was raised by people on the board of the Labor Club?

**Mr Jones:** We got a lot of documentation and we had many, many hours of interviews, and there was no substantive evidence that there were breaches of those other federal pieces of legislation that was presented to us that we would have passed on. So, while we were not specifically looking for that, because it was not part of our jurisdiction, we did not discover it either.

**MR SMYTH:** But it is not very often that people who may have breached Corporations Law, tax law, cough up the information to an investigator of any kind. So, in theory, it could be there.

**Mr Jones:** In theory, it could be. But, having said that, the people we interviewed were interviewed under oath and, clearly, there are fairly large penalties for being misleading under oath, so—

**THE CHAIR:** You have quite substantive powers, don't you, as a commissioner?

**Mr Jones:** Absolutely, yes.

**MR SESELJA:** You were denied 80 documents. What reason was given for the denial of those documents?

**Mr Jones:** It was 86, Mr Seselja, and that was legal professional privilege.

**MR SESELJA:** Okay. So you have got no idea of even the nature of any of those documents?

**Mr Jones:** We do have an idea, in terms of we were presented a list of documents with a very short, perhaps less than a one-line, description of those documents. That description would typically be "Legal advice by X law firm to client"—that sort of thing. But that is as far as it went.

**MR SESELJA:** What do you believe—what judgement did you form about what these documents may have assisted you to determine?

**Mr Jones:** Not a great deal. The fact that they claimed legal professional privilege by definition means that it was advice that the Labor Club board actually sought. What those documents probably would have contained, given the claim of privilege, is legal advice from various numbers of lawyers which, in some ways, actually boosted the position of the Labor Club board in seeking advice in terms of the investigation in control that we were doing. The fact that they were seeking and sought extensive legal advice indicated that they were making their own decisions. In some ways, you could see that those documents could actually support our conclusion.

**MR SESELJA:** I suppose the alternative would be that they were seeking legal advice to see whether the amount of influence that was occurring—whether it complied with the law or not.

**Mr Jones:** I guess all legal advice deals with sort of compliance with what you can and cannot do to some degree. If it was a suggestion from a law practitioner or a legal practitioner how you could either breach the law or get around it, you cannot claim privilege on that. So—

**MR SESELJA:** You would not know whether they had claimed privilege on such a document, though, would you?

**Mr Jones:** Unless you are going to appeal that decision in court, you need to take on face value that we were presented with a list of documents from a partner from a well reputed law firm. We asked them to review that decision, which they did. We obtained access to about another six or seven documents, mostly because we had already had access to those through other means. Unless you are going to take them to

court and appeal or have that claim of privilege reviewed, I guess you need to make a reasonable assumption that a partner of a law firm would be reasonably honest or straightforward with what they had presented to you.

**THE CHAIR:** Mr Jones, as an outcome of this inquiry, you have I notice recently put out a consultation report to stakeholders out there.

**Mr Jones:** Yes.

**THE CHAIR:** Can you tell us some of the key issues that you are consulting on?

**Mr Jones:** Yes. Thanks for that question. This may lead to or be related to the very first question about possible legislative changes or amendments that may be coming up during this financial year; so I add that to the minister's response as well.

One of the concerns that the commission has had for some time, and it was highlighted by our investigation of the Labor Club, is the governance arrangements contained within the Gaming Machine Act, specifically allowing an external third party called an associated organisation to appoint the majority of directors to a club. The other issue of concern to the commission is the small number of voting members which actually have the power, I guess, to appoint either the full or the remaining number of directors on a club board.

There are some examples around town where there may be a total membership in the order of 30,000 and 40,000 with 350, 400 voting members. When you look back to the principles of what a club is—an organisation established by the members for the members—that does not seem to be particularly transparent or democratic in its governance arrangements. When you combine that with the ability of the majority of directors to be appointed from a third party, you are sort of taking another step backwards.

The commission has concerns about how those governance arrangements actually sit with the principle of mutuality and whether those tax advantages should be and can be maintained by an entity. While we are not saying that the principles of mutuality should not apply, it certainly is taking a step away from what the original setup was. I guess that coincidentally after we sort of commenced this and had these ideas, the Henry tax review raised similar issues in terms of very large organisations—club organisations—which are effectively commercial in style, with a very large number of social members which, if they knew, would probably have very little interest in what the original objects of the club were. The comment by Ken Henry was that that is a step away from the concept of a club and mutuality principles.

He made certain recommendations which, at this stage, have not been adopted, but the commentary is there on the record. I guess that where the commission is coming from at this stage is looking at investigating those arrangements and seeing whether there is something more democratic and transparent which perhaps brings the industry back closer to the original concept of what a club should be, and we are reasonably confident that that can be done and still maintain some of the longevity and, I guess, the confidence that clubs which are set up for a particular object will continue with that.

There was concern from the industry which was brought out fairly loud and clear at the seminar that we conducted for them last week. A club—let us say it was an Aussie Rules club—was concerned that perhaps they had spent 20 or 30 years building up their assets for the development of Aussie Rules. In one fell swoop it could be taken over by some other sporting code—I will not pick on anyone in particular; it might be a little bit sensitive—and that 30 years of hard work and their \$10 million or \$20 million worth of assets, converted to another code sort of virtually overnight. That is clearly a concern for them, which we recognise. We certainly would not want to be setting up or making recommendations on something that would perhaps undo those.

**Mr Barr:** It would be the biggest stackfest in the world.

**MR SESELJA:** Apart from the Labor Club, how many other clubs have those significant third-party direction and appointment of directors?

**Mr Jones:** There are about seven or eight, most of them relatively large clubs in the ACT that have those. A lot of them are sporting clubs, but not exclusively.

**THE CHAIR:** How long will the consultation process go for?

**Mr Jones:** It is a six-week process. It started on 30 April and finishes on 11 June. As I said, we have had a fairly robust meeting with the industry where we discussed a lot of issues and their concerns. Yes, we are waiting with bated breath on their submission to see their arguments about how they see it.

**THE CHAIR:** Once that closes, what is the process from there? If there is going to be legislative change, when would we start to see that roll out?

**Mr Barr:** It would have to be bid for in the legislative program, subject to the formal cabinet process and parliamentary drafting process. Knowing that process as I do, I think the earliest you would possibly even see a piece of legislation introduced would be December, but even that would be optimistic. I think you are probably talking about 2011, but in the autumn session.

**THE CHAIR:** The earlier changes you were talking about, minister, are they going to be all put out at once or are you planning some program?

**Mr Barr:** There is obviously some policy development that has to continue. There is a process within government. Then, of course, once that position is determined, it is obviously on the public record that there are a variety of views on this issue, Madam Chair. A piece of legislation would then be introduced to the Assembly. One would imagine that there would be a considerable amount of interest in such a legislative reform. Intense lobbying is already taking place, even in the formation of said policy. It would then continue through that process. I imagine that we will be dealing with this throughout most of the second half of this year.

**THE CHAIR:** We will watch that with interest.

**Mr Barr:** We will look forward to it with great interest, yes.

**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 at this hearing. In relation to questions given on notice, these will be accepted for three working days following this public hearing for Exhibition Park Corporation, CMD, output class 3.1, Tourism; Department of Territory and Municipal Services, output class 1.6, Sport and Recreation and 2.2, Venues and Events; and the ACT Gaming and Racing Commission, output class 1.1, Gambling, Regulation and Compliance. Members, please provide any questions on notice pertaining to these outputs and agencies to the secretariat by close of business Monday, 31 May 2010.

An behalf of the committee, I would like to thank the Minister for Tourism, Sport and Recreation, the Minister for Gaming and Racing and officials from the Chief Minister's Department, the Department of Territory and Municipal Services, Department of Treasury, the ACT Gambling and Racing Commission and Exhibition Park Corporation for attending today and, in advance, for responding promptly to questions taken on notice and given on notice.

Tomorrow we will continue in the morning with the Department of Land and Property Services, followed by the Land Development Agency and the Department of Disability, Housing and Community Services. This public hearing is now adjourned.

**The committee adjourned at 6.06 pm.**