



LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON ESTIMATES 2011-2012

(Reference: [Appropriation Bill 2011-2012](#))

Members:

MR B SMYTH (The Chair)
MS M HUNTER (The Deputy Chair)
MR J HARGREAVES
MR J HANSON
MS C LE COUTEUR

TRANSCRIPT OF EVIDENCE

CANBERRA

FRIDAY, 20 MAY 2011

Secretary to the committee:
Ms G Concannon (Ph 620 50129)

By authority of the Legislative Assembly for the Australian Capital Territory

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

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Privilege statement

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Amended 21 January 2009

The committee met at 9.26 am.

Appearances:

Corbell, Mr Simon, Attorney-General, Minister for the Environment and Sustainable Development, Minister for Territory and Municipal Services and Minister for Police and Emergency Services

Justice and Community Safety Directorate

Leigh, Ms Kathy, Director-General

Crowhurst, Ms Moira, Chief Finance Officer

Garrisson, Mr Peter, Chief Solicitor, ACT Government Solicitor

Hinchey, Mr John, Acting Victims of Crime Commissioner, Victims Support
ACT

Greenland, Ms Karen, Director, Transport Regulation

Office of the Director of Public Prosecutions

White, Mr Jon, Director of Public Prosecutions

Elections ACT

Green, Mr Phillip, Electoral Commissioner

Office of Regulatory Services

Phillips, Mr Brett, Executive Director

Legal Aid Commission

Crockett, Mr Andrew, Chief Executive

Fleming, Mr Andrew, Chief Financial Officer, Corporate Services

Public Trustee for the ACT

Taylor, Mr Andrew, Public Trustee

THE CHAIR: Welcome, minister, to you and your officials today for day six of the 2011-12 estimates. We are almost halfway—exciting, isn't it? I would like to welcome you all here for the examination of the proposed expenditure in the 2011-12 appropriation bill and estimates for the budget.

In today's proceedings we will look at the Justice and Community Safety Directorate, including output class 1, output 1, and the Legal Aid Commission and the Public Trustee. I need to remind witnesses of the protections and obligations afforded by parliamentary privilege and ask: have you read the privileges statement before you on the table and do you understand its implications?

Mr Corbell: Yes, thank you, Mr Chairman.

THE CHAIR: Thank you, minister. I also remind witnesses that the proceedings are being recorded by Hansard for transcription as well as being webstreamed and broadcast live. We are also trialling Committees on Demand which puts an audiovisual record on the web until 30 June for people to view. Are you happy to proceed?

Mr Corbell: Yes, thank you, Mr Chairman. Do I get to say no?

THE CHAIR: You do, but then we sort of go to the contempt parts of the standing orders.

Mr Corbell: I thought you might do that.

THE CHAIR: But if you want to leave and leave your officials here that would be interesting.

Mr Corbell: No.

THE CHAIR: Minister, would you like to make an opening statement?

Mr Corbell: I do not intend to make an opening statement but I and my officials will be happy to try and answer your questions.

THE CHAIR: In budget paper 4, page 249, the seventh dot point talks about developing design options for the long-term replacement of the Supreme Court building. Where is that at?

Mr Corbell: The government is currently finalising its consideration of the preferred site for the development of a new Supreme Court building. Obviously the existing Supreme Court building is over 40 years old and was built at a time when air conditioning was not standard in office buildings. So the Supreme Court building is reaching—indeed has reached—the end effectively of its functional life. The government has allocated funding for feasibility and design of a new building. This money has been rolled over while the government finalises its consideration of its preferred site for a new building, and that is close to finalisation through the cabinet process.

THE CHAIR: The site is where?

Mr Corbell: There is a range of sites, Mr Smyth. We are yet to conclude a decision on the preferred site but I will just outline the options that the government is exploring. One is obviously the existing site of the Supreme Court building itself either through a significant refurbishment or redevelopment of that site. I would make the observation up-front that the existing building does have significant values in terms of particularly the facade of the building from a heritage perspective. So that is a matter that has to be taken into account. But there are alternative sites including a site immediately to the south of the existing Supreme Court site. There is also the possibility of utilising a site to the north of the Magistrates Court building, and finally there is the potential re-use or redevelopment of the site currently occupied by the city police station.

All of these have challenges and opportunities and the government is undertaking a detailed assessment of all of those options and will be announcing its preferred site in due course.

THE CHAIR: And due course is—

Mr Corbell: I would expect cabinet would reach a conclusion on this matter later this year.

THE CHAIR: You have \$3.8 million which you have said was rolled over for the forward design. I am intrigued by the words “forward design”; I have not seen anybody do backward design. What would the total cost of the new building be?

Mr Corbell: The total cost of the new building will partly depend on the preferred site, so the government has not yet taken a decision, nor indeed provided funding for the construction of the new building, at this time.

THE CHAIR: And expected opening date?

Mr Corbell: Again that will depend on the option that is chosen in terms of the preferred site.

THE CHAIR: Mrs Dunne, do you have a supplementary on the court?

MRS DUNNE: Yes. Is there, minister, a commitment from the government to build a new Supreme Court building or to augment the buildings that currently exist? Is there a firm commitment?

Mr Corbell: Yes, we need to do it.

THE CHAIR: Ms Hunter.

MS HUNTER: Also on page 249 the third dot point from the bottom under the priorities is around access to justice measures. Access to justice has been a bit of a buzzword in legal circles in recent years. Could you define what government believes is this term “access to justice”?

Mr Corbell: Access to justice is quite a broad term and in the government’s view encompasses a broad range of measures. First of all, access to justice can be viewed as ensuring that people are able to get appropriate legal representation and advice to protect their rights when they are engaged in either the civil or the criminal justice system. The government has in the most recent budget made provision to organisations such as Legal Aid to enhance access to justice in that way.

The government also takes the view that access to justice is about ensuring people have timely access to dispute resolution in the courts, whether that has been because they have been charged with an offence and they are entitled to a speedy trial in relation to those matters or whether they are seeking arbitration of a civil dispute. Access to justice is as much about timely access to a hearing before an independent court or tribunal as it is about ensuring that people have adequate legal representation and advice.

MS HUNTER: Under that dot point it lists some of those things that are going to fit into these access to justice measures and one of them is creation of a single registry. I am just wondering if you could explain how the creation of this single registry is

going to support access to justice.

Mr Corbell: I would be happy to do that. In fact I will ask Ms Leigh, the director-general designate of the Justice and Community Safety Directorate, to answer the question.

Ms Leigh: A single registry in the ACT, given the small size of our court system, will enable us to ensure that we have our resources directed most effectively to serve the Canberra community. We currently have two relatively small courts, each with their own registry. Lawyers who come to file matters need to go to both buildings. The Supreme Court is so small that if there is simply a staff member ill there is no possibility of backup and the registry can be closed on an ad hoc basis, inconveniencing people who come to file matters and expect it to be open. From the point of view of the non-legal profession it is much more user friendly for someone to be able to come into one point and not need to know which court they need to go to.

MS HUNTER: Where would that point be located?

Ms Leigh: It will be physically located in the Magistrates Court building. It is simply a larger, newer building and it has more capacity to provide that function.

MS LE COUTEUR: We have heard a lot about the possible one-office building for the government and about how you are going to centralise all the record keeping and the shopfronts. Is that going to influence this at all or is records management not going to be—

Mr Corbell: Records management is appropriately separate from the activities of executive government.

MRS DUNNE: Can I just follow up, Mr Chairman. Aren't we just going around in circles? We are still making decisions about where the new Supreme Court building will be, what type of building it will be et cetera but we are making decisions about where the registry will be separately from that decision.

MS HUNTER: Yes, I also wonder how they fit together.

MRS DUNNE: Are there not problems with saying, "It's going to go in the Magistrates Court, but we actually don't know where the Supreme Court building is going to be"?

Mr Corbell: No, I do not believe so, Mrs Dunne. What we are trying to do, first and foremost, is to create a more efficient operation within the existing court structure. As Ms Leigh has indicated, the operation of two registries duplicates effort. It duplicates functions that can be more effectively delivered by one single registry, and that will remain the case regardless of whether we have a new Supreme Court building, wherever it is. So—

MRS DUNNE: But the issue, minister, is that you are making decisions about where to locate a central registry. I do not think there is an argument about whether or not we should have a central registry. But you are doing that in a vacuum without making

a decision about where the Supreme Court building—

Mr Corbell: No, it is not in a vacuum, because we have to appreciate what the time frames are here. If we argue that it is desirable from an efficiency perspective, from a use of resources perspective, to have a single registry, and if we have the capacity to establish a single registry, which we do, then we should do that, because a new Supreme Court is probably a number of years away in terms of its construction. It is at least a two-year construction job to build a new Supreme Court. We are yet to do design for that building, so we are probably talking about, at a minimum, three years before a new Supreme Court is established. I do not think it is desirable to say, “We just won’t take a decision about a single registry until the new building’s built.” That does not make a lot of sense to me, so we are not doing that.

MS HUNTER: Also, under that line there are some other initiatives. There is the legal practice management system software upgrade, there is once-off funding for improved courts and tribunal case management system and e-court court capability feasibility, and we have spoken about the forward design of the new Supreme Court. How do all of these separate initiatives link together, and what is the overarching plan that you have in mind for the court and the link once again to the access to justice?

Mr Corbell: They all link together, Ms Hunter, in the context that it is all about improving the efficiency of the courts’ operations. Some of these are not directly related to whether or not there is a new building. Some of these are not directly related to whether or not there is a new building. Software upgrades, IT upgrades are necessary now in relation to a range of functions within the court because IT systems are ageing and need to be replaced, and they will need to be replaced regardless of issues about physical accommodation.

Equally, issues around court security, which are also mentioned in this dot point, are matters that need to be dealt with now. They need to be dealt with now to ensure that participants in the court process, whether they are judicial officers, accused or witnesses, prosecutors—whoever it may be—are given appropriate protection to undertake their responsibilities before the court. So these are functions that need to be done, whilst at the same time we give consideration to the issue of a new Supreme Court building.

THE CHAIR: Ms Le Couteur?

MS LE COUTEUR: Thank you. I turn to workers comp, which is slightly bizarre. On page 267, additional funding of \$1.712 million in 2011-12 and \$1.33 million in the year after is provided for an increase in workers comp. We are very confused about it. Our understanding was that the government policy is that directorates do not get additional funding for workers comp premiums and that they come out of the current budget appropriation. Are we wrong about that? If we are wrong, why has JACS got this additional funding? Is it because of prior year claims? Are there some serious injuries that need to be dealt with? Are you expecting more problems in the future? What are we doing to address all of this?

Ms Leigh: There has been a significant rise in the workers comp premium rate. This has been attributable to a number of factors. There have been higher annual wages for

the department. For example, we had a recent work value outcome for our intensive care paramedics. That flows through to our workers compensation premium. There have been a number of other increases in our wages that have also flowed through.

In addition, we do have in our portfolio occupations that, by their nature, produce a higher risk. We have all of our emergency services workers and we have our corrections staff—also, some of our Office of Regulatory Services staff. So as a portfolio we do present a significant risk. I should say it is one that we take very seriously as a portfolio, both in terms of trying to manage that risk and in terms of supporting workers who are injured to return to the workforce. That, of course, also flows through to the dollars, in terms of a premium.

MS LE COUTEUR: So you are expecting this to be a significant and a continuing increased risk?

Ms Leigh: It is a significant increase which will go into our base. I do not expect it to be ongoing in the sense of further increases, but it is an increase that will be going into our base and be maintained.

MS LE COUTEUR: So for 2013-14 and then 2014-15, which do not have figures against them, that will come into the base at that increased level?

Ms Leigh: That is correct.

Mr Corbell: In the longer term, too, Ms Le Couteur, the government has taken the decision that it needs a stronger whole-of-government response on the issue of managing workers compensation premiums. Therefore, the government has commenced a whole-of-government exercise to strengthen our capacity to deal with workers compensation matters and to take more proactive management of that at a whole-of-government level. So the government is factoring in, in later years, that there will be a dividend, so to speak, in relation to that response which will give us a greater capacity to ameliorate and manage the costs of workers compensation going forward.

MS LE COUTEUR: Will that be more emphasis on rehabilitation or a reduction of benefits to the injured or—

Mr Corbell: No, it is not about a reduction of benefits; it is about a more proactive approach in relation to return to work, managing a more speedy and effective return to work or redeployment of people in appropriate circumstances, and therefore reducing the premiums that we are currently encountering in some portfolios.

MS HUNTER: Is this based on the legislation that is on the table around changes to workers compensation?

Mr Corbell: No, it is not.

MRS DUNNE: Minister, the \$1.7 million in the first year: what is that made up of? Where are the cost pressures in the portfolio? Ms Leigh touched on them, but I was wondering whether you could provide on notice a more comprehensive breakdown of

where those cost pressures are.

Mr Corbell: I do not have a more detailed breakdown than that which Ms Leigh has already provided, but I can take the question on notice and provide a more detailed assessment.

MRS DUNNE: Thank you.

THE CHAIR: Mr Hargreaves?

MR HARGREAVES: Thanks very much, Mr Chairman. Minister, also on page 267 of BP4, I am interested in two of those lines but in one of them—and I will come to the second one, Mr Smyth, as we go around the table—the Government Solicitor is receiving an additional \$900,000, growing with CPI, I would guess, to \$940,000. It is nearly a million dollars worth of additional support or funding for the Government Solicitor. If my memory serves me correctly, this committee has been asking the government to supplement the Government Solicitor's office for some years now. So I congratulate the government on doing it. But I would ask you to explain to us how that \$1 million will be spent. And I note that you are about to receive the assistance of the cavalry.

Mr Corbell: Mr Garrison, the Chief Solicitor, can give you some further detail, but the funding is \$3.679 million over four years—seven additional full-time equivalent staff to meet increased demand for a range of legal services to government. The government takes the view that investment in legal services assists the territory to protect its revenues. It protects the territory against mistakes that might drive increased costs for taxpayers and therefore a robust and well-resourced government solicitor's office is a very important functioning area at the centre of government. Mr Garrison brought to my attention earlier this year the need for increased capacity in his office, and I am pleased that the government has been able to respond to that. I will ask Mr Garrison to give some more detail on that.

MR HARGREAVES: Also, as I understand it, minister, a well-resourced and highly qualified government solicitor will return moneys to the territory sevenfold if allowed to travel overseas. Am I correct?

Mr Corbell: Certainly that has been done in the current financial year, Mr Hargreaves. Of course, we are precluded from discussing that matter in any more detail. I will ask Mr Garrison to outline some more detail around this budget measure.

Mr Garrison: Our office has a detailed system for recording the time and classifications of work that we undertake. Of course, my job is to manage the resources that we have in accordance with the instructions that are provided and the priorities of government. A trend has emerged over a period of several years which we have been monitoring on an ongoing basis, and it led to two conclusions. The first was that my office was actually physically doing a lot more work than the people that I had ought to be doing. That is all right in a way because it is part of what you do. You manage your resources.

But a deeper analysis of the data reflected several key areas of our practice that had

expanded quite dramatically over the course of the last three to four years. Those areas were employment in industrial relations, where we had seen in the last three years a 50 per cent increase in the work in that area; general administrative law and litigation, which had more than doubled; our childcare work, which had more than doubled; and also continued and expanding work in relation to human rights, which was not so much a specific work type but more that it became an increasing element in the advice that we had to give in some litigation in which are participating. That meant that the relevant expertise had to be acquired and grown within the office.

The reason for seeking further resources was that, of course, balancing all those resources within my office meant that some things had to suffer. For example, urgent work meant that more routine work took second place and then the more routine work became urgent because it had been delayed.

Part of any business is to manage those sorts of issues. But, for example, if you look at our estimated performance indicators for this year, there is a fall-off in our completion rate, if you will, in relation to advices within 28 days. The estimate was 90 per cent and we will come in at 85 per cent. That may not seem a lot, but when we do a couple of thousand advices a year it is actually a fair bit of work for the government that gets slowed up.

That is the thumbnail, if you will, in relation to the need for additional resources, where they are deployed and areas of work that are involved.

MR HARGREAVES: I have a couple of other questions. This is predominantly in the nature of additional staffing, I would imagine.

Mr Garrison: Correct.

MR HARGREAVES: I would be interested in knowing what levels of staff you are going to be employing with these funds and how many.

Mr Garrison: We are looking at about half a dozen lawyers across the range. I am anticipating a couple of lawyers at the senior level—legal 2 level—possibly an additional one at that level—and three legal 1s. So about half a dozen.

MR HARGREAVES: That is really good news. The other thing I noticed is that the \$900,000 from year one kicks off from 1 July.

Mr Garrison: Correct.

MR HARGREAVES: Will there be a recruitment lag which will affect that?

Mr Garrison: Not appreciably. I am actually working on that process at the moment. So I would expect to advertise later this month. Also, as part of managing my resources, I have a number of staff on temporary contracts filling in in particular positions. Some of those, of course, may well get picked up through this process into permanent positions.

MR HARGREAVES: Thank you.

MS LE COUTEUR: You mentioned human rights. One of the concerns that ACTCOSS has raised is that you have funding for new lawyers to deal with human rights but no funding for the human rights commissioner who has a more educative role and maybe would cut off some of the problems before they ended up in your lap. Is that a fair commentary or—

Mr Corbell: I do not believe so, Ms Le Couteur.

MS LE COUTEUR: is there a reason for going for the legal solution?

Mr Corbell: I do not believe that is a fair commentary. The types of matters that the Government Solicitor's office is dealing with are matters where people are, through courts or tribunals, seeking to raise human rights considerations, amongst other things. But in the context of your question, they are seeking to raise human rights considerations for courts to consider.

Now, it is appropriate that we have sufficient capacity in house to deal with those considerations and assist the court or tribunal in determining those matters. So that is what the funding is about. I appreciate that the Human Rights Commission continues to work within budget constraints but those budget constraints are budget constraints that are necessary across the government. The Human Rights Commission as an entity within the broader executive needs to work within that context.

Mr Garrison: Perhaps I could also add that it is a bit like an iceberg. A lot of it you do not see. Litigation is very visible and there is a lot of learning to be done within the legal profession in a range of places about the way the Human Rights Act and the associated principles operate. Of course, we are drawn into addressing those issues—assisting the courts and tribunals in relation to them.

But the majority of the work that we do by far is advisory work. When departments and agencies, directorates now, are formulating policy, formulating projects, things like the design of a particular facility—what do we need to have regard to in putting that together?—then we provide legal advice to those agencies about the way they may implement their policies. Because those are issues that are central to executive government, whilst there is obviously consultation with the commission on a range of issues, some of these matters are, if you will, preliminary to the formulation of those policies. So we have a significant input into both policy and operational developments within a range of agencies, and that is a large part of the work.

THE CHAIR: Mr Hanson has a question.

MR HANSON: At page 249 there is a dot point:

Enhancing security at the Courts by providing a security manager and additional sheriffs in the Courts, and expanding correctional officer resourcing ...

I note on page 267 there are actually two items dealing with court security. The first is “courts security and court transport” at \$952,000 and \$855,000, going across the columns. Then there is another called “courts security upgrade”, which is an ongoing

cost of about \$100,000 a year. I am wondering why there are two different lines dealing with court security and what those lines are comprised of in more detail.

Mr Corbell: Ms Leigh can give you a bit more detail shortly but, first of all, security issues were identified in terms of the safe custody and escort of prisoners in the courts, particularly juveniles in the Children's Court. Following recent incidents where we saw at least one juvenile escape from custody during escort from the courts—

MRS DUNNE: Has there been more than one?

Mr Corbell: I am only aware of one. Following that incident, the government took the step to improve the escort regime, particularly in relation to those detainees. So this funding strengthens and gives us the capacity to maintain that escort regime. That is an important security matter for the courts. You cannot have a situation where detainees are able to easily evade their custodial escort.

The second element you refer to, Mr Hanson, is in relation to improving the physical general security presence in the courts. Following a number of incidents in the courts, where we have seen violence or threats of violence towards judicial officers, prosecutors, witnesses or other participants in the court process, the government has undertaken a review of security measures in the courts. We, as a consequence, are funding a position of an overall court security supervisor, effectively—

MR HANSON: What level will that be at?

Mr Corbell: Ms Leigh can give you that detail in a moment—to take responsibility for court security as a whole, because the problem with court security has been that each court is notionally responsible for its own security. Often there is poor coordination between the two buildings. Even though they are next to each other, we have had situations where, for example, someone who has been violent or threatening violence has been ejected from one court and has simply walked into the other one because there has not been any coordination between the two courts.

There is also the issue of security in the broader precinct—that is, you can have someone waiting around in the general area which is the approach to the two courts and there is an issue about who takes responsibility for dealing with the behaviour of that person in that area. This court security coordinator position, if you like, gives us the capacity to coordinate court security arrangements and communication protocols and so on between the two courts.

Then there is additional security on the ground—additional sheriff officers and additional security personnel to provide a greater physical security presence in the courtroom itself. It may surprise some people to learn that it has not been uniformly the situation that there is a security presence in the courtroom.

If someone starts playing up in the courtroom, who is there to deal with it? Who can the judge or the magistrate direct to deal with the situation? There is not always a sheriff present. There is not always a custodial officer from Corrective Services present. There is not always a police officer present. In those circumstances, what occurs?

This is designed to give the courts greater capacity to deal with those issues, by having those staff more available in those courtrooms. I ask Ms Leigh to elaborate.

Ms Leigh: The overall security manager is at the SOGC level. In addition, as the minister has outlined, there are two sheriff officers at the ASO3 level. There are also five corrections transport unit staff who, as you would probably be aware, also operate within the court. They are all at the CO1 level. As well as that staffing, there is also funding provided for a review of judicial home security, training for security staff and some related items such as uniforms for security staff.

MR HANSON: Why does that appear as two line items in the budget?

Mr Corbell: One is allocated to Corrective Services, and one is allocated to the courts and tribunals.

MR HANSON: They are not identified. Which one is which then?

Mr Corbell: Could you tell us which page you are referring to?

MR HANSON: Page 267. One is “courts security and court transport unit”. The other is “court security upgrade”.

Mr Corbell: One is capital, and one is recurrent.

MRS DUNNE: On the subject of court security, if I may, has there been any analysis done of the causes? We know that a young person escaped from custody at the Children’s Court. Has there been any analysis of what might be considered the causes of the particular outbursts? There was an outburst last week in the Magistrates Court, which I understand resulted from the accused, who did not have a translator, not actually understanding what was going on. Has there been any analysis of what are the triggers for these sorts of outbursts? Are there issues other than direct security which need to be taken into account?

Mr Corbell: I am advised that the consulting process that we went through when looking at court security did talk to stakeholders about drivers as well as risks. So I am advised that the consultant did engage with people like prosecutors, judges, magistrates, sheriff officers and others about drivers as well as risks.

MRS DUNNE: And what conclusion did they come to about drivers?

Mr Corbell: I do not have that information in front of me. I would have to provide some further information on that.

Ms Leigh: Perhaps I could add that the purpose of that consultation was then to be able to advise on what appropriate security measures should be taken. It was on the basis of that advice that the government has acted in allocating this.

MRS DUNNE: Are there particular drivers that can be addressed? For instance, my understanding is that the incident that occurred last week happened because there was

not a translator to explain to the person what was going on. Is that a commonly occurring matter?

Mr Corbell: Not to my knowledge. Obviously this is a matter that occurred last week, well after the government concluded its assessment and review of security arrangements. Generally speaking, the feedback I get from prosecutors, judges, magistrates and other participants in the court process is that what we are seeing is an increased tendency for people to not pay any respect to the authority of the court or the seriousness of the proceedings. So we are seeing a behaviour which is just disrespectful, basically, of the authority of the court and the importance of the proceedings.

There may be language issues but certainly none have been brought to my attention. Certainly in the more serious incidents that we have seen—for example, we saw a prosecutor assaulted by a defendant with a wooden lectern or we have seen glasses or other objects thrown at judicial officers or people at the bar—those have not been, to my knowledge, instances where, for example, someone has not had English as their primary language.

There are obviously potential mental health factors at play. I think what is very clear is that we are dealing with an increased propensity to violence from some defendants.

In the ACT we have not had the types of security measures that have been common in other courts around the country, particularly in large capital cities, for quite a while now. So really what we are now doing is making that transition to a security regime that is very much commonplace now in similar courts in capital cities around the country.

THE CHAIR: Going back to your answer to Mr Hanson, you said the security court upgrade line was capital. If you go to page 171 of BP3, the capital is actually a million dollars and this is listed as an expense. Is that a licensing fee? Is it maintenance? It seems to be a large percentage.

Ms Leigh: I can answer that. That recurrent item relates to the physical building works, because it is the ongoing maintenance and the support costs that relate to the building security system.

THE CHAIR: At 10 per cent? It is 10 per cent of the capital cost.

Ms Leigh: Point one. It relates, as I understand it, to the overall ongoing maintenance and support costs related to the management of the building's security and security systems.

THE CHAIR: Thanks. Mrs Dunne?

MRS DUNNE: Thank you. Minister, there has been a lot of discussion about accommodation for various members of the public service. One of the ongoing issues in your portfolio is a need for accommodation for community legal hubs and community legal centres. There has been extensive discussion over probably three years, maybe more, on finding a central place for community legal centres. You wrote

to me in February saying that you were exploring short-term and long-term options. There has been an anticipation that there would be some money in the budget sooner rather than later. What has happened to the work that has been done by JACS in relation to community legal hubs?

Mr Corbell: Firstly, I should make it clear that the government gave no commitment in relation to accommodation except that it would look at what could be done. In relation to accommodation for community legal centres, a range of measures were put in place in the short term to assist community legal centres in their existing accommodation. It is the case that the budget does not make provision for capital funding or recurrent funding for new accommodation arrangements for community legal centres.

The government takes the view on this matter that we will continue to work with community legal centres, to assist them in improving their accommodation in their existing premises. But we would make the observation also that community legal centres are independent entities with their own boards that make their own decisions about what staffing they take on and how they accommodate those staff. The government is willing to continue to provide assistance to community legal centres, but also I will be asking community legal centres that, particularly when they receive grants money from the commonwealth that result in an expansion of staff, they should, at the same time, ensure that those grants moneys are able to assist with accommodation pressures.

I think it is a bit unreasonable to say, “We want to keep increasing our staff but we are not taking decisions about how to accommodate those staff.” I know that the commonwealth, through its legal grants process, is prepared to provide funding for improvements in accommodation if that is driven by grants for increases in the provision of legal services. That is something which I think community legal centres need to consider. I will be encouraging them to do that.

I will just highlight some of the issues that the government has addressed in relation to accommodation. The government is providing additional low-cost office accommodation for the Women’s Legal Centre at a location in north Lyneham. We have also provided practical assistance to those services located in Havelock House in the form of payment for renovations and fit-out to improve the existing configuration of that accommodation.

We continue to work with CLCs. I regret that there is not funding in the budget for the approach that they were hoping for. Unfortunately, it could not be justified in the context of other budget pressures. Nevertheless, we will continue to work with and try to engage with CLCs to continue to improve their accommodation options.

MRS DUNNE: You say that you provided extra accommodation for the Women’s Legal Centre at north Lyneham. How much space is provided there?

Mr Corbell: I understand that that has been dealt with through DHCS—the Community Services Directorate as it is now—as the provider of accommodation for community sector organisations. I am happy to take it on notice and provide you with more detail. You may like to pursue it also with Minister Burch.

MRS DUNNE: The whole thrust of the argument about why we need the community legal hub—a hub for community legal centres—and why some of these centres are currently located in Havelock House is that there needs to be reasonable proximity to the courts and they need to be reasonably central so that clients who usually do not have access to private transport can easily access the services at community legal centres. It seems to me that moving people to north Lyneham moves against that central motivation.

Mr Corbell: I challenge anyone to say that north Lyneham is not reasonably central.

MR RATTENBURY: This is in the context where your government is prepared to spend \$432 million to co-locate its own public service. You have clearly got an agenda of being co-located, and you are splitting the Women's Legal Centre across two sites that are probably four kilometres apart.

Mr Corbell: A community legal centre is not a public service agency; it is a private not-for-profit organisation. Ultimately its board is responsible for its decision making about its accommodation.

THE CHAIR: I think the point that both members are making is that the government sees benefits in co-locating but is not willing to afford that sort of benefit for not-for-profit groups, by saying, "You will just have to go wherever there is space available." If it is valid for the government, is it not valid for the community legal groups?

Mr Corbell: There are a couple of differences. First of all, in relation to CLCs, any payment the government would make would be a recurrent cost. It would be a one-off hit to the recurrent expenditure of the territory. In comparison, if the government chooses to invest in its own accommodation for its own public servants, that becomes an asset owned by the people of Canberra. Secondly—

MR RATTENBURY: It could be a capital cost, though. You could choose to make it a capital investment.

Mr Corbell: No. Only if we build and own the building.

MR RATTENBURY: Correct.

Mr Corbell: I am not aware of anywhere in Australia where that occurs. This is the issue that needs to be considered further by CLCs. CLCs—

MR RATTENBURY: There is a million dollars in the budget for the Raiders' accommodation.

Mr Corbell: What CLCs have been doing is saying, "We'll keep getting grants moneys from the commonwealth and ACT for extra staff but we will not seek moneys, at least from the commonwealth, for accommodation." My position to them—and I am willing to support them in this—is that they need to go back to the commonwealth, who are the majority funder of these services in many circumstances, and say, "If you are prepared to fund us for additional service delivery capacity, you should also be

prepared to fund us for assistance with our accommodation costs.”

The ACT government is assisting community legal centres in relation to their accommodation costs. We are doing that through the provision of low-cost accommodation; we are doing that through assistance with the fit-out and refurbishment of existing accommodation; we are doing that with the provision of additional low-cost accommodation. But these centres are jointly funded and there is the opportunity for CLCs to go back to the commonwealth in relation to the grants moneys they get from them and say, “If you are going to fund us for extra staff, you also need to build in a provision for accommodation.” I do not think that that is an unreasonable proposition, and it is one that I am very happy to support the CLCs on.

MRS DUNNE: So you are saying, minister, that you are prepared to spend money on refitting Havelock House, which has serious leak problems, which has serious problems with the plumbing and which is essentially dead money, but you are not prepared to assist these organisations to find appropriate accommodation.

Mr Corbell: What I would say—

MRS DUNNE: And when we are talking about—

Mr Corbell: What I would say is—

MRS DUNNE: appropriate accommodation, minister, you would not expect an ACT public servant providing services to ACT citizens to work in the sorts of conditions that the Women’s Legal Centre and other tenants have to work in in Havelock House, but you are prepared to spend money to refurbish those for community legal centres that also provide services to ACT citizens.

Mr Corbell: Well, Mrs Dunne, firstly, at the risk of entering into a debate about government office buildings, I would simply make the observation that there are public servants working in similar conditions currently, and that is exactly why the government is seeking to upgrade office accommodation for our own employees. But what I would also say is that there is always a competing range of priorities in relation to expenditure in the legal services sector of the budget. I took the decision that, with the limited funds available, the funds should be directed towards improvement in provision of the legal services to the community, and that is why the priority in this budget is additional funding for the Legal Aid Commission to provide additional legal aid services to the community. I am afraid that, when it came down to a choice between different legal aid services to the community—more legal aid services to the community—and a better building for community legal centres, better legal aid services for the community won out.

MR RATTENBURY: We might come back to legal aid in a while, minister. Last November in annual reports hearings you acknowledged that the government had not assisted CLCs with accommodation previously, but you stated:

... it is desirable to recognise that these centres form the coherent critical mass of community legal aid services in the community. It is desirable for us to coordinate and assist them in addressing their long-term accommodation needs

rather than view them as simply another community organisation ...

You concluded by saying:

... the government is willing to assist, and that is what we will do.

Now, what changed between November and the budget being finalised?

Mr Corbell: Nothing has changed, Mr Rattenbury. Two observations: firstly, as I have already indicated to you, the government has provided additional support and additional funding to improve existing accommodation arrangements and to provide additional capacity, so it is exactly what I said last year, and it is exactly what we have done.

In relation to the broader question, I would challenge any committee member here to have to make the difficult choice of whether or not to spend money on a building or on rent or spend money on additional legal aid services to the community—additional legal advice to people in need. Now that was the choice presented to me in this budget in terms of the pressures in this sector. And I took the decision, as difficult as it was and as upsetting as I knew it would be to community legal centres, that my preference was to spend the dollars available to me on additional legal aid services to the community, not on money for a building or for rent.

MR RATTENBURY: You know that is a false juxtaposition—

Mr Corbell: Well, it is not—

MR RATTENBURY: on two grounds. One is recurrent in capital; that is one ground that it is a false juxtaposition. The second is that we know that community legal centres currently are struggling, and if they had better capacity, they could provide more service, because it is well documented that they are having to turn away offers of pro bono legal assistance.

Mr Corbell: This is a debate, Mr Chair.

MR HARGREAVES: Come to the question.

THE CHAIR: Well, there is a question. He has asked—

MS LE COUTEUR: It was a question.

Mr Corbell: No, he was responding to my point. He has not asked a further question.

THE CHAIR: Right, we will go on to a new question.

MRS DUNNE: But I just wanted to follow up why—

THE CHAIR: Follow this up and then we will go to a new question.

MRS DUNNE: Minister, you wrote to me in March that there were no government

premises available, there were no premises available for co-locating of community legal centres. What work has been done since then, if any, and are you prepared, minister, to take up the case with the commonwealth?

Mr Corbell: Yes, I am very happy to take up the case with the commonwealth, and that is what I will be indicating to community legal centre boards directly. And in relation to the assessment of what accommodation was available, that was worked on by my directorate in consultation with and on the advice of Community Services, who are the property manager for community sector accommodation provided by government.

THE CHAIR: A new question, Mr Rattenbury?

MR RATTENBURY: Just one quick last one on this topic, and then I will be finished, Mr Smyth.

THE CHAIR: Very quick.

MR RATTENBURY: Minister, what, then, in the government's view is the difference, given your reluctance to fund accommodation for the community legal centres, between that and your willingness to put up \$1 million to improve the accommodation facilities of the Canberra Raiders as another community organisation?

Mr Corbell: Well, Mr Rattenbury, governments have to fund a whole range of activities and give relative priority to all these things. You can always, I am sure, find something that you do not think should be funded and something else that should be funded but—

MR RATTENBURY: I am asking what the consistency is in the policy position.

Mr Corbell: Well, until you face the reality of sitting down around a budget cabinet table and dealing with these matters, I think you should be fairly retrospect in your comments.

THE CHAIR: All right, a new question, Mr Rattenbury.

MR RATTENBURY: That is it on this output area, Mr Smyth, for me.

THE CHAIR: Thank you. Any new questions?

MRS DUNNE: No, just general.

THE CHAIR: Minister, in the balance sheet for the directorate, I notice there are a number of lines for the outcome in the outyears, and none of them change. For instance, with assets held for sale, apparently for the next three years there is going to be \$162,000 worth of assets.

Mr Corbell: Which page are you on?

THE CHAIR: Sorry, budget paper 4, page 274.

Mr Corbell: Thank you.

THE CHAIR: Is there a reason that the same number is through there?

Mr Corbell: I might ask Moira Crowhurst, who is the chief—

THE CHAIR: Oddly enough, under current liabilities, the payables is exactly the same number for June 2012, 2013, 2014 and 2015, as is the finance leases, as is the “other” under current liabilities, and the same under non-current liabilities. There are a number of lines there where the numbers just do not change at all, which I find quite remarkable.

Ms Crowhurst: Good morning. In the balance sheet, we have reflected the ending balances of our estimated outcome for this financial year. We have then applied budget changes that would impact on our balance sheet; for example, where we get new capital projects, they may go into works in progress. When the project is completed, it would go into an asset.

THE CHAIR: Yes.

Ms Crowhurst: We have amended our liabilities in regard to our employee liabilities with the known impacts or our wage agreements that impact on our leave provisions. Where there is no specific known change and it appears reasonable that it would continue in the outyears, then our balance sheet just remains the same. So we take into account the known changes that have been reflected through the budget, and we flow that through to our balance sheet.

THE CHAIR: But how can you have \$162,000 worth of assets held for sale for the next five years?

Ms Crowhurst: It would not be the same assets, but, as at the end of this financial year, we assume that we would be holding assets to the value of about \$162,000. At the end of next year, if there is a change in the forecast, we would then reflect in the outyears as well. So, in that instance, it is really just reflecting our current estimate through to the outyears.

THE CHAIR: Yes.

Ms Crowhurst: And then we update each balance sheet. We update it every year as new information comes through the budget process.

THE CHAIR: All right, well at the bottom—

Ms Crowhurst: Or the end of the financial year.

THE CHAIR: in your reserves, it is \$57,507,000 for the next five years. How is it that the reserves do not change at all?

Ms Crowhurst: Similarly, there is no change at this stage in our estimates of our

balance sheets that would impact on the reserves. When an event happens that impacts on the reserves then we will flow it through to the balance sheet.

THE CHAIR: All right,

Ms Crowhurst: And that may be as a result of the end of the financial year, audited statements or an outcome in the budget which would impact on our balance sheet.

THE CHAIR: Okay. Higher up on that page under the intangibles, it has gone up 781 per cent, from \$1 million to \$9 million. Is that because of the changes in the admin arrangements or is there something happening there?

Ms Crowhurst: It would relate to capital works in progress that have been completed that are of an IT nature that would be capitalised and taken through as intangibles on our intangible assets that are in operation on our balance sheet. In regard to the second point of your question, whether there is apportioning there that relates to the transfer, possibly. I do not have that detail, but if the section that is coming across from TAMS had intangible assets then that would also be reflected in there.

THE CHAIR: Thanks for that. Just on the previous page, page 273, there is a line in revenue called “Resource received free of charge”, again just remarkably \$220,000 for the next five years. What is that, and why is it flat at \$220,000?

Ms Crowhurst: It relates to, in the main, the judicial resources received when we had interstate judicial visitors here, visiting judges.

THE CHAIR: Why is that listed as revenue then?

Ms Crowhurst: That is how we recognise it. They provide a service to us, a resource free of charge, and so we recognise it in our financial statements in accordance with accounting standards.

THE CHAIR: Okay. Ms Hunter?

MS HUNTER: Thank you, chair. I wanted to go to 1.3, legislative drafting and publishing services. It is around funding for PCO. I note that it appears that there has been—

Mr Corbell: Could I just ask you, Ms Hunter, to tell us which page you are referring to to assist me?

MS HUNTER: Certainly. It is page 257.

Mr Corbell: Thank you.

MR HUNTER: It appears that, apart from prosecution services, legislative drafting and publishing seems to be the area where there has been an output decrease from the last budget. It is only a relatively small reduction, but I wonder if you could take us through that. It is around \$58,000. I am just wondering what that saving will be made up of. Is it going to be a person or are there some other discretionary savings of some

sort?

Ms Leigh: Ms Hunter, that relates to the various efficiency measures that the government has put in place to manage the budget. So that would take into account the additional one per cent for this year that was announced in last year's budget.

MS HUNTER: How has it actually been saved? Could you take us through what is being saved?

Ms Leigh: That is something that is still being developed by business units because it will take effect from 1 July. Each business unit is able to look at identifying its own areas of efficiency. As I was saying, there are general efficiencies, there are some specific ones in relation to stationery, travel, consultancies et cetera, and then there is a measure to manage the growth in staffing. That figure reflects those three efficiencies.

MR RATTENBURY: That does seem to be the only JACS output group, aside from prosecution services, that has a cut. All the others seem to have growth. What is the difference for PCO?

Mr Corbell: I think the issue there, generally speaking, is that in other output classes the efficiency dividend, in terms of the total accounting figure, has been offset by an additional appropriation for different services or programs.

MRS DUNNE: So what you are actually saying is that the PCO is having to absorb cuts. Is it turning out fewer pages of legislation?

Mr Corbell: All output classes will be absorbing efficiency dividend measures and other savings measures. It is just that, in terms of how it is presented in the budget papers, those other agencies may have also received a budget appropriation for new programs or services. So whilst the government have said that all parts of government need to absorb these measures and provide services, we have also said we will provide additional resourcing for particular programs and services in particular areas. That is how it comes out in terms of the presentation.

As Ms Leigh says, in terms of how PCO will deal with this matter, they will deal with this matter by utilising their knowledge of their own business and identifying the most practical and effective way to return the saving to government without impacting adversely on the delivery of services.

MRS DUNNE: So you are maintaining that there will not be any adverse impact on the delivery of services from parliamentary counsel?

Mr Corbell: What the government has said, Mrs Dunne—and what the efficiency dividend measures are all about—is that it is about recognising that the delivery of front-line or direct customer service remains the priority and that, wherever possible, agencies need to identify measures that do not relate to that to achieve this saving. Obviously there are some measures around travel, there are some measures around stationery and there are some measures around use of consultancies or other costs such as that. That is where our focus is and that is what we expect business units to

look at.

THE CHAIR: Ms Le Couteur and your question and then Mr Hargreaves.

MS LE COUTEUR: Can I go on to regulatory services, as we appear to be doing everything?

THE CHAIR: Sure.

MS LE COUTEUR: At page 267 it says there has been an increase of base funding for regulatory services of \$2 million in the first year and then lesser amounts going on. What is that for? Are we just doing more of the same things?

Mr Corbell: There is an adjustment to the base funding for the Office of Regulatory Services. I think that is the measure you are referring to.

MS LE COUTEUR: Yes. That is what it says—"policy adjustments".

Mr Corbell: There was an adjustment to the base funding of ORS in last year's budget. It was only a one-off adjustment so it was not factored in; no provision was made in the outyears. So what the government is now doing is, effectively, flowing that base pressure adjustment through to this year and the outyears. The base pressure originates back in the decisions taken around the 2006 budget with the establishment of the Office of Regulatory Services and the bringing together of a whole range of regulatory functions from other parts of the government. At the time assessments were made about what savings were possible and what efficiencies were possible as a result of that collocation. We overestimated what that would be. So this is now an adjustment to reflect a proper level of funding following that collocation. That is now flowing through in ORS.

MS LE COUTEUR: Fair enough. I would now like to go through a number of things which ORS are, presumably, regulating. On trolleys, the trolley bill passed last year and, to the best of my knowledge, there has not been any enforcement action as far as that is concerned.

MR HANSON: Surprise, surprise!

MS LE COUTEUR: You will have the answer prepared for this one!

Mr Corbell: I would ask Mr Phillips to assist you, Ms Le Couteur.

MS LE COUTEUR: Thank you.

Mr Phillips: Ms Le Couteur, I have the pleasure of actually saying that shopping trolleys are not an ORS responsibility. It is TAMS legislation.

MS LE COUTEUR: So you will not be doing—

Mr Phillips: Not yet.

MS LE COUTEUR: Could you elaborate on “yet”?

Mr Phillips: When the legislation is passed the administrative arrangements reflected it was the Minister for Territory and Municipal Services. My understanding is that that is where the legislation currently sits. It currently sits there in the new administrative arrangements as well.

MS LE COUTEUR: In that case, moving on to—

Mr Corbell: You can ask me that question next week.

MS LE COUTEUR: Don’t worry, I will ask it next week. I am definitely sure that egg labelling is one of yours.

Mr Corbell: Yes, it is.

MS LE COUTEUR: I get a constant small trickle of emails from people who say they have been to their supermarket and the labelling is not as it should be. You appear to be dealing with this on a one-off basis because we send them on to you. Are you doing something to educate retailers or something so that it is not left to people to get upset?

Mr Phillips: Ms Le Couteur, we do a number of things in relation to eggs. We do proactive inspections in relation to that. We did around 20 in March-April in relation to eggs. We find a level of noncompliance. Normally it is explained to us that when people relocate items in their shops or they do renovations they seem to neglect to put the signs back on.

One of the education programs that we operate is to have our own signs prepared, so when we go and visit people and find that their labelling does not appear in the correct spot, we will assist by providing signs and making recommendations as to where the correct place is for labelling. We do get a little bit of noncompliance. Over the last few months we have issued two formal letters to two people in relation to assisting them with their statutory obligations.

MS LE COUTEUR: When you go out to these supermarkets and retailers for other things, and I am thinking of tobacco, alcohol—there are lots of things that are licensed—do you take a moment and check out the eggs at the same time or do you go only if you have had a particular egg complaint?

Mr Phillips: We do work in addition to responding to complaints. We do not get a huge number of complaints about egg labelling, but we do do them in accordance with other parts of our regulatory functions in relation to the shops that we visit.

MS LE COUTEUR: I might get on to plastic bags. Obviously the legislation does not commence until July but, again, I have received a number of emails from retailers saying, “I’ve heard about this. What on earth does it mean?” When will you be starting education programs? Obviously it is going to take the retailers some time to adapt.

Mr Corbell: Ms Le Couteur, at this stage the education element of the ban on plastic bags will be the responsibility now of the Environment and Sustainable Development Directorate. Wearing my other hat as Minister for the Environment and Sustainable Development, I can assure you that the final details of the education campaign and the consultation arrangements with retailers have now been signed off. We will see a marketing campaign and in-store materials being provided to retailers and consultation mechanisms with retailers established so that we can start to explain what this means for retailers as we move to implement the ban.

MS LE COUTEUR: When will that start? I could ask you next week, I guess.

Mr Corbell: I do not have the details in front of me, Ms Le Couteur, but work is more progressed in relation to that.

MS LE COUTEUR: Another one, which is not quite what people would expect me to ask about—

MR HANSON: Something else banned?

MS LE COUTEUR: No. On the same page there are a couple of lines on the security industry and national occupational licensing scheme reform. Can you tell us more about those reforms? What are they going to mean for ORS and security?

Mr Corbell: Sure. Mr Phillips can probably give you the detail, Ms Le Couteur, but just briefly the ACT, along with all other states and territories, has signed up to reform of the regulation of the security industry and this deals with issues such as the identity checking of people who hold security licences. It deals with matters such as checking police records more frequently of people who hold security licences, and a range of other measures like that. What the national reforms are designed to do is to provide a greater level of surety that people who are entering into the security industry are not associated with organised criminal activity, or other criminal activity for that matter.

This issue was identified as a significant problem nationally about three to four years ago when we saw criminal networks utilising access to security licences to work as security guards, to infiltrate what would otherwise be secure premises—they might be government departments, they might be airports, ports; a whole range of areas where private security personnel are used. Criminal syndicates were using the relatively lax arrangements nationally around security licensing to enter that industry and therefore gain access to those types of premises and advance their own criminal interests.

These reforms are designed to tackle that and there is a range of additional regulatory processes that are having to be put in place. Mr Phillips will be able to provide you with some more detail on that.

Mr Phillips: In relation to security, Ms Le Couteur, the funding relates to an officer at an ASO4 level and also to some money for the office to purchase a fingerprinting machine. Effectively what will happen is that, once legislation is passed and the reforms are implemented, security licences will require someone to attend and provide us with a fingerprint which we will keep for the purposes of the licensing scheme. It is as simple as that. In relation to us, it simply means that we do a bit of redesign of our

office to accommodate somebody attending to do the fingerprinting.

THE CHAIR: A supplementary, Mrs Dunne?

MRS DUNNE: Minister, what is the timetable for the work on the national reforms? What is the timetable for that work and when will we see legislation appearing? Will the national reform require the ACT to reconsider its somewhat objectionable “no ticket, no start” arrangement for security staff?

Mr Corbell: Firstly, there is no “no ticket, no start” provision here in the ACT.

MRS DUNNE: Will that provision have to be reviewed in the light of the national reforms?

Mr Corbell: No, it does not—separate matter. The ACT has passed the first tranche of reforms for the security industry in the Justice and Community Safety Legislation Amendment Act 2010 (No 4). Additional legislation I anticipate will be introduced in the June sittings to complete that reform process.

THE CHAIR: Ms Hunter, then a new question from Mr Hargreaves.

MS HUNTER: On page 268 of budget paper 4 under “technical adjustments” I note second from the bottom there was a return of unspent funding for working with vulnerable people checks and then over on the next page we have some rollovers of what look like 35. What happened there? That is quite a bit of money to be handing back. What happened in that process and where are we up to with the working with vulnerable people checks, because it is ORS who will take on that job?

Mr Phillips: We have received quite significant funding for working with vulnerable people checks. It equates to about nine staff members in a significant injection of capital in relation to business systems in relation to that funding. Currently the legislation is tabled as an exposure or tabled as a bill. There is work that is going on through the Community Services Directorate, and the Minister for Community Services has a policy running on that.

We have not spent any money because the legislation has not been passed by the Assembly. Over the next 12 months as the legislation is passed we will take on the staff. The money that we have spent is to pay for the policy development in DHCS and we have also engaged a manager to assist us with the implementation and with the development of business systems so that we are ready to start when the legislation commences. But at the present time legislation has not been passed and we do not have the need for the money until the legislation is passed.

MS HUNTER: So that money will come back to you?

Mr Phillips: That money will come back to us. It is in our base budget.

MS HUNTER: Is your office taking primary carriage around the development of the regulations? Is that a joint thing with the Community Services Directorate?

Mr Phillips: We are assisting in instructing for the development of regulations but the primary carriage is with Community Services.

THE CHAIR: New question, Mr Hargreaves.

MR HARGREAVES: Thanks very much. I want to address page 267 of BP4. There are two items there and there is a link between them. They are “wheelchair accessible taxi service improvements” and “taxi matters—primary point of contact”. I apologise for my obsession with wheelchair accessible taxi systems. I am pleased to see that there is provision in here. I am also referring to page 100 of BP3 for those folks who want a little bit of additional information.

The wheelchair accessible taxi improvements talk about a centralised booking system. It has been attempted in the past, to have a centralised booking system for wheelchair accessible taxis. I can see the funding provision for it. I would like to know who is going to do it and how it is going to happen.

Mr Corbell: Thank you, Mr Hargreaves. I was just saying to Ms Greenland that I have to get used to seeing transport regulation in this portfolio, but she is now one of us as opposed to one of them, so I will invite Ms Greenland to answer the question.

Ms Greenland: Yes, minister, you are correct. In the past there was an attempt at trying to better coordinate wheelchair accessible taxi bookings. The difference is that the last attempt at this was done with the expectation that the existing taxi networks would undertake that coordination of bookings in a better way, and at the time there was some assistance provided, or offered at least, so that they could micro-manage wheelchair access with financial assistance. The experience was that one network declined to take that up at the time. The other network that came on board did, for a very short period of time, undertake micro-management with that financial assistance but, unfortunately, discontinued that practice within only a few months of commencing it.

Micro-management is seen as a very effective tool in ensuring that taxi bookings for wheelchair taxi users are able to be linked up and operated efficiently. In the taxi review that was undertaken last year what was examined were the arrangements interstate and, in particular, there was an examination of what occurs in South Australia where they have a network which is dedicated to providing wheelchair accessible taxi services.

Economies of scale mean that I do not think we will have a whole network in the ACT for only taxi bookings, but what is contemplated in this scheme is that the ACT government will tender for someone to actually micro-manage the wheelchair taxi bookings. That could potentially be a taxi network. It could be a taxi network here or even interstate, because that can be done whether the entity is here or not. It could be some other provider that has got the sort of infrastructure that would be required to take the calls and make the bookings and provide them to the wheelchair operators.

The significant difference is that it will be an entity as distinct from a network and there will be a very strong degree of reporting and monitoring of compliance of the wheelchair taxi operators and drivers in terms of giving priority to people who use

wheelchair taxis. There is potentially a significantly higher level of independence of the taxi networks associated with this model of having a centralised wheelchair booking service.

MR HARGREAVES: Will it be so that people with wheelchair accessible taxi licences will be obliged by law to have their bookings managed by that system?

Ms Greenland: They will. The intention is to change the service standards, and potentially the regulations, to support this. So anyone who holds a wheelchair accessible taxi licence will be required to make sure that their taxi, whether they are driving or they have got another driver on, is connected to the wheelchair booking service at certain times, core hours, so they are always available to be contacted and accept the booking from the wheelchair booking service.

The difficulty that we have seen in recent times is that even though drivers are currently legally obliged under the regulations to give priority to wheelchair bookings, there has been some reluctance on the part of networks at times to insist upon that because of a shortage of drivers. Sometimes it is not something that they want to press with drivers in terms of insisting that they take those wheelchair bookings ahead of standard taxi bookings.

MR HARGREAVES: Will there be sanctions for people who are quite clearly abusing the system?

Ms Greenland: There will. As I say, I think we will be looking at a high level of monitoring by the wheelchair booking service and reporting to the regulator of any operators or drivers who are declining to take bookings. There will be scope under the existing regulations for action to be taken in relation to taxi licences. What we are certainly hoping to do is to educate those people who currently have wheelchair taxi licences and new wheelchair taxi licence holders, who will come on board when we do the next wheelchair taxi licence release, and make them aware that when they take on a wheelchair accessible licence they understand the environment that they are going into and the obligations that they have and they will not be able to simply concentrate on standard taxi work at the expense of the people who those licences are intended to help.

MR HARGREAVES: Have you taken any action against people who have not complied with the regulations thus far?

Ms Greenland: We have in the past issued infringement notices to drivers when we have had reports and reasonable information about refusing to take a taxi booking.

THE CHAIR: A supplementary, Ms Le Couteur, on transport regulation and then Mr Coe on transport regulation.

MS LE COUTEUR: I am a bit surprised to hear that you have actually been doing it. I was going to ask about your enforcement. Recently I was trying to organise a taxi for my mother and was told there were only two actually operating as wheelchair taxis on that day. There are, of course, a lot more wheelchair taxi licences in the ACT. So my question basically is: this new system sounds like it will be a step forward, but

what are you doing to actually enforce the current system, because, as you have said, the wheelchair accessible taxi licences are on the basis that they give priority to wheelchair taxi bookings? Speaking as someone who, on my mother's behalf, is a consumer, that clearly is not happening.

Ms Greenland: The obligation is there for drivers to accept bookings, but there is no obligation at the moment for a taxi operator who has a licence to necessarily have their vehicle on the road at any given time. So there is nothing—

MS LE COUTEUR: But they have their vehicles on the road doing other bookings. You can observe this as a consumer.

Ms Greenland: That is correct. If we receive a report that a taxi operator or driver has declined a booking, we can take action. Just to clarify: if you are saying only two wheelchair accessible taxis are on the road at any given time the drivers of those taxis are required to accept a wheelchair booking if one is being sought.

MS LE COUTEUR: I think the person was not actually saying that there were only two wheelchair taxis on the road. What they were saying was that there were only two taxis accepting wheelchair bookings, the point being that these taxis are on the road but they are not always giving priority—

Ms Greenland: I think that goes to the issue of the network, because the network should be reporting to the regulator that they have got operators or drivers who are declining to take those bookings. Certainly, if we get a report from a network that says, "The operator driving a wheelchair taxi on this occasion refused to take the booking," then we can take action against it. But we can certainly follow up with networks if they are not telling us about drivers or operators who are actually on the road but are declining to take bookings.

MR COE: But does that not point to a fundamental flaw in the business model for wheelchair accessible taxis if it is not, in effect, viable for them to continue operating with wheelchair accessible taxis?

Ms Greenland: Wheelchair accessible taxi operators and drivers are able to take both wheelchair taxi bookings and standard bookings. It is just that their obligation, when there is a wheelchair booking being sought to be made, is to take the wheelchair booking first. If they have got an existing job they continue to do that and then they are required to take the wheelchair taxi booking next.

What I am saying is that we are seeing some operators enter that particular market with an expectation that they will not have to do any wheelchair work, or very little. The new model of having a centralised booking service which requires the operators to have their drivers connected to that service for certain hours will also, we anticipate, require them to organise rosters for low demand periods, such as evenings and overnight, to make sure there are a certain number of taxis either on the road or on call. That will actually ensure that we know what is happening in terms of the bookings being allocated and whether they are being accepted.

MS LE COUTEUR: There will be a period of time before this new system is

implemented, presumably. In the intervening time are you going to start putting some more effort into enforcement of the current system? Apart from anything else, it would save the directorate money. But when you end up having to get an ambulance to move someone because you cannot get a taxi, it is incredibly expensive.

Ms Greenland: We can certainly work with the networks to let us know whenever they have somebody who is declining—

MS LE COUTEUR: But—

Ms Greenland: We can only respond in terms of a complaint I think is what I am saying to you. We have to know when a booking is being declined, and we can only know that either through the network telling us they tried to dispatch a booking and the operator or the driver refused to take it or where it is observed. Those are the only instances where we have been able to get sufficient evidence to issue an infringement notice.

MS LE COUTEUR: You do not do any auditing. These taxi licences are issued with conditions, but they do not come with an audit condition afterwards that says, “I have got my licence; I had X number of wheelchair jobs and Y number of other jobs,” and what time they were. Then you would be able to see that these taxis are wheelchair licensed but the proportion of wheelchair jobs is not that high.

Ms Greenland: We do get reports from the networks about booked hirings. The booked hirings that are reported indicate that some wheelchair accessible taxi operators are doing very few wheelchair taxi jobs. So we can certainly take that up with them—and we do. We have reminded them of their obligation on a number of occasions to make sure that they accept wheelchair taxi bookings. But we actually need a complaint and information about the refusal of a job in order to take action under the current legislation.

THE CHAIR: I might go to Mr Coe on transport regs and back to Mr Hargreaves to finish his area and then we will have morning tea.

MR COE: Thank you, chair. With regard to speed cameras, Ms Greenland, are you the best person to ask about that?

Ms Greenland: Yes.

Mr Corbell: There you go, Mr Coe.

MR COE: I start with point to point and I would also like to touch on the fixed and variable ones. Where are we at with regard to the preparation for the point-to-point speed cameras with the budget provisions and also with the legislative requirements?

Ms Greenland: Having said that I am the best person to talk about it—the traffic camera obviously is part of transport regulation but the budget allocation for implementation of point to point is actually with TAMS. Mr Gill is probably the best person to assist you with that when TAMS appears.

MR COE: What about with regard to legislation?

Ms Greenland: The legislation is being developed. We have a draft bill and we are planning for it to be introduced in the June sittings.

MR COE: I am particularly concerned about some of the privacy implications and how long you will be storing the car movement logs and the like. There is talk that car movements will be stored for up to two years. Can you confirm that that is the plan?

Ms Greenland: I would have to check that. I cannot give you the information now but I am happy to provide some information on that.

Mr Corbell: What I would say on that, Mr Coe, as the new minister responsible, is that I will be wanting to have a closer look at those issues.

MR COE: I have grave concerns about data being stored for two years.

Mr Corbell: I understand the issue you are raising. Any approach the government adopts will obviously have to accord with obligations under the commonwealth Privacy Act and the privacy regime that applies here in the territory. Nevertheless, I can certainly give you an undertaking that as the new minister responsible I will be looking closely at that.

MR COE: And also whether information is going to be subpoenaable. I imagine that could be interesting evidence for certain civil cases especially. Could you take that on notice as well.

Mr Corbell: Again the privacy regime that is in place in the territory would apply in relation to how government agencies could share data and in what circumstances. Again, this legislation has not yet been finally signed off by cabinet. It is certainly something where I am happy to take your concerns on board and look closely at that as we finalise preparation of the legislation.

MS HUNTER: Minister, as you said, transport regulations are a new area in your directorate. How many staff would be moving from TAMS to the directorate for the new output and how many of these staff are involved in actual operations? I would like to get some idea of the breakdown of that staff as well.

Mr Corbell: I will ask Ms Leigh to answer that.

Ms Leigh: There are 103 staff transferring across from TAMS. In addition, there are some new staff related to the new initiatives. I might ask Ms Greenland to give you the precise breakdown as it currently stands, but by and large we have a very large component associated with the motor registry and then we have some small policy, legal and public awareness teams.

Ms Greenland: There are 103; 84 are in the motor vehicle registry building. We have policy teams for public transport regulation and road transport regulation—driver licensing and vehicle registration. And there are a small number of people who work on legislation. And that 103 include three staff transferring from road safety.

MRS DUNNE: The new minister will become the minister for road safety, will he?

Mr Corbell: Yes. Transport regulation and road safety matters are now all within my responsibilities as Attorney-General. That is going to be interesting at Australian Transport Council meetings.

MR COE: How does that work? So much of road safety is driver behaviour, but much of it is about the physical nature of the road itself. Surely the administration and management of that component of road safety is going to be particularly tricky given that it is going to be split between TAMS and JACS.

Mr Corbell: The government has taken the view that this is a community safety matter, about protecting people in the community, and it is a regulatory matter. That is why it has been transferred to the Justice and Community Safety Directorate, reflecting that that is the focus of government activity in this area. Obviously any function of government can be overlaid with other directorates and other functions. Where that occurs, there will be collaboration and coordination between the elements of government.

Following the Hawke reforms, the government took the view that this is about community safety, that it is a community safety matter. And obviously Policing, which has a key role in enforcement and in education about road safety, is already within the portfolio, so there were synergies that come from having police working within the portfolio with the people responsible for road safety matters and transport regulation matters. Again, police are the people who overwhelmingly undertake enforcement in relation to transport regulation and therefore there are synergies associated with them being co-located within the portfolio.

MR COE: It just seems bizarre, because surely if you ask Roads ACT what the core business for them would be, it would be to provide safe roads.

Mr Corbell: Yes, and that is a construction task and a maintenance task, which is obviously a separate element from an enforcement task and an education task. I draw your attention again to the fact that ACT Policing sits as an accountable entity within the Justice and Community Safety portfolio. It makes sense to have the people who are devising the laws around road safety and enforcement on our roads with the people who undertake that enforcement day to day.

MS HUNTER: So the \$18.4 million that you have looked at—you are sure that that is going to cover the tasks that you have in this area? How was that calculated?

Mr Corbell: That is the subject of negotiation and discussion between directorates and is ultimately signed off by the Treasurer and cabinet. That is the allocation that has been determined based on what is required to continue the function.

THE CHAIR: One last question from Mr Coe. Then I will ask one and we will finish off this section with Mr Hargreaves.

MR COE: Back to speed cameras but this time on to fixed and variable cameras.

MR HARGREAVES: Not so fast.

MR COE: I will slow down, John.

MR HARGREAVES: Thank you.

MR COE: Fixed speed cameras, I think, are somewhat more controversial than the variable ones. The variable ones, of course, we are able to deploy to places which are of particular demand. Is the government completely committed to the fixed speed camera program? If so, are we going to see the rollout of more fixed speed cameras across the territory?

Mr Corbell: Fixed speed cameras are an important element of road safety in the territory and the government supports the use of fixed speed cameras.

MR COE: Will we see more?

Mr Corbell: I am not aware of any funding—there is no further funding for more fixed speed cameras in this year's budget.

MR COE: Why is there not more funding for it?

Mr Corbell: I would assume that the assessment has been made at this point in time that the coverage that we have with fixed speed cameras is adequate to assist in the road safety task.

MR COE: It would seem to me that if there are comparable locations to the existing sites and the government is committed to them, surely you would seek to roll them out to additional sites such as those ones.

Mr Corbell: Comparable locations—what do you mean, Mr Coe?

MR COE: In terms of similar conditions, similar accident records, similar speed zones, similar traffic movement. If there are comparable locations around the ACT that do not have fixed speed cameras, and meanwhile there are others that do, if the government is committed to it, why are we not seeing more sites across the territory see the installation of fixed speed cameras if they are working?

Mr Corbell: Are you arguing for more fixed speed cameras, Mr Coe?

MR COE: I do not think that the government's policy is consistent because if you are committed to it, surely you would be rolling out more.

Mr Corbell: No, Mr Coe. The government keeps these matters under review and we rely on the advice of our road safety experts as to where speed cameras of any sort should go but there is no funding in this forthcoming year's budget for additional speed cameras.

MR COE: Last year, through FOI and questions on notice, I obtained some

information, which was later published in the *Canberra Times*, about the sites where fixed speed cameras are located. There had not been fatalities in the three years prior to installation. Since installation, the number of accidents around those sites had actually increased. It would seem to me that if you actually do have a rolling review taking place of fixed speed cameras, surely that sort of information should be included and you would actually question how committed you could be to that scheme.

Mr Corbell: Mr Coe, I am advised that it would probably be more sensible for you to direct that question to Territory and Municipal Services. As I am advised, these issues mostly relate to engineering matters. Mr Gill in TAMS would be happy to answer the questions.

MR COE: Surely the key purpose of fixed speed cameras is road safety and that is now in your directorate. It would be a bit much to pass the buck on to TAMS if it is about road safety.

Mr Corbell: I am advised by officials that these matters that you raise mostly relate to engineering matters and TAMS would be happy to try to answer your questions.

MR COE: I would say it is much more of a Treasury issue with revenue raising—for the revenue office.

Mr Corbell: You adopt an interesting approach, Mr Coe. You both seem to be arguing for more speed cameras and then accuse the government of revenue raising. So it is an interesting position that you adopt but I think the record—

MR COE: No, you have a grossly inconsistent policy and I think you know it. It is a grossly inconsistent policy because if you were committed to that program I am sure you would see the rollout of more cameras across the territory.

Mr Corbell: I think the record will show, Mr Coe, that you have asked why we do not have more—

MR HARGREAVES: I am getting really thirsty.

THE CHAIR: No, I think there is a logic to his questioning.

Mr Corbell: and then accuse the government of revenue raising.

MR HARGREAVES: Close it up!

THE CHAIR: Just to close, minister, you have said that you are transferring the motor registry staff from TAMS into this area.

Mr Corbell: Yes.

THE CHAIR: Will some of those motor registry staff come to the new office building if it is constructed?

Mr Corbell: I would have to take that on notice, Mr Smyth. I am unsure what

arrangements—

THE CHAIR: The motor registry building is slated for sale if the government builds the new office building?

MS LE COUTEUR: It is going to turn into the bus station, presumably.

THE CHAIR: Well, let us find out.

MS LE COUTEUR: Sorry.

Mr Corbell: I do not have any details on the matter before me, Mr Smyth. I am happy to take the question on notice and clarify the matter.

THE CHAIR: Does the motor registry component actually remain there—the vehicle testing station remain on that site?

Mr Corbell: Again, Mr Smyth, I would have to take the question on notice and provide you with more advice. But the government does expect to maintain a physical inspection capacity—

THE CHAIR: On that site?

Mr Corbell: I do not have those details with me, Mr Smyth.

THE CHAIR: Who would have those details, minister?

Mr Corbell: I would have to seek advice on that matter.

THE CHAIR: Sorry. It is your portfolio and it is in this area.

Mr Corbell: It has been my portfolio for three days, Mr Smyth—

THE CHAIR: Is it in TAMS or is it in Regulatory Services here?

Mr Corbell: It is with the Justice and Community Safety Directorate.

THE CHAIR: Okay.

Mr Corbell: I would have to seek further advice on this.

THE CHAIR: So who will you seek further advice from as to whether or not the government is closing the registration facility?

Mr Corbell: From whoever I need to to get the answer for you, Mr Smyth.

THE CHAIR: Sorry?

Mr Corbell: From whoever I need to to get the answer for you, Mr Smyth.

THE CHAIR: So you do not know whether or not you intend to keep the vehicle testing station—

Mr Corbell: No, that is not what I said, Mr Smyth. What I said was that you were asking whether it was going to be at that location. I said that I would seek advice and provide it.

THE CHAIR: You are the minister. Surely you know whether it is remaining at that location.

Mr Corbell: I have answered your question, Mr Smyth.

THE CHAIR: No, no, you actually haven't. You have said that you are going to ask—

MR HARGREAVES: Excuse me, Mr Chairman. I am getting really dizzy for want of a cup of tea.

Mr Corbell: I have answered your question.

THE CHAIR: All right. We will break there for morning tea.

Meeting adjourned from 10.58 to 11.18 am.

THE CHAIR: All right, the minister is with us. We will recommence the session. Minister, on budget paper 4, page 254, strategic objective No 4, why is it predicted that in 2011-12 there will only be an 80 per cent legislative compliance rate when the outcome for 2010-11 is 98 per cent?

Mr Corbell: I am just trying to find that number for you, Mr Smyth.

THE CHAIR: Yes.

Mr Corbell: 254, was it?

THE CHAIR: Yes, 254, strategic indicator No 4.

Mr Corbell: I am sorry, I just cannot see that, Mr Smyth.

THE CHAIR: In the level of compliance, the number of percentage of individuals, businesses and workplaces that comply with relevant legislation, this year you are estimating that 98 per cent of those will comply, but next year your target is only 80 per cent.

Mr Corbell: Yes. I will ask my officials to answer that question. Well, I think I might have to take the question on notice, Mr Smyth.

THE CHAIR: Well, why do you not take that one on notice, Mr Speaker, and we will reverse the order. We might go to—

MS HUNTER: Minister.

THE CHAIR: Sorry, minister.

Mr Corbell: I am not a Speaker, yet.

THE CHAIR: Sorry? Yet?

MS LE COUTEUR: Yet?

THE CHAIR: Perhaps something you can aspire to, minister. And we will go to the Speaker, appearing as Mr Rattenbury—

Mr Corbell: It is one of the few jobs I have not done, Mr Smyth.

MR RATTENBURY: As the father of the house I am sure you would go very well, Mr Corbell. I actually wanted to bring some questions to the DPP, and perhaps Mr White wants to join the table as well.

THE CHAIR: All right. So a new question from Mr Rattenbury, and then we will go to Mrs Dunne.

MRS DUNNE: Thanks. I suspect I may have some follow-up questions, Mr Rattenbury.

MR RATTENBURY: I imagine so.

THE CHAIR: You two work it out amongst yourselves.

MR RATTENBURY: My first question is that in recent times we have made changes to the laws around the court structure that will impact on the work of the DPP. Part of it is that the DPP will now have a new role to elect which court some criminal matters are heard in. You have the ability to issue guidelines to indicate how that discretion will be exercised. Are you intending to issue those guidelines, and when?

Mr White: Yes, we will be issuing guidelines. I am in discussions with the director as to when those laws will commence and what the technical requirements of having them put into full operation will be. And part of that will involve issuing guidelines. There is also an issue as to how the DPP will signify its selection and how that is noted on the court record.

MR RATTENBURY: What process will you use to prepare those guidelines? Is it entirely internal or do you work with other agencies?

Mr White: Well, I will certainly be circulating them for comment within the normal justice agencies within the directorate. But I would not anticipate that they will be very complex guidelines. I think in the discussion that went into the various iterations of those provisions, it was made clear that the DPP will be looking at the potential penalty as the main driving force. That has obviously components of the criminal history of the particular offender, if any, the seriousness of the offence and so on. And

that will be the main determining factor. In other words, whether, in our assessment, the Magistrates Court has sufficient sentencing power at the reduced sentencing rate.

MR RATTENBURY: And you just touched briefly on the commencement time. What is your understanding of when those provisions will commence?

Mr White: I do not have an understanding at this stage. I did raise that issue, and I understand Mr Quinton will speak to me at some stage about that.

MR RATTENBURY: Okay, thank you. I also wanted to ask about your funding for this year. We have discussed Parliamentary Counsel already. You are the only other output group under JACS that has reduced money in this year's budget—\$72,000. Can you take us through how those savings are going to be made in your office?

Mr White: My understanding is that, with all the various saving initiatives and efficiency dividends and so on, I am afraid the impact will be somewhat greater than that on the office. But, look, clearly we will need to cut back. Clearly we will have to contemplate meeting a component of those efficiency savings through staff cutbacks. As to what it is that we will cut back on in terms of the service that we provide, I prefer to really leave that to see how the year unfolds.

Obviously we will have to concentrate on going to court; presenting cases in court and having a prosecutor in court every time that a magistrate is on the bench or a judge is on the bench. And that will be our main preoccupation. I hesitate to call that core business, because I think the core business of DPP does extend much beyond that. But that will have to be our first priority in circumstances where we are receiving reduced funding.

MR RATTENBURY: What did you mean when you said the impact would be greater than what I suggested? If you could just clarify that point; I was not quite sure what you were getting at there.

Mr White: My understanding is that there are a number of initiatives, not just the efficiency dividends but other savings initiatives that will flow through to the DPP through the JACS directorate. I have been advised of those internally through the JACS directorate.

MRS DUNNE: So could you elaborate on what those other initiatives are, Mr White—

Mr White: One of the—

MRS DUNNE: And do you have a feeling for what the quantum would be on your bottom line?

Mr White: One of them is the efficiency realisation program. So, this, as I understand it, is an issue that has been driven through Treasury in relation to certain expenditures of agencies.

MRS DUNNE: So what is the efficiency realisation program, and how does that

differ from the efficiency dividend?

Mr White: I am sorry?

MRS DUNNE: What is the efficiency realisation program, and how does that differ from the efficiency dividend?

Mr White: I am probably not the best person to explain what it is. My understanding is that it applies across the board. No doubt, it would reflect in the bottom lines of all of the agencies.

Mr Corbell: Perhaps I can assist. The efficiency realisation program is that element of the overall savings task government has allocated to all parts of the government service that relates to travel, stationery, consultancies, motor vehicles and electricity use. So what we have said is that we want to see efficiencies in those areas, savings in those areas. But the total sum of the savings effort expected of the DPP is that which is reflected in the budget papers.

MRS DUNNE: So there seems to be a disconnect there, minister, because you are saying the sum is that which is in the budget paper, but Mr White believes that he will have a bigger hit to his bottom line than that which is in the budget paper.

Mr Corbell: I am not here to speak for Mr White; Mr White can speak for himself as the DPP. But my advice is that the figure in the budget paper reflects the total savings expectation of the government for the coming financial year of his office.

MRS DUNNE: Could I seek some guarantees, minister, that Mr White is not going to face having to put off staff after we have gone through a lengthy period of fighting for and obtaining budget increases to increase the staff at the DPP, that we are not going to immediately start undoing that?

Mr Corbell: Mrs Dunne, the government's approach to this matter is that it is up to independent statutory office-holders to determine how they manage the efficiency dividend in their areas of responsibility or the efficiency savings overall in their areas of responsibility. As I said earlier, our expectation is that a delivery of front-line services will be not be affected or minimally affected and that the focus will be on back-office function. It will be efficiencies in terms of back-office operations where we want to see those savings achieved. So that is the approach we adopt. But as to how it is individually implemented in the agencies of statutory office-holders, such as Mr White and, indeed, others within the justice portfolio, that is a matter for the relevant statutory office-holders.

THE CHAIR: Perhaps Mr White can answer the original supplementary—

MRS DUNNE: Yes, okay.

THE CHAIR: and then Ms Hunter has a supplementary.

Mr White: I am sorry?

MRS DUNNE: You were saying that you thought that the hit to your bottom line was more than what was in the budget. Can you quantify it at this stage, Mr White?

Mr White: I accept what the minister has said, of course—that the figure is correctly reflected in the budget. I was trying to make the point that there was more component in there than just the efficiency dividend, and we had been advised that there were other components—

Mr Corbell: Yes, that is right.

Mr White: than just the efficiency dividend.

Mr Corbell: Yes, they have had that all flow through. That is right. They have multiple titles. There are a range of different measures that are identified and given particular titles. But the total sum of the savings effort is the savings effort which is reflected in Mr White's line of appropriation.

MRS DUNNE: So, on notice, could we have a breakdown of what the savings effort is and what the payments are?

Mr Corbell: Yes. We can categorise the different elements of the overall savings.

MRS DUNNE: Sorry, just on the efficiency dividend fund, if I might seek your indulgence, Mr Chairman—

THE CHAIR: Yes.

MRS DUNNE: Is the Office of the DPP a small agency, or is it rolled into JACS and, therefore, has to take the full one per cent?

MS HUNTER: And the extra five per cent?

Mr Corbell: It is treated as part of the justice portfolio.

MRS DUNNE: So it is not treated as a small agency?

Mr Corbell: That is correct.

MRS DUNNE: Thank you.

THE CHAIR: All right. Ms Hunter.

MS HUNTER: Well, this is concerning, because at page 261 of budget paper 4, if you go to the accountability indicators under output 1.4 and look at a, percentage of cases where court timetable is met in accordance with the court rules, the target was 90 per cent, but 55 per cent is what will be achieved in 2010-11. And the note underneath talks about the backlog, the resourcing and turnover issues, the new case management system and there are issues of delivery of full briefs from the AFP. So, Mr White, this is concerning that you were a long way off the target last year and you are going to have to find more savings. How are you going to achieve the 80 per cent

target that you have put in for 2011-12?

Mr White: As I say, we will just have to do the best we can with the resources that we have. There were a number of issues in relation to the target, and I think they are really summarised well in that note. There was not one particular cause of that. There were a number of factors that came together. We are, to a certain extent, reliant on the AFP serving material on us in good time. That does not always happen. Obviously that is something that we take up with the AFP.

MS HUNTER: And what is happening there? I know you have taken it up in recent times. What was the outcome of those discussions?

Mr White: The AFP have their own issues about complying with those timetables. But I do not want to, if I might say, blow this issue out of proportion in terms of the figure of compliance. At 55 per cent, it may seem low but in most instances there is substantial compliance within a relatively short period of time after the time period set by the court practice directions.

MS HUNTER: Can you talk a bit about the resourcing and turnover issues? What has happened there?

Mr White: In relation to resourcing, members will probably be aware that my office did have a number of very big cases in the last year. Those cases do require extra paralegal resources being devoted to them. We have to husband our resources as best we can in that regard. So that would be a factor.

As well, you are no doubt aware that there were additional judges appointed to the Supreme Court. That again increased the workload of my office to meet that. Whenever there are additional judges on the bench, clearly there are greater calls on the day-to-day resources of my office to meet those. So those are some of the resourcing issues.

MS HUNTER: On turnover issues, has staffing settled down?

Mr White: That mainly relates to turnover issues with the paralegal contingent within my office because they are mainly responsible for delivering on those deadlines. So there has been a turnover issue. It continues to be an issue for both paralegal and legal staff.

MS HUNTER: So you continue to have a reasonably high rate of churn of staff?

Mr White: We do, yes.

MS HUNTER: And what sorts of strategies are you putting in place to address that?

Mr White: Ultimately, of course, it is determined by market forces. In relation to both our lawyers and paralegals, I do not think that anyone would suggest that they are particularly well paid. And clearly that is something that is an issue of competition within the market. But apart from that, we have instituted a number of internal strategies, such as rotating staff through areas so that staff do not get overworked in a

particular area, instituting more training, giving more access to training to paralegal staff as well as legal staff.

MS HUNTER: Has the introduction of the new case management system, which is the other part of that note, been bedded down now and what are the results of that?

Mr White: Yes, it has been largely bedded down. I suppose the real test of it will come with the annual report reporting period. It has been a very positive development for the office. It gives us much greater flexibility in rostering, allocating matters and so on because we have much greater access to instant information about workloads of individual officers, timetables of courts, those sorts of things. So it has had a number of very practical benefits to the way that we conduct our business.

THE CHAIR: Back to Mr Rattenbury and then a supplementary from Mrs Dunne. Then we will move on to a new question.

MR RATTENBURY: I have a brief supplementary on this. What is the consequence of cases where the court timetable is not being met in accordance with the rules? What happens?

Mr White: This measure, I should say, applies to both the Magistrates Court and the Supreme Court. In both courts there are requirements for DPP, in particular instances, to file material or serve briefs and so on. So clearly if that is not done, that generally results in an adjournment being granted to allow it to be done before the case can proceed.

THE CHAIR: Mrs Dunne.

MS HUNTER: Sorry, could I go back to one point you made. You said: "I do not want to over-blow this. Although the target was not met on quite a lot of them, it was shortly after." Could we have some idea about what that timing is?

Mr White: I can provide those figures on notice. We do have them. Obviously that is a process or an exercise that we went through ourselves when we saw that the figure was low and we satisfied ourselves that there is compliance in many instances quite shortly after that, after the deadline runs out.

MS HUNTER: If we could have those figures, that would be great.

THE CHAIR: A supplementary—

Mr Corbell: Mr Chairman, if I could just—

MRS DUNNE: Ms Hunter asked my supplementary.

Mr Corbell: Mr Chairman, if I may clarify this matter in relation to savings in the DPP, it is important that we put the savings task in some context. The DPP has a budget of over \$8½ million. The savings that are being asked are \$78,000 for this coming financial year. So I think it is important that we keep that reduction in some context. It is relatively small in the overall context of the DPP's total budget.

THE CHAIR: Mrs Dunne—

MR RATTENBURY: Minister, what would the impact have been on the DPP if we had added another tier to the court system, given what Mr White has just said?

Mr Corbell: In our view, it would have reduced the pressure on the work for the DPP because you would have more matters being dealt with in a more junior jurisdiction rather than having a large number of matters still being dealt with in the most senior jurisdiction.

MR RATTENBURY: Mr White has just indicated that having visiting Supreme Court judges has put pressure on his office.

Mr Corbell: Yes, Supreme Court judges. That is the whole point. A district court is obviously an intermediate court, not a court that has the most senior judges on it and therefore preparation of matters and so on would be of a different order to that where you have to appear in the Supreme Court.

THE CHAIR: Mrs Dunne on a new question.

MRS DUNNE: This is a question for the attorney but I suspect that Mr White has some concerns in this area. In BP4, on page 249, the second-last dot point from the bottom refers to investigating options to better utilise ACT sentencing information to facilitate a greater consistency in criminal court sentencing. What assessment has been made and what are the problems that that has thrown up? Why is this becoming a priority for this year?

Mr Corbell: I think that the challenge is that the existing IT databases that we rely on to get data about sentencing outcomes from the courts is both patchy and very difficult to retrieve information from. For example, when the government looked at sentencing outcomes and indeed findings of guilt or innocence in relation to more serious matters, as we were dealing with some of the reforms around the Supreme Court and so forth, we really had to do a manual search of court records to try to get some sense of what the pattern had been over the certain period, particularly in relation to, say, the judge-alone proposals that are before the Assembly at the moment. Prior to that, it had been identified as an issue.

My directorate will be looking at opportunities to utilise IT capacity and database capacity that has been developed in other jurisdictions to give my directorate a greater and more reliable database about sentencing trends in the territory. And that can only be a good thing in terms of development of our criminal law and how effective we are in being able to identify where there are discrepancies or relatively low sentences being imposed for what is perhaps a more serious offence. For example, in negligent driving or culpable driving causing death and so on, we need to get a better sense of what the trends are over time and we need a good database to be able to do that.

So my directorate will be looking at justice agencies interstate who have developed such capacity and see whether or not it can be utilised here. That would also allow the government to fulfil its commitments around getting a greater guidance and

knowledge base on sentencing, which we outlined in the last election.

MRS DUNNE: When you said, for instance, in the government response to the justice and community safety committee inquiry on murder, which you brought down the other day, that you did not see that there was any need for a wide-scale review of sentencing, you made that assertion essentially from a position of ignorance because you actually do not know what the trends are in sentencing because you do not have the IT to support them.

Mr Corbell: No, I would not agree with that. The government and my directorate have some understanding of these issues. But it is very difficult. Particularly in relation to murder, we have a good understanding because we have done a manual back-capture over a period of time. But that was a very labour-intensive exercise where we physically had to leaf through the court record and identify outcomes over an extended period of time. That is not a good situation and—

MRS DUNNE: I was not talking about murder. I was talking about the wider suggestion—

Mr Corbell: You specifically referenced it about murder.

MRS DUNNE: No, it was the inquiry into murder. The recommendation was a review of sentencing. You said that you did not need to do a review of sentencing. My contention is, and you just reinforced it—

Mr Corbell: No.

MRS DUNNE: when you made the assertion that we do not need to do a review of sentencing, that it was from a position of ignorance because you actually do not know what sentencing patterns are in the ACT.

Mr Corbell: I think you are making that up. The committee's recommendation was in relation to the offence of murder—

MRS DUNNE: No, it was not.

Mr Corbell: And that is what the government is—

MRS DUNNE: I was the chairman of the committee. I know what the recommendations were. And I did actually read your response, because I waited for it for so long.

Mr Corbell: Mrs Dunne, you and I will have to disagree on that matter.

MRS DUNNE: Okay.

Mr Corbell: The fact is that the government does not have a sufficiently robust system, in my view, to be able to properly ascertain sentencing trends over time. We have identified it as something that we need to address. And that is why there is funding in this budget to address it. And I would have thought, Mrs Dunne, that you

would be happy about that.

MRS DUNNE: I want to go to the subject that was touched on by the minister. The minister has now said that he is going to review the sentences in relation to culpable driving causing death, after the issues raised by the DPP. What process will you undertake to review those? Are you going to have to manually go back through the records again to review them?

Mr Corbell: The approach the government is adopting in relation to that matter is that we do have some guidance, the DPP advises me, from the Court of Appeal. The Court of Appeal has indicated that in relation to this offence they have made judgements about the adequacy of the sentence imposed in that particular case, based on the maximum sentence available currently under the statute.

So we know very clearly what the courts are thinking in relation to this matter. They are looking at the maximum sentence and then they are taking a view as to adequacy of the sentence. And they have determined that the sentence in relation to that matter was adequate. So we know what the court is thinking. The issue is about how the maximum sentence should be raised and that is a matter which my department has under consideration and is providing advice to me at this time.

MRS DUNNE: This was a live matter in 2005, when there was a piece of legislation before the Assembly that raised a whole range of sentences. One of those was culpable driving causing death. The proposal was to increase it from seven to 15 years. Why did your government not support that at the time? If it had, we would not be in this situation.

Mr Corbell: I was not the attorney at that time. I would have to revisit our decision making at that time and give you advice on that matter.

MRS DUNNE: I would really appreciate knowing why that was not taken up at the time.

Mr Corbell: I look forward to—

MRS DUNNE: If the matter of Creighton had arisen with that in tow, Mr White would not have been left in a situation where—I would contend that it would be much more likely that Mr White would not have had to appeal the case and probably would not have lost the appeal.

Mr Corbell: I look forward to your support for the government's bill when it is introduced.

THE CHAIR: A new question for Mr Rattenbury; then we will have a final in this area from Mrs Dunne. And I think members have some further questions for the regulator of transport services.

MR RATTENBURY: I have finished with the DPP, thank you.

THE CHAIR: All right.

MR RATTENBURY: I am happy to go on with something else, but I just wanted to check.

THE CHAIR: Anything further from the DPP, Mrs Dunne?

MRS DUNNE: Yes. Mr White, there have been a number of appeal cases. What sort of estimate do you make of appeal cases year on year when you are planning your work and what is the estimate for appeals? What is the estimate for appeals in the coming financial year and what has the estimate been for the last financial year? And how did that turn out in relation to actualities?

Mr White: We do not really budget, so to speak, for appeals in advance, because clearly we do not know what issues will arise. We try to take each case on its merits and not be influenced by issues of resourcing and so on in determining to take appeals on. So I really cannot forecast in advance for next year what that is likely to be.

MRS DUNNE: Thank you.

THE CHAIR: All right; a different area?

MR RATTENBURY: I wanted to ask about Victim Support ACT. On page 262 of budget paper 4, indicator e measures the number of clients who received an appointment within 10 working days with Victim Support ACT. This measure is to be discontinued, and the reason given is the success of the one-stop shop model and, seemingly, lots of people asking for appointments. However, the footnote then goes on to say:

... measures to manage excessive caseloads for staff have necessarily created a backlog, which is expected to persist.

That is footnote 8 at the bottom of the page. Can I just test my understanding of that statement? Does it mean that staff are trying to manage their own personal workloads, which is obviously a good thing? And does that mean that the backlog will increase? Is that what that footnote means?

Mr Corbell: While I am waiting for Mr Hinchey to answer that question, with your leave, chair, let me go to this. I was asked before the break what the situation was with the future of the motor vehicle registry. I can now advise that the modelling used by the government to determine the cost of the new government office building does include an allowance for provision of new inspection pits at a location yet to be determined. So obviously, as I said before the break, the government does need to maintain an inspectorate capability and inspection pits—physical inspection pits.

Clearly it is not suitable to have inspection pits continue at Northbourne Avenue, particularly when a large number of the inspections are heavy vehicles. It would be desirable not to have inspection pits at that location but perhaps have them close to one of the major highways that traverse through the territory. Provision has been made in terms of the cost of replacement as part of the modelling for the new office building, but a location is yet to be determined.

THE CHAIR: How much provision has been made and where does that appear in the papers?

Mr Corbell: I do not have any further information at this time, Mr Smyth. I think you could probably ask that of the Economic Development Directorate. I am happy to take it on notice, because I know they have already appeared. I am happy to take it on notice and provide some more information.

MS HUNTER: Can I just clarify: are you saying that within the \$432 million there has been provision or is it that provision is made separate to that?

Mr Corbell: Within the context of the cost to government of the construction of the government office building.

THE CHAIR: So is that in the 432 or not?

Mr Corbell: I do not have any further details on that, Mr Smyth. I would have to take that on notice.

THE CHAIR: But it is your portfolio—

Mr Corbell: I do not have that.

THE CHAIR: And you have to provide that service—

Mr Corbell: This relates to costings associated with the relocation of government functions and the sale of property related to the government office project. That is the overall responsibility of the Minister for Economic Development. As I have indicated to you, I am happy to take the question on notice and provide you with more detailed advice. I do not have in front of me today all the ins and outs in relation to the government office building project. That is not within my direct portfolio responsibility. Whilst that project has implications for operations of my portfolio, the overall responsibility is a matter for the Minister for Economic Development. I will take the question on notice and provide further information to you.

THE CHAIR: As the minister responsible for the service, you cannot tell the estimates committee how much has been put aside to provide the location for the new facility for that service and what the process will be to deliver that?

Mr Corbell: Provision has been made in the budget in relation to the development of the government office building, and I am happy to provide further details to you.

THE CHAIR: All right. I have to say that I am surprised that as the minister you cannot tell us how a critical service in your portfolio will be provided, where it will be provided and how much the new facility will cost.

Mr Corbell: These are decisions that have ample time for them to be resolved, Mr Smyth. As you would be aware, we will not be undertaking this project for probably at least another three to four years. At this point in time, it is entirely

appropriate. The provision is made and there are the costings associated with the development of the new building and its flow-on effects. Then further decisions will be made as the process continues in relation to that project.

THE CHAIR: All right.

MR RATTENBURY: I was asking about footnote No 8.

Mr Hinchey: I will answer that. At the time that report was written the workload on victim support was trending to a 15 per cent increase each year. In fact, the workload has increased by 30 per cent since 2007-08. So under the practices that were in place at the time, hence the target was not met, clients who contacted the service were then given a preliminary assessment, which was called a reception, and then they were booked in for an intake, which was a more detailed assessment of their case, and a case plan developed at that stage.

The target was basically to achieve a very quick response to victims' needs, development of their case plan and a referral to an approved provider. With the dramatic increase—well, irregular but persistent increase—in workload we have changed our work practices to undertake the more detailed assessment at the point of contact with that client. So we are finding that we are able to refer more quickly. In fact, we are responding within five working days of receiving a referral. So that footnote would not apply to this current financial year because our work practices have changed.

MR RATTENBURY: What is your understanding of why the demand for services has gone up so significantly?

Mr Hinchey: I think the sexual assault reform program is achieving some better understanding across agencies of what agencies do. We are achieving some attitudinal changes about how we view victims across agencies. The government's one-stop shop concept is fairly recent. I think that is becoming better understood. And of course we are reliant on referrals. The e-referral system operated by SupportLink is maintaining its strength. Police are adopting that and have maintained support of that program. It might be better policing; there would be a range of other factors outside our control as well.

MR RATTENBURY: Are you able to give us an update of the situation with provision of services by VOCAL? I understand their contract was due to expire this year and the last I heard there was uncertainty about what happened next.

Mr Corbell: Yes. I have recently met with the chair of VOCAL and another one of their board members to discuss the future of VOCAL. I have indicated to them two things: firstly, that the government will be extending their existing service contract for a further six months and, secondly, that in that period the government will be proceeding to an open tender for the provision of victim support services, which VOCAL are very welcome to participate in.

MR RATTENBURY: When did you have that meeting with them, minister?

Mr Corbell: Approximately within the last fortnight.

MR RATTENBURY: So their contract—

Mr Corbell: 11 May, I am advised.

MR RATTENBURY: Their contract is due to expire on 30 June, so that is about a six-week warning—

Mr Corbell: Yes.

MR RATTENBURY: Is it usual government practice to leave it until the last six weeks before you advise them of what is happening?

Mr Corbell: This matter has been somewhat protracted for a range of reasons. I did initially indicate to VOCAL last year my intention to proceed to a contract arrangement. Subsequent to that VOCAL indicated that they were contemplating entering into partnerships or even potentially formal amalgamations with other community service organisations in the territory. So we held off on that issue to see what evolved in relation to that matter.

For whatever reason, that direction did not continue on the part of VOCAL and VOCAL have indicated that they want to continue to be a stand-alone organisation operating in this space. Once that became clear I arranged to meet with the board. I thought it was important that I speak directly to the board, or representatives of the board, and explain to them the government's position, so that they heard it from me, and how we were going to move forward. I think it is only reasonable in those circumstances that we extend VOCAL's contract whilst we allow the tender process to be conducted.

MRS DUNNE: But, minister, there is a pattern of behaviour here. This is not the first time that VOCAL has got almost to the end of its contract period and it has been extended while new negotiations were carried out. It is extremely unsatisfactory for organisations when they do not know, coming up to the end of their contract period, whether their employees are going to have a job after 30 June. Telling them on 11 May that they have got another six months is not particularly satisfactory and it is a repeat act of behaviour.

Mr Corbell: Your question?

MRS DUNNE: Why is VOCAL being treated like this and are there other organisations that have the same treatment meted out to them?

Mr Corbell: Mrs Dunne, I think we are in this situation because the government is bending over backwards to try and accommodate some of the concerns that we have with the service delivery provided by VOCAL but also recognising the important role that they play in providing support to victims of crime. What we are trying to do, and what we have done on previous occasions, is to accommodate VOCAL and continue a service arrangement where in any other circumstance it just would have been terminated—

MRS DUNNE: What are your concerns—

Mr Corbell: To answer your question—

MRS DUNNE: I thought you had finished.

Mr Corbell: That is what we are trying to do, that is what we have tried to do in the past and that has led to situations where decisions have been made quite close to the end of the financial year; but it has been because of very protracted negotiations that victims of crime services within my directorate have had with VOCAL to reach some sort of satisfactory conclusion. But, regrettably, we are now of the view that we do need to test the market in relation to the provision of these services. There are new operators, new not-for-profit community organisations, who are capable of providing the sorts of services that VOCAL provides and has provided to the territory to date. We think that we should allow all the organisations that are out there in the not-for-profit sector to have the opportunity to tender for those services, including VOCAL, and then we will make a decision about what is the best service provider for these important services to victims of crime.

MRS DUNNE: What are the government's concerns about the services offered by VOCAL?

Mr Corbell: VOCAL have provided very good services for an extended period of time. That is the first point I would make. But the government has raised concerns with VOCAL about the adequacy of that service provision towards the end of this period that they have had an association with government. There have been concerns raised about referrals and how effective they are at providing referrals and support to victims of crime. We also have some concerns about the adequacy of their accountability measures in terms of reporting to government on how they are performing against the dollars that we provide to them. These are issues that we have engaged in detail with VOCAL on and sought to seek resolution of these matters.

There is also an underpinning issue with VOCAL, which is that they have a particular view about their role as a service provider to victims of crime which is in conflict with the government's policy setting. We have been quite clear with VOCAL about what services we want them to deliver and which we are prepared to pay for and what services will be provided by other mechanisms such as the victim support scheme and so on. But there remains a philosophical disagreement at one point about who does what, and that does create anxiety on both sides and is something that I know Mr Hinchey, and Robyn Holder before him, has worked very hard to try and address to the best of our ability with VOCAL.

MRS DUNNE: When you say there is a philosophical difference, what are the services that VOCAL are contracted to provide and what are the services that you see that they are wanting to add on to that that you do not think are desirable?

Mr Corbell: Sure. I will ask Mr Hinchey to give you some more details.

Mr Hinchey: The department contracts VOCAL to provide a service to provide

general support and information to victims and their families; coordinate, train and support volunteers to support victims and their families; refer clients to appropriate counselling services and other services; promote and support victim services in the ACT; work in partnership and collaboration with other victim services and government agencies to ensure victims and their families get the best possible service; and monitor services and support provided so they are in accordance with the best practice, the legal framework and any relevant code of practice applicable.

That contract is to the value of \$167,977 per annum. VOCAL also has other forms of income which it uses to provide other services. Those other services are direct counselling to victims of crime; court support, having an officer stationed at the court; and a 24-hour telephone line. The difficulty that I have had is trying to determine against VOCAL's reporting the acquittal of the contract money that the department provides VOCAL against the particular services that VOCAL has been contracted to provide. I have great difficulty splitting that acquittal between the services that are contracted and the services that VOCAL provides from other sources of information which I am not aware of the amount. That is the essence of the tension.

THE CHAIR: All right. We might move on to electoral services and then we will come to transport. Minister, you have just informed the Assembly of changes to the provision of inspection services at the registry. When does the government intend to shut the registry at Dickson?

Mr Corbell: That would not occur until the new government office building is occupied.

THE CHAIR: So 2017. In regard to electoral services there was a complaint made of—

MR HANSON: Just on the motor registry—I apologise, Mr Smyth—is that being factored in with the cost of the new government office building?

Mr Corbell: Yes; I have answered that question, Mr Hanson.

MR HANSON: That has been addressed.

THE CHAIR: It has been taken on notice. Mr Green, you recently received a complaint about the ACT Labor Party's budget fundraising dinner on 3 May not being compliant with the advertising code. What action has been taken over that complaint?

Mr Green: I received a complaint in relation to an advertisement that invited people to attend a function. That advertisement included a thumbnail description of the careers of a couple of sitting Labor members. The advertisement indicated a contact address that seemed to be an Australian Labor Party secretariat address. Looking at the content of the advertisement, it was arguable that the content was within the definition of electoral matter as defined in the Electoral Act.

It is a requirement of the Electoral Act that something of that nature should carry a statement authorising the source of the advertisement. It is commission practice to issue a warning when we get something of that nature referred to us. It was not

something that was apparently designed to be deliberately anonymous or deliberately avoiding the authorisation provisions; so it was at best a technical breach of the act from our perspective.

So we issued a warning, as we do regularly throughout the electoral periods when these kinds of things happen. It is quite common to get complaints of this nature. We issued a warning and we got an assurance from the secretary of the Australian Labor Party ACT branch that it was an inadvertent breach and they would not do it again.

THE CHAIR: Does someone have a supplementary?

MRS DUNNE: Minister, to what extent does the Labor Party holding their fundraiser on the back of the budget mean that the ACT Labor Party is benefiting from the work that government officials do in compiling the budget?

Mr Corbell: I am not here to answer questions about the Australian Labor Party—

THE CHAIR: You are here to answer questions about the government—

Mr Corbell: or its administrative arm. I am here to answer questions as the Attorney-General; so I do not think—

MRS DUNNE: As the minister responsible—

Mr Corbell: It is not for me to answer that question.

MRS DUNNE: for electoral matters, this has been brought to the attention of the Electoral Commissioner and the Electoral Commissioner has had to take action on this occasion. What responsibility do you have to ensure that there is not a conflict of interest between your role as a minister and your role as a person who raises funds for the Labor Party?

Mr Corbell: The ACT Electoral Commission is an independent statutory entity that operates at arm's length from government in terms of its responsibilities under the ACT Electoral Act. In relation to this matter, I was neither advised of the matter by the Electoral Commission nor was I asked for a view or opinion on it. The first I became aware of the matter was when I read about it in the paper.

THE CHAIR: Ms Hunter, a new question?

MS HUNTER: Yes, I wanted to go to page 263 of budget paper 4. My question is around output 1.6. There is a footnote No 3. It is about the target for finalising the election result. You revised down your target from three weeks that was in place after the 2008-09 election to no more than 14 days for this next one. What new technologies have you got in place to try and meet this new target?

Mr Green: Since we have introduced the Hare-Clark system in the ACT we have gone from an entirely hand count of ballot papers to, in 2001 and 2004, data entering all of the preferences on ballot papers into our electronic voting counting system. That quite dramatically—well, not dramatically; the first hand count, I think, took about

10 days to finish. The second hand count was when we had a very close result in 1998, in the Molonglo electorate. We ended up doing a total recount of the ballot papers by hand—

Mr Corbell: I recall that.

THE CHAIR: The minister remembers that really clearly.

MR HARGREAVES: Good result, though, in the end, was it not?

Mr Green: That took about three weeks and that was—

MS LE COUTEUR: That is a matter of opinion.

MR HARGREAVES: Yes, we just shared ours with you.

MS HUNTER: Sorry, Mr Green.

THE CHAIR: Moving right along, the time is tight.

MR HANSON: Enjoy it while it lasts, John.

MR HARGREAVES: It has lasted a very long time.

THE CHAIR: Members!

Mr Green: The hand count in 1998 took about three weeks and that was a direct driver to using a more efficient method of counting ballot papers; so we went to data entry for 2001 and 2004. That increased our time for finishing the election to about 10 to 11 days after polling day. We have to wait at least until the Friday after polling day for postal votes before we can finalise the election count.

At the last election we introduced the scanning of handwritten ballot papers as well as continuing the electronic voting process. The increase in the number of electronic votes we get means that those are votes that we do not have to physically scan or count by hand. As a result of the scanning system that we introduced at the last election, we were able to finish scanning all the ballot papers and finalise the count on the Saturday after polling day, which was really the earliest day that we can finish the counting because of when postal votes—

MS HUNTER: When we found out and had another very good result.

MS LE COUTEUR: Yes.

MR HARGREAVES: Can you feel the love in the room or what?

MR HANSON: No-one doubts the love between Labor and the Greens. No-one is doubting that.

THE CHAIR: That is just the heating, Mr Hargreaves. Mr Green.

Mr Green: As a result of using that scanning technology, we felt that the target of three weeks was something we clearly would never get near again unless we have a situation where it is so close that we have to recount the whole thing by hand once again. But we are actually looking at the accuracy of the scanning system at the moment and it is extremely accurate. It is much more accurate than hand counting and we certainly do not want to go backwards from using the scanning system that we currently use.

MS HUNTER: So proposed changes to the electronic voting system—are there any changes afoot?

Mr Green: We have received budget funding for upgrading of quite a number of the electronic systems that we use for ACT elections. We are looking at modernising the electronic voting counting system to make it suitable for modern hardware. The interface will be essentially the same and the method of voting will be essentially the same but the reliability—the more modern hardware will be used for that.

We will continue to use the scanning system in much the same way as we used it in the last election. We are also looking at introducing—at the last election we used personal digital assistants with the electoral rolls on them for marking names off of people as they arrived at polling places—

MS HUNTER: So this is to buy our own units because previously we had borrowed them from another jurisdiction, didn't we?

Mr Green: We borrowed them from another jurisdiction. We are now looking at using netbooks that we are going to borrow from the Tasmanian Electoral Commission. We are currently getting software written that will have the electronic roll on every issuing officer's desk in the polling places using these Tasmanian netbooks. We are also going to have those networked across the ACT using a wireless network. So for the first time when we mark a name off the electoral roll in one location, that will be replicated across all of the netbooks across all of the polling locations—

MRS DUNNE: Not only vote early; vote often!

MR HANSON: There go the Greens.

THE CHAIR: Mr Hanson with a supplementary and then Ms Le Couteur wants to go to transport services.

MR HANSON: Minister, this is a question on the efficiency dividend and how that is applying to the Electoral Commission, whether you are being treated as a small agency or what efficiency dividend is being placed on you and what impact that will have.

Mr Green: Because we are part of the portfolio, we are treated as a large agency even though we only employ myself and five permanent staff under the Public Sector Management Act. So the same dividend gets applied to us as is applied to any agency

in the portfolio.

The cut as a result of budget measures in this budget amounts to about \$28,000 out of our budget, if my memory serves me correctly. We are going to meet that saving by—at the moment we have got some funding for our IT services, which we are using to employ project managers. So we are employing existing staff as project managers using that IT money and we are using our—we are finding savings by not backfilling behind those staff. The function that is suffering somewhat from that lack of backfilling at the moment is our electoral education and information function.

THE CHAIR: Thank you for that. A new question for Ms Le Couteur on transport regulation and then some questions on human rights.

MS LE COUTEUR: Can you update us on what is happening with the vision zero road safety program which was very much championed by the former Chief Minister? I assume it is now part of your empire.

Mr Corbell: The government retains its commitment to that overall policy setting. Zero deaths on ACT roads is an objective that we should continue to work towards. I will ask Ms Greenland to talk a bit further about policy work in that area.

Ms Greenland: Ms Le Couteur, I will be able to provide only limited information because transport regulation at the moment, until the recent changes, has not included road safety. That has come in from another part of TAMS. That was actually included in the transport planning area; so I have had no direct oversight of that.

I can certainly confirm vision zero does remain a commitment and is consistent with the development of the national road safety strategy and the direction that that is taking. But it is probably more helpful if I get you a bit more detail from the area that actually has been managing that until now.

MS LE COUTEUR: I have a further question to ask about that. How much are you integrating it with broader considerations? Many people would say that really if we are going to reduce our level of accidents and deaths on the road we have to go further than regulations. We have to look at things like our car-dependent lifestyles. What are we doing to actually counter that? Are you working with the rest of the government and, I guess in this light, possibly the ministers' other directorates to achieve an integrated approach?

Mr Corbell: Ms Le Couteur, the question you raise really relates to the intersection between a range of different policies—

MS LE COUTEUR: Yes.

Mr Corbell: and the fact that if we see a greater uptake of different transport modes—public transport, walking, cycling—we can see benefits in terms of reduced impacts associated with motor vehicle accidents.

MS LE COUTEUR: Yes.

Mr Corbell: The government is conscious of these intersections and the government will be working very hard on the transport task in the next 18 months, as we have since the last election. As the minister now responsible, it will be a major area of my focus and emphasis. Providing better transport choices for Canberrans, better public transport provision, as well as upgrades to improve the safety and the efficiency of our road network—these are all issues that the government has to address and which will have a strong priority for me as the responsible minister, whether that is in this portfolio, whether it is in Environment and Sustainable Development or whether it is in Territory and Municipal Services.

MS LE COUTEUR: Getting back to an area which I think is purely this directorate—one of the things about vision zero is the idea that vehicle speed should be based around the possible impact on human beings and human tolerance for injuries. That was part of the idea behind the 40 kilometre trial. Are we prioritising or are you working with other organisations to prioritise slower speeds? And why did we do the 40 kilometres only in shopping areas, and not in community areas as well, particularly around aged care?

Mr Corbell: I invite you to ask that question of TAMS when we present next week. We may have officers in a position to provide you with that information.

MS LE COUTEUR: Okay; I will. How many people in the department are specifically dedicated to the vision zero strategy?

Ms Greenland: The road safety group is three people, but obviously there are other people within the department who work in areas that have an input into road safety activity, including Roads ACT.

MR HARGREAVES: Next.

THE CHAIR: All right. Mr Hargreaves—

MR HARGREAVES: Can I ask—

THE CHAIR: Do you have a question for this area? Then we might move on to human rights.

MR HARGREAVES: Thanks very much, Mr Chairman.

THE CHAIR: Or protection of rights.

MR HARGREAVES: I refer to BP4, page 267, and BP3, page 100, the taxi matters. Primary point of contact—there is an extra \$190,000 going into that. Good news. It talks about the primary point of contact for the taxi list. I assume that is the limousine industry as well. Can you tell me what difference there is going to be with that extra \$190,000? I had thought that Ms Greenland's area was in fact the primary source of contact for the taxi industry. Quite clearly this is going to augment and enhance it, but I would like to know just how.

Ms Greenland: That was in response to one of the recommendations of the taxi

review, which identified the value to the taxi industry of having a single point of contact to deal with all taxi matters, whether they relate to regulation, broader policy or even infrastructure—so issues around where, for example, the taxi industry might want to see taxi ranks placed. The resourcing will assist to implement a range of those recommendations, including the one we have already touched on, which is the centralised wheelchair booking agency. Another one that will need to be addressed is looking at improving the data around taxi industry performance. We already get some data, but it will be valuable to look at whether that is the best we can get or whether we can get other measures that allow us to see how the taxi industry is performing.

Other recommendations in the taxi review included a schedule of taxi releases based on a formula, which is something that the industry has been looking for for some time, rather than having taxi releases which are not based necessarily on a formula approach. In future, taxi licence releases will be based on considerations like growth in population, growth in airport passengers and the actual performance of the industry itself. Those resources will assist to make sure that all of those recommendations are able to be rolled out.

MR HARGREAVES: Thank you. Can you tell me—I have not kept up to date with this—what is the lease price for a general taxi plate at ballot?

Ms Greenland: At ballot a government taxi plate, a standard taxi plate, is \$20,000. That has not changed since they were introduced. And the recommendation of the taxi review, given concerns about industry viability, was to keep it at that rate for the moment.

MR HARGREAVES: What is the lease rate for a wheelchair accessible taxi?

Ms Greenland: The wheelchair accessible taxi rate—the recommendations in the review were to reduce those rates. They were already highly concessional. The rate was \$3,000 per annum for a taxi that could accommodate one wheelchair and it was \$1,000 per annum for a taxi that could accommodate two. Those rates have both been dropped. A single capacity wheelchair taxi will now be \$1,000 per annum and a dual-capacity or share taxi will be \$100 per annum. That is consistent with the sorts of approaches taken in some other jurisdictions to maintain highly concessional rates so that that recognises the high costs of the infrastructure associated with wheelchair taxis.

MR HARGREAVES: Do correct me if I am wrong here then. If the wheelchair accessible taxi—

MRS DUNNE: You are wrong, John.

MR HARGREAVES: I do not think so, Mrs Dunne. I do not think ever in your lifetime it will happen—

THE CHAIR: Quickly, Mr Hargreaves. We need to move on.

MR HARGREAVES: Correct me if I am wrong. A wheelchair accessible taxi, putting a vehicle on the road, admittedly at a high cost, is \$19,000 a year less than a

general taxi.

Ms Greenland: That is right.

MR HARGREAVES: And yet those same wheelchair accessible taxi drivers are actually giving preference to standard taxi trips, if you believe the sorts of complaints Ms Le Couteur receives, and I do.

Ms Greenland: Certainly some drivers are. I think that the data that we get shows that there are some wheelchair taxi operators and their drivers who do their share and actually do provide a good service to the sector.

MR HARGREAVES: Yes.

Ms Greenland: That is certainly the feedback we also get from the wheelchair taxi users. But it is evident that there are a number of operators, and their drivers, who are not taking seriously the obligation that they have to wheelchair taxi users.

THE CHAIR: I—

MR HARGREAVES: Just a sec; I want an update on a number here, Mr Chairman.

MR HANSON: Mr Chair—

MR HARGREAVES: What other concessions are available to wheelchair taxi operators?

Ms Greenland: Wheelchair taxi operators receive a lift fee. When they pick up a person who uses a wheelchair, they receive a fee, which is essentially to compensate for the fact that they do not have the meter running for the time that it takes to load the taxi—in and out of the taxi. They do not charge waiting time, but the government pays a lift fee for that so that the taxi client does not have to pay that. There is the highly concessional rate of their vehicles. We have also had in place for a number of years incentives on what we call special days—Christmas, Easter, Mother's Day, Father's Day and some of those sorts of days. We have paid an amount to the operators to assist them. One of the comments that they have made is that they find it very difficult to get drivers to work on those days, so an amount of money has been made available to assist them to ensure that they have got vehicles on the road for a minimum of 15 hours on those days.

MS HUNTER: Ms Greenland, could we have a list of those amounts or those subsidies?

Ms Greenland: Sure.

THE CHAIR: Thank you. A quick supplementary; then the protection of rights staff might start moving to the table.

MR HANSON: This is a new question on human rights.

THE CHAIR: You want to go to human rights?

MR HANSON: Yes.

MR HARGREAVES: But we are still on taxis.

THE CHAIR: We are running out of time.

MR HARGREAVES: We are running out of time. The meter is still running.

THE CHAIR: The meter is still running.

MS LE COUTEUR: Come on, Mr Hargreaves.

MR HANSON: My question is on the human rights commissioner. Last year when she appeared she said she did not have enough money to conduct a human rights audit of the AMC. Subsequently we have seen the Burnet and Hamburger reports. I quote from the Hamburger report:

... during the first year of operation of the AMC a number of issues have arisen that have contributed to a diminished capacity of the AMC to deliver services to detainees that fully meet the high standards set for a “Human Rights Compliant” correctional centre.

Since that report, and since we heard from the human rights commissioner, she has been unable to conduct an audit. Has she been funded to do an audit? Has she been in there? And what is she doing to address the issues raised by Burnet that could clarify for us whether this is a human rights compliant jail or not?

Mr Corbell: The Human Rights Commission receives additional funding of approximately \$60,000 per annum—and that has been provided since 2008-09—to assist in the increased demand associated with the Alexander Maconochie Centre. So we have built some additional capacity into the base funding of the Human Rights Commission to reflect that there is an increase in the number of inquiries and contacts that the commission receives from prisoners or others associated with the AMC.

MR HANSON: Has she been able to do an audit? One of the concerns that she raised was—

Mr Corbell: The government has not commissioned the human rights commissioner to—

MR HANSON: So you are not aware of her having completed an audit of human rights compliance at the jail?

Mr Corbell: No, not since the centre began its operation.

MR HANSON: All right. This might be a question that we will need to ask corrections, but if we have got the Hamburger report saying that it is not meeting some of the standards of human rights compliance and the human rights

commissioner has not completed the human rights audit of the jail, how do we stand in terms of claiming that it is a human rights compliant facility? How do we know that it is?

Mr Corbell: I draw your attention to the fact that Mr Hamburger also concluded that there was no human rights culture problem at the AMC. I also draw your attention to the fact that Mr Hamburger did liaise with and engage the Human Rights Commission both when he started out on his review in terms of the establishment and the terms of reference and during the review. He sought the Human Rights Commission's input in relation to that process. That is not the same as an audit, and I am not suggesting that it is—

MR HANSON: Will you be asking the human rights commissioner about it or discussing the possibility of an audit with her?

Mr Corbell: What I have said in relation to this matter is this. The government initially wanted to see the Hamburger review findings before determining whether a human rights audit was required. Based on what we have seen in the Hamburger findings at this point in time, I do not see the need for a human rights audit. That is a matter that the government will keep under consideration.

MS HUNTER: I want to go to the—

MRS DUNNE: So there was no policy—

THE CHAIR: I am sorry; minister, going to dot point 7 on page 250, it says one of the government's priorities for 2011-12 is increasing government legal resourcing, particularly in relation to human rights. How do you therefore justify the cut to this output class of \$251,000?

Mr Corbell: I am sorry, which output class are you referring to?

THE CHAIR: Output class 1.5.

Mr Corbell: On page?

THE CHAIR: The protection of human rights, which is on page 258.

Mr Corbell: What is the cut, sorry?

THE CHAIR: You have removed \$251,000 from output class 1.5, which covers the protection of rights. Yet in your priorities you say we should be increasing resourcing, particularly in relation to human rights.

Mr Corbell: That output, Mr Smyth, deals with not only the Human Rights Commission but also the Public Advocate, Victim Support ACT, as well as services provided by the Ombudsman and the Privacy Commissioner.

THE CHAIR: All right. So who has been cut?

Mr Corbell: It reflects the savings measures required as part of the portfolio's overall efficiency and other savings measures.

THE CHAIR: So is the Human Rights Commission exempt from those cuts?

Mr Corbell: No, the Human Rights Commission is not exempt from those cuts.

THE CHAIR: Okay. Can you go back to the dot point on page 250, where you say that one of the priorities is that you will be increasing government legal resources, particularly in relation to human rights. How can you cut it and be increasing it at the same time?

Mr Corbell: That dot point refers to additional funding provided to the Government Solicitor's office for legal services to government, including in the area of human rights.

THE CHAIR: All right.

MS HUNTER: Could I move to the accountability indicators on page 262. We have under a, and it is the second item, the percentage of complaints concluded within commission standards and targets. The target for 2010-11 was 75 per cent; 60 per cent was reached. That is a drop of 15 per cent. In the note underneath it talks about the increased workload and staffing pressures that continue to affect negatively the overall capacity of the commission to meet this indicator. This would indicate to me that it is struggling and it does not have the resources. Mrs Dunne raised earlier—and it is an issue that we took up through JACS, I think, at annual report hearings and previously in estimates—that agencies, such as the Human Rights Commission and the DPP, the smaller agencies within the larger directorate, are being hit with the same level of efficiency dividend—the higher level for a larger group. This is obviously having a greater impact. Minister, I would like your comment on that.

Mr Corbell: All parts of the public sector are under pressure when it comes to financing. All parts of the public sector have to make a contribution towards the overall budget task of government, which is maintaining a path towards the surplus that is outlined in the budget papers. I accept that these agencies are under pressure, but so are many other parts of the public service. It is simply the case that all agencies have to make their contribution towards the overall budget objective of the government as a whole.

MS HUNTER: Does it not concern you, minister, when in the next one down, which is around the number of completed projects, the target was 12 and eight were completed? Obviously all of the targets are not being reached because of, I would say, a lack of resourcing. I am asking why you have not looked at this issue—the small agency efficiency dividend being applied rather than a large agency efficiency dividend.

Mr Corbell: Let us keep these reductions in some context. We have just had the discussion about the DPP. The DPP has a budget of \$8½ million, approximately. The government is asking for a return to the budget of around \$78,000, out of a budget of \$8½ million. The government finds it difficult to believe that agencies cannot find that

sort of quantum in the context of the overall size of their budgets. It is the same for the government sector as a whole.

The efficiency measures being asked of the government sector as a whole are small compared to the total spend of the government in all of its operations and activities. Does it make it hard for people? Yes, it is confronting and it is difficult. It is difficult for ministers. Ministers have to make difficult decisions too. But that is the obligation on us—to properly manage the territory's finances—and we expect all elements of the government to contribute to that.

MS HUNTER: Quite clearly this note is saying that this agency is being negatively affected in performing some tasks.

Mr Corbell: Why do you not raise that about the Public Trustee or the Victims of Crime Commissioner? You are only raising it about some agencies. The fact is all agencies have to share the task—

MS HUNTER: There is a clear note in here.

Mr Corbell: I am not going to exempt some agencies, because that just means more of the savings task has to come from others.

MRS DUNNE: But there was a commitment made at the time, minister, that said that small agencies—I cannot remember the quantum—with certain staff numbers would only be subjected to—

Mr Corbell: A certain budget size.

MRS DUNNE: half the efficiency dividend because they were a small agency. But you imposed the full efficiency dividend on all of your agencies by this confection that independent statutory office-holders are part of a larger agency and are not small independent agencies.

Mr Corbell: This is a decision of cabinet. The justice portfolio is comprised of many different statutory entities and other agencies. It is quite unusual within the whole of government in that regard. But if you were to take the approach that you are suggesting, Mrs Dunne, all it would mean is that the burden would have to be shared even more heavily on whatever you determined were central directorate functions.

MRS DUNNE: So why did cabinet therefore say something—

Mr Corbell: And at what point—

MRS DUNNE: and then not follow through with it?

THE CHAIR: Let him finish.

Mr Corbell: would you draw the line? Would you say that the courts should not be included, the Fire Brigade should not be included or the Ambulance Service should not be included? These are the tough decisions of government, but the government is

prepared to take the tough decisions. We will apply the efficiency measure in the way that it is set out in the budget paper. You may not like it—

MRS DUNNE: The government made a commitment—

Mr Corbell: and other people may grumble about it—

MRS DUNNE: that said—

Mr Corbell: but that is the way we are going to do it.

MRS DUNNE: that small agencies would be exempt and small agencies are not exempt.

Mr Corbell: No. The government has not said that small departments would be exempt.

MRS DUNNE: No, you said small agencies.

Mr Corbell: We have applied a lesser efficiency dividend in relation to those departments. We have not exempted. We have applied a lower percentage rate.

MRS DUNNE: They would be exempt from the one per cent, but that has not happened. That has not happened in large sections of areas under your responsibility where there are independent agencies—

Mr Corbell: These agencies are not stand-alone. These agencies have a corporate relationship with the directorate as a whole in terms of the provision of various services and support to them. Therefore, they are properly accounted for as part of the directorate as well for the purposes of the efficiency dividend.

THE CHAIR: All right. That would appear to be all the questions for output class 1.5. We might move on to the Legal Aid Commission. Mr Rattenbury, you were nodding; do you wish to go first?

MR RATTENBURY: Yes, I have got a couple of questions, if I may.

THE CHAIR: Go for your life.

MR RATTENBURY: My first question is directed perhaps towards the minister as much as the Legal Aid Commission. There was an initiative in the budget for the legal help desk, which is on page 505. That sounds like a positive budget initiative, but it is contrasted with the loss of three full-time equivalents from Legal Aid on page 501 of the budget paper. There appears to have been a decision made that money would be better spent on help desk staff rather than other staff. Is that a fair assessment? Can you take us through the rationale for that decision?

Mr Corbell: I beg your pardon, Mr Rattenbury, my attention was just diverted. Would you mind repeating the question?

MR RATTENBURY: That is all right. I am seeking to find out the contrast between the new help desk at Legal Aid and the removal of three full-time equivalent positions from Legal Aid. What is the rationale behind that decision being made?

Mr Corbell: The management of the Legal Aid Commission's workforce is a matter for the board and the chief executive of Legal Aid. These are not decisions made by the government. The government has provided increased funding to Legal Aid in this year's budget.

MRS DUNNE: How much increased funding?

Mr Corbell: That funding is for the provision of the telephone help desk services. It is in the order of \$228,000 in the coming financial year, growing to just under half a million dollars in the outyears. This is a very important initiative that will provide a new avenue for people seeking legal assistance, where they will be able to have their initial inquiries dealt with via a telephone service. The advantage of it is that it will mean that a relatively large number of inquiries that go to Legal Aid, which are sometimes at this point in time dealt with by face-to-face meetings and can be quite time consuming and resource intensive, can be resolved through a simple telephone call. At the same time it allows for more effective triage and more serious matters to come through for face-to-face and more intensive advice and support from Legal Aid staff.

MR RATTENBURY: I accept what you are saying about the new service. I guess what I am just trying to get to the bottom of is: are we taking with one hand and giving with the other in the sense that the note at the bottom of page 501 says that the decrease of three full-time equivalents—

Mr Corbell: The government does not impose an efficiency—there are no new savings requirements for Legal Aid as a consequence of this budget. The government has required Legal Aid to deliver an efficiency dividend that was announced in the 2010-11 budget, which commences on 1 July this year.

MR RATTENBURY: So, Mr Crockett, is the decrease in FTEs coming from that efficiency dividend? Is that what that footnote means?

Mr Crockett: The footnote refers to budget constraints, and it is certainly true that as a result of the need to sustain a manageable level of operating deficits over the next three to four years we do have to reduce salary expenditure over that period by some \$300,000. And that will impact on staff numbers next year to the extent of one to two positions.

There is also going to be some reduction in staff as a result of the implementation of what we call e-grants next year, which is our online grants management system. That will free up some low level administrative positions at the moment in the client services area, and there will also be a loss of one or two legal positions in the client services area. Those staff are currently involved in making decisions on grants of legal assistance.

The net effect of the increase in staff at the help desk as a result of the additional

territory funding and the reductions due to the budget constraint and the impact of e-grants will be a reduction in staff next year of two or three positions.

MRS DUNNE: Mr Crockett, what is the estimated turn away rate for 2010-11 for applications made for legal aid?

Mr Crockett: So the refusal rate for applications?

MRS DUNNE: Yes.

Mr Crockett: It is currently about 67 per cent, and I would expect it to remain about that level next year.

MRS DUNNE: So you are saying that the streamlining of processes, which is going to reduce the number of staff, is, in fact, not actually going to create a net benefit to clients? There is still not going to be a net increase?

Mr Crockett: The benefit will eventually flow through to service delivery. But e-grants will not be fully operational until towards the end of next year. So we have not factored in at this stage an increase in grants of legal assistance next year.

MRS DUNNE: So when do you envisage that you will start to see a kick-along with a reduced turn away rate, and what do you expect the turn away rate to be once the e-grant system is fully operational?

Mr Crockett: Well, I would expect to see some improvement in the following financial year—that is 2012-13. It will be some time, I think, before we can return the refusal rate, or the approval rate, to 80 per cent, which it was back in 2007-08. And the reason for that is that the cost of legally assisted cases over the past three years has increased by some 21 per cent. And obviously increases in indexation in funding have not been able to keep pace with that type of increase. So there has been a growing gap between revenue and the cost of funding legally assisted cases.

MRS DUNNE: I do also notice that in your performance indicators, Mr Crockett, there has been a very low performance in relation to the total number of legal advice services provided by private legal practices. There was an estimated target of 400 and an estimated outcome of 40. So you only had a 10 per cent result, and you have a much lower target. First of all, what is the cause of the low result, and what expectation do you have of meeting the target?

Mr Crockett: The reason for the low result is actually mentioned in the note, Mrs Dunne. It is mainly due to the fact that we have been able to make more use of the pro bono advice provided by some law firms. So, when we have been unable to advise a person because of a conflict of interest, we have been able to refer them to a private law firm who advised us that they were prepared to provide half an hour or so of free advice. Because it is a pro bono service, that is not recorded by us statistically. If it were then that number would be very much higher.

The number is the number of paid advice services by private lawyers. Now, I am expecting that, as you will see, to increase in the outyears. And the reason for that is

that the focus of the national partnership agreement is an increase in early intervention services, such as advice. So we are putting a lot of effort into increasing that service. And that is part of the reason, of course, we are setting up the help desk, as the minister mentioned.

MRS DUNNE: So, Mr Crockett, why do you not collect information on pro bono advice? Are there any particular limitations that would prevent you from doing that?

Mr Crockett: No. We probably could, when staff refer somebody to a law firm. It would probably nowadays be counted as a referral, but it would not be specifically counted as a referral or advice.

MRS DUNNE: Yes.

Mr Crockett: But we could conceivably do that.

MRS DUNNE: Well, would there be benefit in doing so?

Mr Crockett: Hard to say. I do not know that we would find it of great use.

MRS DUNNE: Okay, thanks.

THE CHAIR: Right. Next questions?

MR RATTENBURY: One quick one. I note that additional funding has been provided for Street Law, which is welcome. This comes under legal aid services provided by commission staff, I believe. Can you just quickly tell us what type of new position will be created with the funding?

Mr Crockett: Sorry, I missed the first part of the question?

MR RATTENBURY: What type of new position will be created with the funding?

Mr Crockett: The Street Law funding?

MR RATTENBURY: Yes.

Mr Crockett: Street Law is not part of our staff services. It is a separate service which is run under the auspices of the Welfare Rights and Legal Centre. The reason it is in our budget is that we originally put up the proposal for the funding of Street Law. It has always been a project between us and the community legal centres and the Aboriginal Legal Service, and the decision was made at the start of the project to site it within one of the community legal centres rather than within the commission. So we are the conduit, really, for the funding and that is passed on to welfare rights pursuant to a memorandum of understanding that we have with them.

MR RATTENBURY: Thank you. And, minister, the funding for Street Law does not continue into the outyears, and I understand there is to be a review into Street Law later this year. Can you just give us an insight into what the concerns are or what the issues are in the review?

Mr Corbell: It was the intention, Mr Rattenbury, when the service was first funded that it was funded as a trial subject to evaluation. That evaluation has not yet occurred, and so the funding has been continued to allow the service to continue for a further year. During that period the government will finalise its assessment in relation to the effectiveness of the model and, in particular, will look at long-term demand and determine an appropriate model for service into the future.

MR RATTENBURY: Okay. Thank you.

THE CHAIR: All right. We might conclude—

MRS DUNNE: One quick question, if I could, Mr Chair?

THE CHAIR: Very quickly, and we will try and get to the Public Trustee, who has waited so patiently.

MRS DUNNE: The commission's move to new premises was a real guarantee that there would be big costs in energy savings and other costs. Have these been identified and quantified?

Mr Crockett: There certainly have been savings in power costs. I do not have the figures with me.

MRS DUNNE: I would welcome on notice, if I could, some information to the committee on the reduction in energy costs and other costs that were foreshadowed as a result of the move and what the impacts have been on productivity and the like because of the move.

Mr Corbell: We can take those questions on notice.

THE CHAIR: We will move to the Public Trustee. Perhaps the Public Trustee could outline how the restructure of GreaterGood is working and how effective it has been.

Mr Taylor: The GreaterGood is probably in its seventh year of operation. It was an initiative of the Public Trustee. It was originally set up by my predecessor as having a management structure of 10 and a board of 10. One minor restructure saw that management committee disbanded because it appeared to replicate the role of the Public Trustee as the trustee. Because of the long-serving nature of some of those management committee members, we retained five of those on an increased board size temporarily. The position of board member is voluntary entirely and no money is paid by way of honorariums or anything like that.

At the end of the current term, which is the end of June this year, an opportunity now exists for us to drop the board size to an optimum size of seven, of which the Public Trustee has one representative. So we will be dropping that board from a temporary size of 15, which was unwieldy, to an optimum size of seven, which has been agreed by the board and the Public Trustee.

Other structure changes will include bringing back the board to an understanding of

what their role is. Over the years, the board have adopted a role that was outside their terms of reference. Their terms of reference are strictly to ensure that the Public Trustee complies with a part of the Income Tax Assessment Act around the distribution of net income from the investment of funds in the corpus.

Some of the problems that we had, I guess, operationally were that there was developing an administration for GreaterGood on this side of the lake and there was an administration on the other side of the lake, if you like. And the board had no role in administering the foundations. It is an overt move to move the structure back to what it should be, what it should represent now that it has in the order of soon to be \$10 million in accumulated assets, which will put the foundation on a different course for the next three to six years.

MS HUNTER: In previous hearings we have asked about the Confiscation of Criminal Assets Act and the role that the trustee plays in this act. And the response was that not much was going on with this act at that time. However, recently we have seen in the media a burst of activity and that over \$1 million worth of goods have been either restrained or forfeited, I understand. What does this mean for the work of the Public Trustee? Has that increased your workload?

Mr Taylor: We do not always see the increase at the time that it may be reported in the media. We are very much at the end of the pipeline and there is a hell of a lot of pieces in the process before any money comes to us. As an indicator, in the last financial year we deposited \$72,000 from realised assets into the CAT fund, the confiscated assets trust fund, compared with \$115,000 the year before. There are always wild estimates of how much is going to make its way into the fund. And of course nobody knows what those assets are worth until we realise them. For example, a nonsensical thing might be somebody puts a value on hydroponic equipment. You destroy it if you get it. You do not try to sell it because there is only one market.

MRS DUNNE: There are tomato growers.

MS LE COUTEUR: There is some agriculture even in Canberra.

THE CHAIR: Anyone interested in hydroponics?

MS HUNTER: With the goods that are confiscated or forfeited, where you have a market you will sell and then put that money into a fund?

Mr Taylor: We are required to manage the asset. The asset could be a piece of real estate. It might be saleable. It might not be saleable. Our job, I guess, is to manage that to the point that the asset can be realised and the money put into the CAT fund so that it can be used for public safety initiatives.

MRS DUNNE: Something that I have been musing on for a while is the issue of competitive neutrality. You say in the budget paper that you want to become the community's trustee of choice. Are there competitive neutrality issues that arise from that? Do other trust organisations see the Public Trustee as a competitor in the industry?

Mr Taylor: Very much so. A number of the products and services that we provide are contestable. But they are contestable within frames of reference. For example, we are permitted by law to write a will for somebody in the community, provided we are the executor. I do not know too many lawyers in Canberra that want to be an executor when they write a will. So we have had this discussion with the Law Society around whether they see that as contestable. And there is a happy position between the Law Society and the Public Trustee to the extent that we are not outside those boundaries.

I think what we are trying to do in becoming the community's trustee is implement the government's wish that every person in the community take responsibility for making decisions about their assets in the event of their death or loss of capacity. And there are not too many, if any, private trustee companies operating in the ACT directly. In that sense, I guess, looking at wills and enduring powers of attorney is very much a program of government to ensure that people have those documents.

The only other contestable things that we do are administration of estates, which we largely compete with trustee companies on, and the administration of trusts, a lot of which is government money.

MRS DUNNE: Also, on a similar subject, on page 3 of your statement of intent, you refer to benchmarking and how you perform in relation to other public trustees. How do you perform in relation to other public trustees?

Mr Taylor: We think very well. We have got a unique financial framework. We are considered to be largely self-funding. We are different in that respect to some other public trustees which are, in effect, corporations. We have been a member of the Trustee Corporations Association of Australia for a long period of time and there is a recent feeling amongst public trustees that, for a whole range of issues around what we do, we are going to pull back from our membership with that group and stay as an affiliate and develop in its place a public trustee forum through which we can more accurately benchmark the cost and quality of our services.

Given that we do not exist to make a profit, which is again different from some other public trustees, on the level of funding and the result at the end of the year, I think we compare pretty favourably. People have talked about our hourly rate, for example, being high at \$185. The New South Wales Public Trustee bills out their services for \$240 an hour and returns a dividend to New South Wales Treasury. Our job is not to make a profit. It is to provide a community service.

THE CHAIR: Thank you, minister. We will end the session there. Thank you for staying a little over the time that we had appointed.

Minister, with respect to all questions taken on notice, could we have those answered in five days. Members, any questions to go on notice, you have got four days. And there endeth the estimates hearing for output class 1, justice services, 1.1 through 1.8, the Legal Aid Commission and the Public Trustee. Thank you all.

Meeting adjourned from 12.58 to 1.59 pm.

Appearances:

Barr, Mr Andrew, Deputy Chief Minister, Minister for Economic Development, Minister for Education and Training and Minister for Tourism, Sport and Recreation

Building and Construction Industry Training Fund Authority
Service, Mr James, Chairman
Guy, Mr Gary, Chief Executive Officer

Canberra Institute of Technology
Marron, Mr Adrian, Chief Executive
Kowald, Mr Peter, Deputy Chief Executive
Dodd, Ms Jenny, Acting Deputy Chief Executive

Education and Training Directorate
Watterston, Dr Jim, Director-General
Cover, Ms Leanne, Executive Director, Tertiary and International Education
Sharma, Ms Sushila, Acting Director, Finance and Corporate Support
Goleby, Ms Ann, Senior Manager, Training and Tertiary Education
Whybrow, Mr Mark, Director, Finance and Corporate Services

THE CHAIR: Minister, thank you for your attendance. Mr Service, I need to bring to your attention the privilege card in front of you and ask: have you read the card and do you understand its implications?

Mr Service: I have read and understand it, thank you.

THE CHAIR: This afternoon we are going to look at the ACT Building and Construction Industry Training Fund Authority, then the Canberra Institute of Technology, followed by output class 3, vocational education and training. I need to remind witnesses that the proceedings are being broadcast by Hansard, webstreamed, broadcast live, and trialled on Committees on Demand so you can go home and watch yourself on the TV until 30 June. Are you happy to proceed?

Mr Service: Thank you.

THE CHAIR: Minister, would you like to make an opening statement?

Mr Barr: In relation to this particular authority, no, Mr Chair. I am happy to go straight into questions.

THE CHAIR: Then let us go straight into questions. On page 11 of your statement of intent for the ACT Building and Construction Industry Training Fund Authority, I notice that the income from the levy for the coming financial year is to reduce by 16 per cent. Why is it so?

Mr Service: Our budgeted income, Mr Smyth, is a budget. It relies on the continuance of a certain level of activity in the building and construction industry. We project as best we can each year our expectations. It is one of the things about which

we have absolutely no control, so we provide each year to the minister, which he tables in the Assembly, our training plan and it contains our expectations of how our income proceeds.

In most of the previous years we have underestimated, and that has been as a result of solid growth in the industry. Our forward view, and I have to say this is a view that I have promoted quite strongly with my colleagues, is that we should be taking a more conservative view for the next year or two as to where we think construction is going to be; that is to say, we think it has a risk of being weaker.

THE CHAIR: So budget on budget it is about a 10 per cent increase this year or maybe a little more—maybe 15?

Mr Barr: Fifteen, yes.

THE CHAIR: All right. I notice your depreciation and amortisation is at zero in the coming year. Is there a reason for that 100 per cent decrease?

Mr Barr: It was zero, budgeted for zero as well, last time.

THE CHAIR: Maybe the question is: why is it three grand this year?

Mr Barr: What did you depreciate?

THE CHAIR: Reverse it out: what have you depreciated?

Mr Guy: We have got nothing to depreciate, in a sense. We are a small office of 50 square metres and three staff members and we have had nothing new for a number of years.

THE CHAIR: So what is with the three grand this year then?

Mr Service: I have to take that on notice. I do not know exactly what it is.

THE CHAIR: You have got one thing to depreciate.

Mr Service: I do not know what it is.

THE CHAIR: Mr Doszpot, have you got a question? Mr Hargreaves?

Mr Service: It could well be some IT.

THE CHAIR: Good guess.

Mr Service: We are very frugal in the authority; we do save our money as best we can.

THE CHAIR: Good guess, Mr Service.

MR DOSZPOT: Firstly, I would just like to commend the initiative; I attended your

networking luncheon, which seemed to be somewhat different from what has been tried before. It appeared to work according to plan, but I should ask: did it work according to plan for you?

Mr Service: Certainly in terms of our first function, yes, I was very pleased with it. It had a very good and diverse group of attendees and it really was about getting some diversification. It is easy to talk to the big RTOs. It is easy to talk to big companies. It is also a thing about the right timing to get some of those businesses to come along. You sat at a table with a different group of people and mostly they were people that we had not seen before in a day-to-day sense. I was very pleased with it.

MR DOSZPOT: So was I. With some of the questions that they were asking and discussing amongst themselves, I thought it was a very useful exercise and I commend you for it.

Mr Service: Thank you.

MR DOSZPOT: The question that the chair asked before about the estimated drop in levy: does that have any impact on the number of apprenticeships that you can have?

Mr Service: No. Apart from our levy income, as members of this community would be aware from when I have appeared before, we also retain a reasonable surplus and we also maintain a very substantial reserve account, and that reserve account is fundamentally to ensure that in more difficult times—which we have not yet experienced, but were we to—we can fund at least six months worth of our 100 per cent operating expenses, and that includes funding apprentices.

MR DOSZPOT: Thank you.

THE CHAIR: On page 5, Mr Service, is your risk assessment to the authority. The opening sentence of that paragraph says that a risk to the authority may arise from any change in market conditions of the construction industry. The government is proposing a substantial increase in the change of use charge. If that affects the market, does that have an effect on you?

Mr Service: If it affects the market I suspect it may but in terms of the current demand, certainly in the near term, I would not want to speculate on the effect that might have on us, if any.

THE CHAIR: All right. You do not have an opinion as to whether—

Mr Service: Not in terms of my role as the chairman of the authority, no.

THE CHAIR: Did you feel the urge to lash out and have a personal opinion on this?

Mr Service: Not in this forum, thank you, Mr Smyth.

Mr Barr: Leading the witness, Mr Chairman.

THE CHAIR: This is not a court of law, Mr Barr.

MR HARGREAVES: It is a modesty for which Mr Service is well renowned. Please do not destroy his modesty.

THE CHAIR: Other questions for the training authority?

MS HUNTER: I wanted to ask about any courses that you are running that might be around environmentally-friendly building principles and practices. This is where the industry is going into the future, around higher stars, more energy efficiency, water efficiency. What are you doing in that area?

Mr Service: I think there are perhaps two ways to answer that question. The first is that where industry has identified opportunities to create training courses for the RTOs, yes, we are funding them as we are asked. The second answer to that question is that there are a range of technical skills required to determine the environmental operation of a building and how it is designed. We do not tend to fund very much of that because most of it is done at places like UC, ANU or CIT through specific engineering or design management type courses. Most of the stuff that we would fund or in which we would expect to see current growth in funding would be for people to maintain the environmental capacity of a building that has already been completed.

MS LE COUTEUR: So you will be offering more short courses for plumbers, electricians et cetera to deal with the new things in—

Mr Service: We will happily fund those courses we are asked to. We do not actually create the courses. We only fund what industry tells us they want to fund through their training plans. So we are asked and where industry brings forward any of those courses, provided they fit within the capacity of the authority, then, yes, we certainly fund them through the RTOs.

MS LE COUTEUR: There has been a lot of concern about building quality recently. Would you like to be involved in any of the training—would you like to elaborate more, rather than me making up what I think you might be doing?

Mr Service: We participate in the minister's roundtable forum. We have been encouraging the RTOs and other stakeholders in the industry to bring forward courses. I think the obvious ones that are on the public record are things such as waterproofing, tiling and those sorts of things. There is a range of programs already underway by various subcontractors and trades and the RTOs and we have certainly been willing and have a capacity to fund more inductees and trainees through those courses if we are asked to fund them.

MS HUNTER: Do you have anything to do with some of the training that is going to be run at Bimberi through the funding?

Mr Guy: If we are requested by the RTOs or group training companies or any other organisations we will be able to assist them at this particular point in time. I think CIT have a program with them at the moment. They have not asked us for funding at the moment but if it is to be continued, because it is a pilot, yes, I expect we would be funding it.

THE CHAIR: Mr Hargreaves?

MR HARGREAVES: I just wanted to know whether you have training programs, apprenticeships, for people leaving politics, inadvertently or advertently?

Mr Service: If they would like to come through an RTO, we would be happy to provide such—

MR HARGREAVES: I thought that was where Ms Hunter was going with that, looking for an apprentice lumberjack job.

MS HUNTER: For Mr Hargreaves.

THE CHAIR: On your cash flow statement, the net increase/decrease in cash held, the budget was for \$90,000. The outcome at 30 June this year will be \$1.691 million but then it drops next year back to \$455,000. Is there a reason for such a large drop? And then in the outyears it dips again.

Mr Guy: Our income for this year has been exceptionally high.

THE CHAIR: Yes, it is just the same.

Mr Guy: Yes. It will be close to the \$5 million mark, where normally it is lower.

THE CHAIR: All right. Further questions, members? There being no further questions, thank you, Mr Service and your staff, for attending. Any questions that were taken on notice have to be answered within five days. Members, you have four days in which to put additional questions on notice. We look forward to seeing you next year.

Mr Service: Thank you, Mr Chair. Can I just record my thanks for changing the time of my appearance today. It was very much appreciated from the committee. Thank you very much.

THE CHAIR: It was a pleasure. Minister, if you would like to round up the CIT staff, we will get underway.

We have had a changing of the guard. Minister, thank you for attending this session of the Select Committee on Estimates and bringing the CIT and officers to meet with the estimates committee this afternoon. We are now to look at the Canberra Institute of Technology and vocational education and training. In front of you is the privilege card. Are you and your officers aware of the privilege card and its implications?

Mr Barr: I am, yes.

THE CHAIR: Good. I need to tell you that these proceedings are recorded by Hansard for transcription as well as being webstreamed and broadcast live. We are also trialling Committees on Demand. Are you happy with that and that we can proceed? Thank you very much. Minister, would you like to make an opening

statement on behalf of the Canberra Institute of Technology?

Mr Barr: Very briefly, Mr Chair, to again thank the committee for the opportunity to appear, as I think we have discussed in my earlier appearances in this estimates process with other portfolio hats on. This represents an exciting period for the education and training sector within the ACT, and clearly the long-term constructive role that the Canberra Institute of Technology will continue to play in the growth of education and training within the territory is exciting.

There are a number of major structural issues that the government is currently considering in relation to the future of this sector within the territory. We have a pressing need, I believe, to respond to the changed environment that the federal government has put in place as a result of Professor Bradley's national review of further education and some of the important targets that have been set as part of a series of COAG national partnerships. The CIT plays a very important role in the delivery of a number of those—at the apprenticeship and VET in schools level as well as as part of the national partnership around enhancing the level of qualifications, particularly for people aged 20 to 24. So there are a number of areas where the CIT is engaged closely with the school sector, with other higher education providers and of course with other training providers within the territory.

As a general statement, it has been a productive year for the institute—with some significant challenges though. Changes in federal immigration policy in relation to student visas have had impacts nationally, and they have been felt in the ACT. I am sure we can explore that during today's hearing.

Having said that, Mr Chair—it is, as I say, an interesting time in vocational education and training, with lots of reform. But I believe that the CIT is well positioned to play a very constructive role not only for the people of Canberra but in the broader region.

THE CHAIR: Thank you for that, minister. Minister, you spoke of the pressing need for vocational education given the circumstances of the country and indeed the city. How is that addressed by having, budget on budget, a reduction of 105 jobs at the CIT?

Mr Barr: There are a number of factors that impact on employment levels in the CIT—noting that its funding sources are many and varied and reflect changes in market demand. There is an impact of international student enrolments. There are other impacts that reflect upon the totality of employment within the institute. There are variances in terms of the number of casual and contract staff that are employed from year to year. There were some initiatives that were funded as part of national partnerships, or two or three-year initiatives funded by the ACT government in previous budgets, that have concluded. Of course, new initiatives and new possibilities emerge, particularly as announced by the federal government in their budget last week. There are, as I think we discussed previously in other portfolios, ons and offs in relation to initiatives for the CIT. But there is also a requirement for the institute, like all other agencies within the ACT government, to find efficiencies, particularly in areas of travel, printing and stationery, for example.

MS HUNTER: It looks to me as though the efficiency saving here, if you go to note 2,

is actually the decrease of 30 full-time equivalents. That is where it is going to be found.

Mr Barr: There certainly are some efficiencies at the administrative end, and there were variances in the number of teachers as a result of differing levels of student demand in different areas. In international, the decline in international students clearly has an impact on the number of staff that the institute would employ.

THE CHAIR: How many fewer international students are you expecting in the coming year?

Mr Marron: How many international students? International students in the coming year? If we take the coming financial year—I imagine that is what you are talking about—we will be hoping for somewhere around 750 or 800 international students. That is down from more than 1,200 in the peak year, which was the—

MS LE COUTEUR: Sorry, could you repeat that. I must not have heard it right; it sounded as though there was an increase. Can you give those two numbers again?

Mr Marron: In terms of international enrolments?

MS LE COUTEUR: Yes.

Mr Marron: Looking at the coming year, we will be hoping that it would be around 750 to 800 students over the coming financial year. We operate on a calendar year in terms of our academic year and enrolment.

MS LE COUTEUR: And previously it was what?

Mr Marron: Previously it was around 1,200 for the year 2009-10. Is that right, Peter?

Mr Kowald: Yes.

Mr Marron: As you know, we have been hit, like every other VET provider, by a perfect storm of a number of things coming into play at the one time.

MS HUNTER: That is showing up, I assume, in your program enrolments. We had a target for 2011 of 19,000. You actually had 19,500 students. And that will be going down to 19,100 for 2011-12. So that is reflecting the drop in international students?

Mr Marron: It will reflect part of the drop in international students—and the vagaries of part of our other activity, which is not driven by public purchase. One of the things that Mr Barr referred to is that CIT is in some ways a kind of hybrid organisation. We have a public purchase, which is where the state effectively buys a quantum of training. Last year, we delivered more than that quantum—we over-delivered on that quantum—and this year we will deliver on that quantum. That accounts for somewhere around 64 or 65 per cent of our activity or turnover. The other part of that is all in a contestable zone. Some of it is contestable government funding and some of it is commercial funding that we chase contracts with and so forth. So vagaries in demand and fluctuations in demand will filter through in some of the planning that we

do for the following year in terms of the total.

MS HUNTER: Where are we up to in that contestability? Is it 80 per cent or is it 100 per cent contestability now?

Mr Barr: For which funding source?

MS HUNTER: For the second funding source.

Mr Marron: The second funding source is an amalgam of a number of things. Sorry, minister. Part of it is user choice funding, which is the apprenticeship and traineeship funding. Some of that contestable area will be straight commercial activity that we do, sometimes alone and sometimes with partners. For example, we have had very successful partnerships with the Australian Federal Police and other education establishments—the University of Canberra. These are full-fee commercial activities, but they are still enrolled students.

MS HUNTER: And they are the forensic courses?

Mr Marron: Forensic would be part of it, but there are others that we do.

MS HUNTER: Yes.

MR DOSZPOT: Mr Marron, you have mentioned the decline of international students from last year. Is this a declining trend or is this an anomaly because of the economic circumstances?

Mr Marron: It is not the economic circumstances. The decline in international students has been felt right across the country. There has been much in the media about it.

MR DOSZPOT: Is it an immigration issue?

Mr Marron: It is an immigration issue. The other major issue—possibly just as much—is the high dollar. A high dollar makes us a much more expensive option compared with some other countries. That has been particularly felt, I think, in the vocational education and training sector. Other factors have been some of the bad publicity—although that is going out of the system now; it has been quite some time—to do with the collapse of colleges and violence towards students in Melbourne and whatnot. And the other thing is that our competitors have become much more competitive—the United States and the UK.

MR DOSZPOT: What about the actual ability to provide the sorts of services that international students want? There was an article in the *Canberra Times* recently about that. It quoted that a staggering 40 per cent of TAFE workers were not properly qualified to teach in the vocational education sector and were without the required certificate IV in training and assessment. Does that have an impact on students wanting to come—reading that sort of thing?

Mr Marron: No, but I am happy to address the international dimension and perhaps

say a word about that report from the Productivity Commission. I assume that is the one that you are referring to.

MR DOSZPOT: Yes.

Mr Marron: In our experience, in terms of CIT, because of the way CIT is perceived—with the markets that we target and our long history and association, with the tactics that we use, and also because we are spread across a number of different countries in terms of recruitment—that has not been something that comes to the fore. As far as the Productivity Commission report is concerned—the report which came out a couple of weeks ago and about which there has been a lot of commentary, some of it in the educational media this week—it would be fair to say that the public providers, that is the TAFE providers, through the peak body, TAFE Directors Australia, take issue with some of the conclusions and some of the calculation of the statistics.

We know that that 40 per cent was based on one jurisdiction, and it was not us. For other reasons, but so that we can respond to the Productivity Commission, we have done a survey of our teaching force at CIT, and in terms of our vocational band 1 teachers, the start-up teachers, the majority of our teachers have a certificate IV in TAA, which is the base qualification to which the Productivity Commission referred. Those that have not are, in the main, in progress to do so. We will always have some people teaching at CIT who do not have that qualification, because they will be casual industry experts who come in. The requirement for us under the Australian quality training framework is to be making sure that all of those teachers who are in as casual teachers who do not have the qualification are supervised and moderated by someone who does have the qualification. And that would be a very small proportion of our staff.

MS HUNTER: Are you able to provide for the committee the number of full-time staff who have the cert IV, the number of casual staff who have it and also the number of full-time staff who are on their way and the number of casuals who are on their way to getting that certificate.

Mr Marron: Yes, we are.

MS HUNTER: Can we have that information?

Mr Marron: Yes. Jenny, could you just go through that?

Ms Dodd: Yes. In terms of our permanent and contract staff, in the middle of 2009, 95 per cent had the certificate IV or equivalent and four per cent were currently studying. In terms of our casual teachers, 47 per cent had the certificate IV or equivalent and 10 per cent were currently studying. That is a cumulative total of 69 per cent certificate IV or equivalent, with seven per cent currently studying. Those figures would be expected to be much the same today. We have some movement, but we focus on giving our teachers those qualifications as they come in. It is a core focus of our organisation, and teachers are able to acquire them.

MS HUNTER: So can you explain to me why, when you do go out and advertise for

staff, there is rarely that specific requirement put into the ad, which is around having a cert IV? That is not something that you see as important to put into ads as a requirement for teaching?

Ms Dodd: I think it is important to note that we actually enable the process of acquiring the cert IV when teachers start with us. So we are often looking for, as Mr Marron said, teachers who come with the industry expertise and we will then work with them and help them acquire the certificate IV. Were we to require them to have the certificate IV, we would exclude our own market potential for getting those that we need.

We are a very dynamic organisation, and there will be moments when we need a different teaching cohort than we currently have, and that is why we require to go out there and get them. When we advertise our permanent positions, it is clear that we are looking for qualifications in teaching and learning, and we will equip them and enable them to get that in their time with us.

MS HUNTER: Could you just give us also the figures on how many people in your workforce are full-time permanent and how many are casual?

Mr Barr: That would be in the annual report.

MS HUNTER: That is true, it will be in the annual report, but has it changed dramatically?

Mr Marron: I do not think it has changed dramatically. I do not have the figures right in front of me, but we are happy to—

MS HUNTER: Because remember, the annual report is actually going—

Mr Barr: It is a calendar year one.

MS HUNTER: Yes.

Mr Barr: Well, I can look and see what is in the annual report for this year.

MS HUNTER: So there is a bit of time lag there.

Mr Marron: I would not have thought it would be any different. There has been no strategic change in our employment processes or policies in that time.

Mr Barr: Page 118 of the CIT annual report, 549 permanent staff, 209 temporary, 390 casual.

MS HUNTER: Okay. And, Mr Marron, you think that is pretty much where we are at at the moment?

Mr Marron: I think so.

MS HUNTER: Yes.

MR DOSZPOT: What was the temporary figure again?

Mr Barr: Temporary, 209. This is from the pay day of 9 December 2010, so five months ago.

MR DOSZPOT: In following up on what Ms Hunter is saying, the 47 per cent you have just quoted for casual staff, is that an acceptable figure that only 47 per cent of staff are in that certification?

Ms Dodd: For casual teachers?

MR DOSZPOT: Yes.

Ms Dodd: I think it is important to look at it as a whole. A casual teacher would teach with a supervisor. There would be a team-based approach with very tight supervisory requirements. We take our responsibilities against the AQTF very seriously, and the AQTF requires that someone without a certificate IV is supervised by someone who holds a certificate IV. Our academic processes are very thorough in that all casual teachers and the subjects they teach go through to a board of review. The outcomes of the academic deliverables are scrutinised by their education managers and ultimately by their centres, and then they are reported through to our academic board. So under the AQTF, as long as they are being supervised by somebody with a certificate IV, that is adequate.

But the other side of the coin is that we enable them to acquire, and we encourage them to acquire, the certificate IV. So, embedded within our structure of teaching is encouraging the two arms of vocational education—one is the industry expertise that we need them to have, and the other is the adult pedagogical ability to deliver in complex learning environments that include e-learning, include workplace learning, include the range of adult learning experiences. So we take those responsibilities seriously, and we work with the ANU in being able to enable our teachers to acquire those qualifications.

MR DOSZPOT: Can you explain what “supervision” entails?

Ms Dodd: We would have a mentoring process in our centres for casual teachers. Many of our teachers would align a casual teacher to a full-time member of staff or a contract teacher where they would be mentored in terms of their responsibilities in the teaching arena. That particular person might come with a certain level of industry expertise but not with the pedagogical approach to learning, and they would undergo a mentoring approach to being able to deliver in the classroom. Importantly, assessment is critical in the assessment process to make sure that the assessment is valid, it is reliable, and it meets an AQTF. So that is part and parcel of a complex organisation like ours.

MR DOSZPOT: Now, does that supervision entail classroom supervision as well, or is that external to classroom supervision?

Ms Dodd: Well, the whole experience of being a teacher includes classroom, could

include online, could include some workplace delivery. It would be the gamut of—we encourage our teachers to look at the diversity of the learning environment, because this is an adult learning environment, it is not just classroom based predominantly. We have made a big investment in e-learning, so equipping our teachers to actually use the online environment is also important. So, yes, it does, but it also includes the other aspects. Pedagogy is about looking at the range of pedagogical responses to the environment that we have got.

MR DOSZPOT: I understand that. I mean, I am surprised that there is such a high percentage of teachers who do not have the necessary qualifications. Anyway, sorry, you were going to say?

Ms Dodd: Many of our casual teachers would only have one class. It would be very much a small component of their working life. I think we do need to come back to the other figure. Our permanent and contract teachers, whose jobs are teaching, 95 per cent of them hold the certificate IV and above, and four per cent of them are currently studying for it. It is really important to look at that balance. Casual teachers are often only teaching two, three, four or six hours a week. It is a small component of what they do.

THE CHAIR: All right, a new question?

MS HUNTER: Could I go to some evidence that was given by the Australian Education Union last Friday, I believe it was. And they were referring to some of the excellent courses run by CIT, particularly the niche courses that are expensive to run. The ones that they mentioned were fitting and machining and heavy vehicle maintenance, which I understand are run out of Fyshwick. Their concern was that they may not continue to be funded, and, if that was the case, the nearest courses of this type are in Wagga and Campbelltown, which, of course, would make it more difficult for local students to access those courses, or even people around the region around the ACT. So I guess, minister, I have a question around whether you are ensuring that those specialised, niche-type courses are going to stay here in the ACT?

Mr Barr: Well, I tend not to dictate to the institute which courses they will offer—

MS HUNTER: Okay, well, I will direct it to Mr Marron then.

Mr Barr: I think that is an inappropriate level of political interference.

Mr Marron: Sorry, your question is?

MS HUNTER: Basically, is it your intention to keep those courses going?

Mr Marron: It is our intention to keep the courses that industry demands of us going, but it has to work within the funding model. I am not aware of the detail of the Education Union's submission, and we would be happy to take it and have a look at it and respond in more detail, but, as a general rule, as long as there is sufficient demand for the programs, we will run the programs. That is our function.

MS HUNTER: And what is the demand for those programs at the moment? Are the

courses fully subscribed?

Mr Marron: With fitting and machining, I am not particularly sure about that. Peter, you might have a—

Mr Kowald: The heavy vehicle maintenance area is located at Sutton Road, and there is sufficient demand. I could also add that there are private providers in the ACT, so we are not the sole provider in the ACT. The fitting and machining—

MS HUNTER: But, no doubt, you are a very good provider.

Mr Kowald: Yes, no doubt we are. And also there has been a significant investment by the ACT government in upgrading that facility in the last 18 months—very significant. But it has a very high cost per unit of delivery; it is probably the highest cost per unit of delivery program at CIT.

In regard to fitting and machining, yes, we believe we are the sole provider, but there is an issue with student demand. It is not a skill which has a very strong industrial base within the ACT. It tends to be from the universities and one or two small businesses. And there have been issues in the past with maintaining the student numbers in order to make it viable. But we are still doing it. And also, we do expend funds on making sure that the equipment in that area is up to date.

MS HUNTER: And do you publicise those courses? CIT obviously publicises its courses and sends out information regularly, and many of us know that within the ACT. But what do you do as far as publicising the courses you run to the region, to the capital region, for instance?

Mr Marron: We advertise, but we also operate on the ground level. Staff liaise with the enterprises, because, in a sense, for fitting and machining and heavy vehicles, it is the enterprises who are the clients because they employ the apprentices and there has to be an employment agreement to be able to undertake the training. And I am aware that Nicole Stenlake, who is our manager at Fyshwick, has spent a significant part of the early part of this year liaising with the enterprises to try and ascertain what the forward demand is likely to be for some of those areas. We have industry liaison officers who are constantly connecting, and that is probably the most effective way of getting our message out.

But, as with all our programs, we have a marketing campaign, we have got an advertising campaign. We are on the television at the moment, so building that sort of recognition, and that is for all our programs. That includes all our programs.

MS LE COUTEUR: You said that courses had to be viable. What do you mean by “viable”? Do they actually have to make a profit or break even? Or it is more—

Mr Marron: Well, it is not a profit, and Peter may—

MS LE COUTEUR: Sorry—surplus. Surplus, surplus. Look, I know you are—

Mr Marron: There is nothing wrong with profits in our business. As I said, we are a

hybrid business, so for half of us profits are okay and for the other half it is surplus.

MS HUNTER: Yes, that is right. The solutions side is, yes.

MS LE COUTEUR: But whichever terminology we use, do you have to be above the middle line or break even, or—

Mr Marron: Well, you are always making judgements, and it would be fair to say that in an organisation like every other of the 59 TAFE institutes in Australia, we would cross-subsidise, because there will be some periods where some activities that we do are in the ascendancy and some are not, and so you take a longer view than a 12-month view of keeping that capability going. With the fitting and machining and heavy vehicles, the majority of the students there, in fact, all of the students in the main programs—there might be course professional programs run there—would be apprentices. With apprentice funding, essentially the funding follows the apprentice. So you need enough apprentices with enough funding following to make sure you are not losing a lot of money. I would imagine fitting and machining will never get to a surplus; it is about how much we can afford to carry through the cross-subsidisation process.

Mr Kowald: And certainly, the same situation applies to heavy plant where you have very significant capital costs to maintain. But in regard to heavy plant, there is also separate commercial activity for which the objective is to achieve the surplus. For the public funding activity, we generally expect the areas to meet the amount of funding, stay within the amount of funding that we have provided to them, but we do allow our managers some leeway within the total amount of funding that we might give to a centre, such as Fyshwick trade school centre, so that they can make internal decisions to shift funding between the different activities to make sure that they are ongoing.

MS LE COUTEUR: Talking about overall funding, if you look at budget paper 4, page 446, you make an operating loss, basically. Every year it is projected that you will into the future. Is this as close as you can get to a break-even or is this indicating a long-term problem?

Mr Marron: It includes—and again, I will ask Peter in a moment to elaborate—

MS LE COUTEUR: It does include depreciation, yes?

Mr Marron: It includes depreciation and other unfunded elements; so that then skews the picture. But Peter will elaborate.

Mr Kowald: In fact, the depreciation exceeds the negative operating result in each of the years from 2011-12. And I would just like to advise the committee, in regard to 2010-11, that of that \$11.8 million, \$7.4 million relates to the transfer of the Weston campus to TAMS. After you take that out, we did stay within budget. But just generally, going back, as an institution, we would be delighted if we achieved a surplus and we were able to achieve, through our contestable activity, a surplus, which offset the depreciation—and the higher, the better, because that means that we can invest some of our own funds in what we do, as well as relying on government investment.

THE CHAIR: Is there a plan to return to surplus? How would you achieve it?

Mr Kowald: A plan to achieve a zero result after we are forecasting a negative \$6 million. I think the desirable objective would be to achieve that. But whether we can or not remains to be seen.

THE CHAIR: But is there a plan to do it? Having it as a desirable objective is very noble, but how would you actually do it? And do you intend to do it? Is it actually an objective of the organisation and of the minister?

Mr Barr: Before I let the officials speak, there is, to the extent that the contestable pool of funding that the federal government offers has been increased in the context of a number of budget initiatives. And it is a moving feast from year to year, depending of course on what government agencies then put out to the market in terms of training packages. I know CIT has been very successful in winning a number of contracts with commonwealth government agencies that would go to that bottom line.

The question of how much the contestable market grows over time is one that ministers are considering at a national level. It would be fair to say that there are varying positions around the states and territories. Some states and territories are moved to almost entirely contestable funding within their own allocation; so they do not make a direct appropriation to the public TAFE. They put the whole lot out.

We, as you see from these budget papers, still have a government payment for outputs of the CIT. It would be open to government to say no, the whole thing is contestable. I think public policy at a national level—and certainly you see that in the \$1.75 billion the feds put on the table for reform of public TAFE—is pushing in a particular direction, and it is undoubtedly the case that public TAFEs across Australia are going to have to respond to that.

Mr Marron will be able to perhaps give us an insight into how TAFE directors nationally are thinking about those challenges. But it is undoubtedly the case that the direction of funding is moving more and more into this contestable space, which presents both opportunities and risk for TAFE institutes.

THE CHAIR: So there is not a plan to move back to—

Mr Barr: There is, to win more contestable funding, because the only other way is from payments for outputs from the ACT government or some direct funding from the commonwealth. Our capacity to just keep on pouring more money into achieving a surplus is not there. So CIT has to win more commercial business.

Mr Marron: I will add a couple of points. One is the micro point. You asked directly about a plan to return to surplus, including the factoring in of depreciation. We do not have a specific plan for that, but we do have plans to meet a surplus before depreciation is considered, which should be the first step, if you like, in getting to a different financial stability.

I refer to my earlier comment about CIT being a bit of a hybrid organisation. There is

the direct purchase, which at the moment is done through appropriations but which could be done in other ways—through contestable funding or even student entitlement or whatever—but the public dollar is expended. We are not looking, in fact, to make a surplus out of that public dollar per se. Any efficiencies, of course, add to the public domain, because that is a morass of cross-subsidisation. Morass is probably not the right word there. What I meant was that it is a bit of a network in a way that changes all the time as things change.

The other 36 per cent of our activity and growing that 36 per cent of total activity to something greater, that is where we will be aiming to make surpluses. And that is happening in a very fast-changing environment. It is changing in all sorts of ways. One of the ways that it is changing is that the interface between higher education and vocational education is now the tertiary space, post Denise Bradley. For CIT, as it is for a lot of our colleague institutes across the country, we are looking to move into that tertiary space.

THE CHAIR: You have raised the name Denise Bradley. We might follow that for a portion of time. But in the plan to investigate the relationship between CIT and UC, what is the advantage to CIT in that sort of relationship?

Mr Marron: It has been called a suggested marriage by the Hawke report, and of course we have—

MS HUNTER: And there was a reference to it in the *Learning capital* document.

Mr Marron: There was. There was also a reference in *Learning capital* to a more autonomous CIT in terms of a change in legislation to grant a greater degree of autonomy to CIT to be able to take advantage of the growth in contestable funding. And \$1.75 billion over five years is a substantial amount of money, even though it will all be proportioned out according to population. So there are lots of opportunities.

The commercial world is also still alive with opportunities in relation to international students. I think the last point you asked me earlier was: is it a blip or is it permanent? I look at it as a blip. There are other things that need to change. We are working as a big body to do that and as a local institution to change that. But it is a blip. That will grow again, I am quite certain of that, and it will be better because it will be sturdier and perhaps people will do it for the right reasons.

Having said that, in regard to Bradley and the Hawke report referring to the marriage, I am sure those of us who are married know that all our marriages are different and can go in many different ways. It can go in many different ways, with different models, with different rules and with different sorts of relationships. So the answer to the question, and it is a serious question, is: it really depends on what type of marriage and what the kind of agreed framework is that we enter into, if that is the preferred option.

For me, it has got to stack up. For CIT, it has got to stack up on a number of different levels. It has got to deliver. It has got to have a clear goal, clear aims and has got to deliver for the community and deliver for the institutions. But there has to be that balance of interest.

There are a number of different models on the ground. The exciting part about Denise Bradley, who is a long-time acquaintance of mine from South Australia, is that we will get an opportunity to explore what those marriage frameworks might look like, how we might get the best for the University of Canberra, for CIT and for the community. If it stacks up, that will be terrific. If it does not then there are other alternatives.

Mr Barr: It might be known as a civil partnership.

THE CHAIR: Are you happy for it to be a marriage or would you prefer a civil union between the two, and—

Mr Barr: In a serious sense, I—

THE CHAIR: Your government is responsible for both UC and CIT.

Mr Barr: Yes, indeed so.

THE CHAIR: They are very important institutions.

Mr Barr: They are.

THE CHAIR: We know that we have got problems in delivering a skilled workforce. What is the advantage to the community of the merger or the marriage of these two organisations?

Mr Barr: It is a much stronger institution, education and training institution, for Canberra, a much bigger institution that stands—

THE CHAIR: Bigger does not make it stronger or better.

Mr Barr: It does in the new environment. When the cap comes off HECS-funded places in 2012, competition spreads like wildfire. You will see institutions from outside the ACT very aggressively targeting this market and it will not be sufficient for our institutions just simply to think that they can serve the ACT and the surrounding region and that will be, as it has always been, enough to survive.

Our university, UC, and the CIT, on a national scale, are small. And the higher education, vocational education and training landscape is changing forever and if we just put our heads in the sand and think we cannot even look at this, we could find ourselves in a significantly difficult position for both institutions. This process has been the subject of the *Learning capital* work, with all the key stakeholders, over more than a year to make a series of recommendations.

Of course, there is a history to this that goes back a little. It is not the first time this issue has been raised, but it is the first time it has been raised in the environment of the Bradley review of higher education and the changes to policy settings that occur and are beginning to occur already. We have the opportunity, through getting the author of the national report to work specifically with us in partnership with

Mr Marron and Professor Parker and their respective teams, to work on the right model for Canberra. That is what I have been focused on, ensuring that we get the right answer for the people of the ACT, for these two institutions. It is significant not only in terms of the education and training outcomes but also, as we discussed the other day, the economic development outcomes. It is our third biggest export industry.

The opportunities are there, if we get this right and get the right answer through the work of Professor Bradley, to look at the more detailed governance models. Yes, we have got two different pieces of legislation. We have got an autonomous university and a TAFE institute that is a hybrid. It has got an interesting level of accountability through a minister and through this place but also its own private company. There are a range of issues that we need to consider. It requires detailed and serious consideration. I have sought to bring the best minds in the country to the task, and we are working through it. But it is pretty clear to me, and has been for a long period of time now, since the Bradley review came down, that doing nothing was not an option.

THE CHAIR: I will finish and then a supplementary by Ms Hunter, a supplementary by Mr Doszpot, a supplementary by Mr Hanson. When you say the institutions are small by the national standard, what is the threshold? How do you measure size? Is it student base? Is it budget?

Mr Barr: Turnover, student base, enrolments.

THE CHAIR: But what is the threshold, though? How many students do you need to compete in this new market?

Mr Barr: That is one of the questions that we are asking now and are having examined. But if you look at these two institutions, CIT would be in what, about half the midway point of TAFEs in terms of student enrolments?

Mr Marron: We have actually done a bit of research. It is a bit further up. It is about 15th of the 59, but I would argue that only the first 30 should really be counted, because some of the others are so small, very small regional deliverers that are there for a particular purpose.

We would have 36,000 student enrolments a year. People enroll in more than one thing. We have used that as a benchmark. It is a bit raw, it is a bit rough. That puts us about 15th or 16th, with the caveat that, for three of the 59 in Australia, we did not get the statistics, and one of them is likely to be bigger. The biggest is Sydney Institute, with 70,000 student enrolments, and the smallest is one of the country institutes with about 6,000 or 7,000 student enrolments.

I would say to you, looking at the world that is coming ahead, there will not be 59 TAFE institutes in Australia in three or four years. The critical mass will not be there in our world and it will be that first 15 or that first 20 that will be the most likely to have enough critical mass of around 30,000 or 35,000 student enrolments to be a viable provider.

For us, that is a challenge, because the participation rate in the ACT is very high. So it is not like there is a huge pool of people who are not participating. We know that

there are people who are not and we need to get to them. So the growth has to come from outside the ACT.

From the University of Canberra's point of view, they would probably be around the midpoint in their world, I would think, as well. Again, you are probably looking at a climate in the next four or five years where it is unlikely there are going to be 40 universities in Australia, I would think. Pressures will be on for linkages and for amalgamations and mergers.

From our point of view, a more collaborative framework, whether it is a marriage or some other framework that gives a critical mass of more than the \$350 million that the joint venture or a connected venture may give, may give us an advantage, if that is the way that the environment goes. It may not, but that is the great challenge ahead of us at the moment. We have done all the consultation and work and got people's views. It is now doing some modelling and seeing what it might look like and how it might operate to get to a critical mass level as a joint dual sector or what might need to be done if that is not going to happen.

Mr Barr: Recognising also that the federal government have put a significant pool of money, hundreds of millions of dollars, into an education adjustment fund to support innovation. And we have certainly seen our institutions apply for various elements, but there is a new funding round that talks about these sorts of innovative partnerships that we need to be thinking about as well.

MS HUNTER: Okay. My question, then, Mr Marron, is: firstly, does CIT have a particular preference for a type of arrangement and, secondly, what is the time line? Considering you have just talked about the funding, minister, I assume that puts some sort of date on all of this. So what time line are we looking at?

Mr Barr: The Bradley work is six to eight weeks and it has commenced.

THE CHAIR: Are there terms of reference for that?

Mr Barr: Yes, they are available. I have given a number of speeches on it. It is on my website. I think the *Canberra Times* have—

THE CHAIR: Can you provide it to the committee, please?

Mr Barr: I can provide it to the committee.

MS HUNTER: We are already started into the Bradley work. How far in are we, and where does it finish?

Mr Marron: It started last week.

Mr Barr: It started last week.

Mr Marron: It started last Thursday, in fact. We met with Denise on Thursday. She will be coming to our place the week after next, spending all day touring the place to get a sort of mental model—and she will be doing the same at the university. I would

also put it on the record that our conversations with the university over the last year have been continuous, positive and very collegiate. There is a good space to work on. We need to be sure that the decisions that we arrive at are based on good data and good modelling and are going to deliver an outcome.

I think the first part of your question was: do we have a preference? I think as an institution we do not have a preference. We are open-minded. There is a bit of discovery that we need to get to at the next level, because we have looked at the top level in the detail. I see personally that there are opportunities in both of the models that are available to us. We are looking at the marriage option and looking to shape what the marriage might look like. I heard someone mention prenuptials and whatnot and—

THE CHAIR: It does raise the question of prenuptials: who proposes, who gets the ring and what happens to the kids?

MS HUNTER: I am taking, from what you are saying, Mr Marron, that the model that is being explored, if you like—this marriage idea—has more to do with a closer relationship, a merging type relationship, rather than just an MOU or—

Mr Barr: No, it is much more than that. The practical examples elsewhere in the country are MIT and Swinburne. Those are two that you would look at particularly.

THE CHAIR: Mr Doszpot and then Mr Hanson.

MR DOSZPOT: Thank you, Mr Chair. My supplementary goes back a few questions—

MR HANSON: I have got one from this question.

MR DOSZPOT: Hang on. While I have got the floor, I would like to ask it.

THE CHAIR: If we could just stay on the topic. If there is one directly—

MR DOSZPOT: It is on topic, but it is a sort of left-field topic.

Mr Barr: Left field from Mr Doszpot. I am looking forward to this!

MR DOSZPOT: When we are talking about teacher qualifications, certifications and so forth, I wanted to ask how the quality teaching institute and the new—

THE CHAIR: That is a slightly different question. We might just have another question.

MR HANSON: Mine is a little closer to topic than that. The decision, when it is made, to amalgamate—absorb, marry, whatever it is—what is the process for that? Is it a decision for the two organisations? Is it a decision that would need to come to the Assembly? Is it a decision that the minister makes?

Mr Barr: There are two acts that govern. There is the University of Canberra Act and

the Canberra Institute of Technology Act. It is a legislative—

MR HANSON: So it is a new piece of legislation?

Mr Barr: Potentially. It would be hard to envisage a new institution being created without a new piece of legislation. I do not want to pre-empt exactly the outcomes, but there are pieces of legislation. There are also decisions that government can take around financing that could direct an outcome, I suppose. My preference—

THE CHAIR: That is the shotgun wedding, I believe.

Mr Barr: That is the shotgun wedding option, yes.

MR HANSON: That is eloping.

Mr Barr: Yes. Of course, the University of Canberra is an autonomous institution. I can advise the committee that the University of Canberra council has passed a number of resolutions. In fact, on the installation of the new chancellor he used—

MS HUNTER: He was very keen on this, yes.

Mr Barr: his speech to directly look at me and say, “We would like to marry the CIT”—almost as if he was asking the father’s permission.

THE CHAIR: The father of the bride!

Mr Barr: Yes, indeed.

THE CHAIR: So who plays Pippa then if you take this to its logical conclusion?

Mr Barr: Where this analogy could continue to go is—

MR HANSON: You would anticipate that it would be a new act brought before the Assembly should the parties be agreeable to some form of arrangement?

Mr Barr: Certainly, it would be difficult to foresee a significant structural change without legislative change. I suppose, hypothetically speaking, another option that might emerge is the two institutions collaborating together to create a third. That is an interesting possibility, but it has questions—

MR HANSON: I think I have got a feel for it now. The other part of that is that there is a strategic plan that the CIT has been working on and it has been completed. I am not quite sure where that is at. Does that get affected by this decision? Are we doing a body of work that might essentially be superseded? Can you tell me where that strategic plan is at in this process?

Mr Barr: Mr Marron can go to the detail of that but, regardless of what happens in terms of governance and structural arrangements, there will still be a need for a strategic plan for vocational education and training in the territory. But the delivery vehicles and the administrative arrangements behind that will be different, depending

on the outcomes of the Bradley work.

Mr Marron: We have a strategic plan. In fact, we have just this year refreshed the mission and vision. Our vision is to be the best vocational education and training provider in Australia. Our mission is to change lives through the first-class provision of education services. I would imagine that, whatever happens, it is very hard to get away from those as being good and desirable things to be doing. The way that we achieve that vision and mission will, of course, be influenced by the nature of the organisation.

One of the things that are very important for all of this from my point of view, and I think from our institute's point of view—and I think from Denise Bradley's point of view, because she is very public about it—is that there is no sublimation of one mission by another in anything that goes forward. Higher education is very important to the future of Australia and the future of the ACT. Vocational education and training, which I think is an unfortunate term these days, because it is misused, is also very important.

MR HANSON: What term would you use?

Mr Marron: I would use “tertiary”, but in the sense of tertiary being post-secondary. The breakdown between some of these things is getting a bit old hat because the technology, the nature of professions and the nature of education are moving forward. That is the interesting space in anything that we do here—to do something differently and to be at the edge of things whilst at the same time—

MS HUNTER: I guess also picking up on your point was one of the courses where you do a bit at the CIT and you do a bit at the University of Canberra, and that is how you are going to come out with your qualification.

Mr Barr: Yes. Not wanting to digress too much, but we are in a world now where you might do a bit at CIT, a bit at Charles Sturt University, a bit at University of Canberra and a bit at Wollongong TAFE. There are all sorts of—

Mr Marron: You are going too far now!

MS HUNTER: Yes, let us keep it—

THE CHAIR: Multimedia at RMC, for instance—

Mr Barr: Yes, indeed.

THE CHAIR: At ADFA, sorry.

Mr Marron: But it is very important just to—

Mr Barr: That's very cheeky!

MS HUNTER: I am sorry; I think that is in very poor taste.

Mr Marron: It is very important for us that the strategic plan is duly focused. It is very important that we do not get lost.

MS HUNTER: Mr Marron, one of your comments was around the importance of growth outside the ACT and the immediate region in this brave new world. I wanted to ask what you are doing around student accommodation, because this obviously is an issue for your students currently, whether they be international or interstate students. But it will be even more of a critical issue into the future, I would think. So what is CIT doing around student accommodation?

Mr Marron: There are two elements to my answer here. One is that we have been doing a lot of work on researching the future needs in terms of student accommodation in a climate where, of course, student accommodation has been very much covered in the media and by this Assembly with its inquiries and so forth. We have a business case that has been built. Probably the urgency for it abated somewhat this year because of the drop down in international students.

The key thing for us is to improve our accommodation provision going forward, however, because having that will be part of the new world. International students are going to demand more in terms of the whole service of things. That is going to become more important in getting the niche market. So we will be pursuing accommodation, in terms of the research and the business case that we have, over the next 12 to 24 months. I think that the general logic is widely accepted.

Mr Barr: I think the other point to make is in the context of team ACT and all of our higher education providers. In fact, there is greater value I think in institutions working together and sharing the accommodation. It means sharing the risk because there will be ons and offs in international student flows according to a whole range of different variables. So the capacity for any one institution within the territory to take all of that risk, noting of course that there are now companies that are in the business of the student accommodation model—UniLodge, Campus Living Villages et cetera—

THE CHAIR: David Lamont.

Mr Barr: He is a one-man company. He may suspect he is. But we need to look at this in the context not just of putting a little box around it and saying, “That is CIT’s accommodation and no-one else uses that.”

MS HUNTER: No, I would agree with you and I think that is a good way to go, which is why when I had the *Learning capital* briefing I was asking if that group is going to be looking at this issue together. But we—

Mr Barr: For example, if there were unfilled places within the accommodation that is funded in this year’s budget in the partnership with UC, I would anticipate that—

MS HUNTER: That is my next question, yes.

Mr Barr: they would make those places available to students from other institutions. In the end, the return on the investment there is a student in the room regardless of

which institution they are attending—

MS HUNTER: So it would go back to—

Mr Barr: or combination of institutions they are attending.

MS HUNTER: Indeed. That would go back to this issue of your model, because you have talked about doing the research, having a business model. What is that model? Is that fitting into team Canberra, team ACT or whatever—or is it something else?

Mr Marron: Yes, I think that that model is fitting into our projections. Again, because of demand ebbs and flows, we factored that in here in the city. If our accommodation, for example, was at Reid, then our anticipation would be that we would always be full given that we have a downturn on occasion, because you have got ANU screaming out for accommodation despite all the new investment there and their commitment is to give accommodation. That is the kind of thinking—and I think the other institutions are beginning to do the same thing—of taking the whole global student population as the factor, not just the enrolments that are coming in to your own institution.

MR HANSON: Are you aware that there is going to be an inquiry by the education committee here into student accommodation?

Mr Marron: Yes, we are.

MR HANSON: You are aware of it?

Mr Marron: Yes, we are and we are going to be a contributor.

MS HUNTER: So do you have a particular site identified? Is it that far along?

Mr Marron: Our potential site is at Reid.

MS HUNTER: So on the campus there?

Mr Marron: Yes, at the—

Mr Barr: The St Johns car park end of the Reid campus, further up Constitution Avenue.

MS HUNTER: Yes.

THE CHAIR: Mr Hargreaves?

MR HARGREAVES: I do not want to talk about the marriage. I have had one experience too many.

MR HANSON: So did your wives.

MR HARGREAVES: Yes, I know, but they have been lucky. They have been very,

very lucky. He is quick for the afternoon, isn't he? I thought he was asleep. I was wrong.

THE CHAIR: There is a road show after parliamentary careers.

MR HARGREAVES: Going on the road? On your bike, mate!

THE CHAIR: Mr Hargreaves, could you please ask your question?

MR HARGREAVES: Could I talk for a little while about the CIT Tuggeranong Learning Centre. It would be remiss of me not to raise it. But for the record, I also wanted to declare an interest. My second wife is a member of the Tuggeranong community arts board and thereby has an interest and badgers me. Notwithstanding that—

MR HANSON: How many have you had?

MR HARGREAVES: I have had more than you can think of, mate. But, no, I will not go there. Am I right in saying that the learning centre will remove the existing one from the Tuggeranong community arts and give it its own purpose-built facility?

Mr Marron: Yes, that is our idea. I will ask Peter in a moment to outline the position and the thinking on that. Just to let you know, we are actively engaging. We are meeting with the community association. Peter and I are meeting on Tuesday, I think.

Mr Barr: Darryl Johnston, Tuggeranong Community Council?

MR HARGREAVES: No, we are talking about a community organisation. No, let's talk about community organisations in that case. We will not talk about them.

Mr Marron: Okay, I—

MR HARGREAVES: I wanted to—they are just representatives of other—

MS HUNTER: Is he bagging them?

Mr Marron: Perhaps—

MR HARGREAVES: They do not represent me. Put it that way. I would rather hear, though, about—this money here gives you money for the design of the centre. With that, presumably, you have got a block of land in your mind?

Mr Marron: Can I—

MR HARGREAVES: I am going to give you a couple of ticks, though, in the global answer that we get from Peter. These things will pop up. So I wanted to know where you reckon it is going to go, what the time lines are and what consultation processes other than the Tuggeranong—what are they called?

Mr Marron: Tuggeranong Community Council.

MR HARGREAVES: Yes, are involved? For example, businesses, the residents in Greenway—that sort of process.

Mr Marron: Peter, would you like to—

Mr Kowald: The process is to lead up to a detailed design to be available during the next financial year, 2011-12, so that if government support is forthcoming in the next budget for 2012-13 we would hope to commence construction in July 2012. We have commenced negotiations with Land and Property Services about acquiring a block of land. We do not have one at the moment. In our feasibility study there was a block of land which we thought suitable. That was block 20, section 19, Greenway, but approvals have to be obtained and a process—

MR HARGREAVES: Where is that?

Mr Kowald: That is a block of land currently occupied by a car park opposite the entrance to the Lake Tuggeranong college.

MR HARGREAVES: Right.

Mr Kowald: Yes, opposite the public library.

MR HARGREAVES: I know it well.

Mr Kowald: So in our view, it is a very suitable location, being right next to the secondary college and the public library.

MR HARGREAVES: Remembering that that car park has now shrunk in size because the extensions to the health centre will take up probably 30 per cent of that car park.

Mr Kowald: Yes, the preliminary thinking has taken that into account and our proposal will easily fit into that area if we are able to obtain approval for it. So at this early stage we currently occupy just over 200 square metres. We are looking for a building with a building area of 2,000 square metres on that site.

MR HARGREAVES: Did you consider getting someone to look at the blocks of land which were further down Anketell Street, for example opposite Bunnings—those parts of the world?

Mr Kowald: Yes, that was in the feasibility study. We considered seven different options and the block of land I am talking about was the one that came out recommended to us by our consultants and one that we accepted as our first preference that we went to government with.

MR HARGREAVES: All right, now have you got an amount—

Mr Kowald: In terms of consultation, in developing this proposal some consultation has already taken place with the high school principals, secondary college principals

in the Tuggeranong valley and the business and community group, the name of which I cannot correctly recall—

MR HARGREAVES: Business Tuggeranong.

Mr Kowald: I think, yes. As we develop the design, that of course will require us to do extensive consultation—

MR HARGREAVES: Yes, through the planning—

Mr Kowald: with the proposal as part of getting final approval for it.

MR HARGREAVES: Have you got a ballpark idea of what the thing would cost?

Mr Kowald: I would imagine between four and six million.

MR HARGREAVES: That gives me an idea. Thank you.

THE CHAIR: Just following up on that, Tuggeranong Community Council did raise the possibility of a combined university-CIT campus if the marriage matures and it does present opportunities to faculties that have a shared interest. Is there an option therefore for a larger facility in Tuggeranong, given the dearth of tertiary educational facilities down there at the moment?

Mr Barr: It would be obviously a matter for that new institution. It would be autonomous; so it would have to consider—presumably within the footprint you could go up. I am not sure that there are extensive—the term “campus” I think evokes images of trees and acres of—

THE CHAIR: There are universities around the world that are entirely high rise.

Mr Barr: Indeed, UTS in Sydney goes straight up, doesn't it? So certainly that could occur if that was a desired outcome for a new combined institution. To be frank, at that stage it would be an autonomous institution and would make its own decisions like any university, any other campus, does in that sense.

THE CHAIR: With that sort of thought in mind, are there any areas of expansion or new areas that CIT are interested in looking at in the new contestable market? Might they expand the number of courses they provide?

Mr Marron: Are we thinking courses here or infrastructure?

THE CHAIR: Courses, faculties, whatever. Are there services that you do not provide and UC does not provide or that a combined UC-CIT could provide that we currently do not have in the ACT that we could—

Mr Marron: There certainly are.

THE CHAIR: Mr Hargreaves and I could then beg for them to be in Tuggeranong.

Mr Marron: There certainly are. I was looking for the connection—

Mr Barr: Just ask nicely and we would say yes.

THE CHAIR: He could beg; I would gracefully seek your indulgence.

Mr Marron: I guess the detail of those will be what we tease out with Professor Bradley in looking at the forward opportunities. We have about 700 programs on our scope, but of course at any one time we will only be delivering about 400. It is partly driven by demand.

I want to make a point to underscore what we are intending to do in Tuggeranong, and that is to provide a very flexible learning centre—and its output will be bigger than the physical size of it because of the use of technology—a bit like we are doing at Gungahlin. There was the opening of the Gungahlin centre on Saturday. It is a much more flexible learning space. That is the way the future is likely to go, whether we are alone, married or whatever. Well, there are only those two things apart from death, and we do not want that.

Mr Barr: There is a space between, but I do not think we will go there this afternoon.

Mr Marron: Of course, people from Scotland are very puritanical. But that is the kind of thing that is happening around a more flexible learning space.

MS HUNTER: Could I just check—I am not sure if you said it, Mr Marron—what will be run down at Tuggeranong.

Mr Marron: Potentially a great number of things will be run in Tuggeranong, because it will be using that flexible learning activity. Jenny might give us an example of what is happening in Gungahlin.

Ms Dodd: There is really an important conceptual difference between running a campus and running a learning centre. We are encouraging a lot of our centres to look at what they can deliver through Gungahlin which would translate down to Tuggeranong in a different way from the way they might have been delivering to date. For example, some of our creative industry centre, which has had a low impact in our current flexible learning centres at Reid and Bruce—we are encouraging them to look at how they might deliver some stuff out at Gungahlin. Culinary will be delivering some stuff through Gungahlin—a lot of their theoretical constructs. And then, because of the school having kitchens, they will deliver through the school. So it is that combined space.

The way learning is occurring is—the cost structure of creating big campuses is not the future. This is an opportunity. The national broadband network comes through; we in the ACT are well serviced in that regard already. And it is the ability to equip people to have a place that they can touch base with. They would also be perhaps in their own homes, in their own environments. So a whole range of courses will be run in different ways through the learning centres. Where you need big facilities, they might have to come to the big campuses. But learning is changing, and the changes in learning are incurring a lot more workplace assessment. We will be able to integrate it

in terms of how people work in the workplace. It is a different environment.

Mr Barr: Just a final observation on this: I and the government recognise the importance of enhancing vocational education or tertiary education options—I will use Mr Marron’s language—in Tuggeranong. Undoubtedly this presents the opportunity to significantly enhance that. I know that it is something that Mr Hargreaves has been talking about for some time; I am pleased that this budget will provide the forward design work and we look forward to that project making its way back to the budget cabinet table inside nine months.

MS HUNTER: In this brave new world are we also going to be looking at that connection to colleges and what is going on particularly in the area of vocational education and training? How are you going to connect those two things? Obviously what we want is that pathway through that is going to be the easiest for the student.

Mr Barr: Absolutely. A key theme of the *Learning capital* report was around those pathways and the opportunity that is presented to enhance, in schools in particular. I think there is a fantastic opportunity and a major role that the CIT can play in working with the schooling system. We should get Mr Marron to talk a bit more about it and the work of that subcommittee within the *Learning capital* group. It is critical. We talked a little bit yesterday about the youth commitment, the partnerships and transitions—

MS HUNTER: That is right, particularly with the youth commitment as well. I guess it makes it more critical.

Mr Barr: It is important at this point to acknowledge the work that CIT already does through a number of programs. It has been terrific to see—at BSSS ceremonies, for example, around tertiary entrance statements—that there are always students who have completed year 12 through the CIT who are getting fantastic scores and going on to further education. There is great stuff happening but there is tremendous potential, and we really look forward to cementing that partnership with CIT.

Mr Marron: Just to underline that, we have a lot of existing relationships with the schools and also the vocational college which the minister has just referred to. I was asked at some point earlier about the future—the brave new world, as you have categorised it. Whatever construct we have, one of the foundation principles that we need to look at is how we are able to build up from and further develop the relationship that we have with schools. Whilst the blurring is happening between higher ed and vocational education and training as sectors, it is also happening at the other end, and there are federal government policies that are going to influence this through cadetships and the trade training centres and so forth.

We see it as one of our principles that anything that moves forward has got to involve the schools and VET in schools. We partner with a number of schools right now. We have MOUs not just with public schools but also with some of the independent schools. But there is a lot more that could be done. It is a challenge, but it is a challenge where we think we have got something to offer. And any brave new world cannot be delivering more for the community, which is one of the things we said at the start, unless it is also engaged with the schools and the colleges. And it is not just

the colleges; it is the last year of high school as well.

MS HUNTER: Yes; sure.

Mr Barr: While we are talking about Tuggeranong and these particular partnerships, one to highlight for the committee is the CIT's partnership with MacKillop college. I had the opportunity on Tuesday to tour their nearly completed trades training centre. It is a fantastic facility. When it is completed, it will be a magnificent asset for the valley. And after having a long chat with the principal, Michael Lee—he was very keen to share that facility with surrounding schools in the valley. Again, it is a great addition and a good partnership with CIT, and a practical demonstration of where this is working across all school sectors.

THE CHAIR: Are you intending to name the trades centre after a former student—perhaps the Seselja training centre?

Mr Barr: I believe you have to be dead to get things named after you. Maybe on the third Sunday in October 2012 the Leader of the Opposition might be politically in that position.

MR HARGREAVES: That can be arranged, minister.

Mr Barr: You might be back as opposition leader, Brendan.

THE CHAIR: No, no.

MS HUNTER: I have a question.

THE CHAIR: Have a question.

Mr Barr: It would be you, Jeremy; we all know that.

MR HANSON: I will be the health minister, not the shadow health minister. You will be the—

Mr Barr: Leader of the Opposition you will be, Jeremy. I look forward to it.

THE CHAIR: It was announced last night that you are the deputy leader of the opposition.

Mr Barr: Sorry; we digressed. Ms Hunter.

MS HUNTER: Thank you. We know that there are skill shortages around, and of course CIT is a critical part of training up the workforce to fill those skills and also for the workforce of tomorrow. What particular trades or skills are you—how do you go about finding which ones need to have more people trained up or where there might be gaps? What work do you do to identify that, and then how do you go about actually putting it into a course and so forth?

Mr Marron: There are a number of levels to that. Part of it is what we agree with the

state are these priorities, so it is about how you get to the priority areas. Part of it is driven, in the trade areas particularly, by—

Mr Barr: You are speaking like a South Australian. You agree with the territory.

Mr Marron: Sorry; I stand corrected on that. I feel very embarrassed about that. My one-year anniversary was last week, so there is no more excuse for it either.

THE CHAIR: It is all right; the minister is interested in other states. There are lots of rumours about him moving to Tasmania.

MR HANSON: It wasn't a rumour, was it? He actually said it.

MS HUNTER: Thank you, Mr Marron.

Mr Marron: In regard to your question, there is the funding that follows the student through the apprenticeship. That is one of the things that I think in the general media is not always fully understood about skill shortages. Part of it is to attract people to the vocation. We do not train apprentices until they have got an employment contract.

MS HUNTER: And that is part of the issue—to find these employers.

Mr Marron: That is part of the issue. Skill shortages in this territory are also connected to labour shortages in terms of all the things that we need done and where we can get people. We are a key part of it but we are only part. Part of it is also about the attractiveness, the conditions and whatnot that apply within industries. We could point to some areas where across the nation we have trained many people—many more over the last 10 years than there are perceived skill shortages. But the conditions and the wage rates that apply in those professions are not attractive to keep people in them.

So a coherent picture is the answer. From our point of view at the institute level we feed back information from centre advisory groups and industry advisory groups. We have industry advisory groups across all of our delivery areas, and we try and represent a cross-section of the enterprises that are there. We are of course also directed, in the nicest possible way, by the information that flows down from the industry skills councils. They take a national look but do segment their information into localised areas. Through this combination we try and keep our finger on the pulse of where those shortages are.

There is a time lag, of course. It is all very well to say that we have got a shortage of refrigeration mechanics. But our role—it will be three years before there are tradespersons. So you have got this time lag to negotiate as well. And of course labour market forecasting has been the bane of governments in the 20th and now the 21st century. It is a very hard thing to do accurately because there are so many exogenous shocks.

MS HUNTER: So it is not a science?

Mr Marron: It is not a science but we try and apply some science to it.

THE CHAIR: We might take a break here for about 15 minutes. I have got some questions over the master plans for various campuses and CIT Solutions. When we come back we will quickly finish with the CIT and then get on to the department.

Meeting adjourned from 3.30 to 3.49 pm.

THE CHAIR: We will go back on air. We have two members here so we can take evidence. Mr Marron, if we could go to the master planning for the facilities at CIT, on page 445 of budget paper 4 it lists the money for Fyshwick, Tuggeranong, and indeed some asbestos removal.

Mr Marron: Yes.

THE CHAIR: Mr Kowald gave us over a couple of years some very comprehensive briefings on the master planning. What is currently happening at Bruce, then what is currently happening at Reid? And then we might go to what is about to happen at Fyshwick.

Mr Marron: I will ask Peter to lead off since this is his area of expertise.

Mr Kowald: I think the story at Bruce is reflected by what has been achieved over the last 18 months. You will recall that we opened the horticultural facility at the commencement of 2009, which was a \$14 million new facility funded by the ACT government. And earlier this year in March we opened at Bruce the sustainable skills building, which was 66 per cent funded by the commonwealth. The remaining 33 per cent was a contribution from the ACT government and CIT Solutions, with a total value just under \$10 million. So the consequence of that was to make Bruce the showpiece campus for environmental studies and that has been reflected in the students that we are attracting to study at that location.

Hand in hand with that, to do with our planning for that site, we did significant investment in upgrading the grounds. You will know that it is a bushland site and it had not been touched for probably 15 to 18 years. Two years ago we spent just over a million dollars in a major upgrade of the condition of the bushland areas on the western side of the Bruce campus and in the various spaces of what is quite extensive car park area. So we are very proud of what we have got at Bruce at the moment.

THE CHAIR: Right, so Bruce is complete with nothing major in the wings?

Mr Kowald: No, there is nothing further in the wings at Bruce.

THE CHAIR: All right. On page 444 is the upgrade for the Raiders facility. Can we just have a quick rundown on that? Minister, I am sure you are going to be there tonight to see the Raiders beat the Bulldogs?

Mr Barr: I do not think so tonight.

THE CHAIR: I am shocked.

Mr Barr: Peter can go to the detail of it but it has had some media attention. The Raiders are in a long-term leasing arrangement with the CIT over the oval and the headquarters facility. They maintain the asset in terms of the oval for the CIT. They were encountering some space constraints around their gymnasium and player change facilities et cetera and so approached government, as their landlord, seeking some renovation work essentially and that went through a forward design process and then a construct process.

There was a pretty tight time frame. Obviously the Raiders wanted it done as quickly as possible as they argued it was linked directly to their recruitment capability, that having facilities of a first grade NRL standard for training and player change facilities et cetera was important. So I supported the project and enabled CIT to, as the landlord, be able to deliver on that. The detail of the upgrades: Peter might—

Mr Kowald: Mr Smyth, it has two major components: building refurbishment to the north of their current buildings and an upgrade of the watering capacity of the oval. There have been problems in the past particularly in the times of drought two years ago and just prior to that. The project will be completed by 30 June. It is well on track and the total value will be in the order of just over \$1 million. I think, having just recently had a tour of the site, it is something that they desperately needed to enhance their footballing capacity.

THE CHAIR: Yes, okay. So it will be capitalised on your books? It is not the Raiders'; they rent the facility?

Mr Barr: Yes, it is a CIT asset.

Mr Kowald: It is a CIT asset.

THE CHAIR: Okay. Moving onto the Reid campus then, there was a Reid campus master plan. Where is that? I do not see any money in this year's budget for it.

Mr Kowald: The Reid campus master plan has been—

THE CHAIR: Sorry; before we move off Bruce—

Mr Barr: Do you want to talk about Fyshwick or—

THE CHAIR: No, no, Reid. Before we move off Bruce, part of the movement of the school of horticulture from Weston to Bruce was to amalgamate facilities and some savings. Were savings realised from the move?

Mr Kowald: Yes, they were.

THE CHAIR: To what level?

Mr Kowald: In corporate items, and they were recognised in the accounts to a value of \$200,000.

THE CHAIR: And that has been realised?

Mr Kowald: Yes. And the other side of that equation was to ensure a much better integration with the student facilities of other disciplines already on Bruce.

THE CHAIR: And you feel that has been achieved?

Mr Kowald: That has been shown and also reflected in the staff happiness about the whole facility.

THE CHAIR: Okay.

Mr Kowald: In regard to the Reid master plan, certainly there were no projects in regard to the Reid master plan in this budget. The Reid master plan remains a valid document. It has been extremely valuable in assisting CIT to understand the features from an urban planning sense of the Reid campus site. The Reid master plan was used, as Mr Marron mentioned earlier, to identify what was the most likely site for a student accommodation facility. It gives us an understanding of the boundaries and the constraints and characteristics of the boundaries and I believe it will come into value again given that there was a commonwealth government initiative to upgrade Constitution Avenue, which was taken into account for the Reid master plan.

I do not know yet the details of how that might exactly proceed, but an understanding of what our constraints are adjoining Constitution Avenue has been very important. So the Reid master plan remains valid for future development proposals which we will plan to make to government in future budgets.

Mr Barr: Again, I would make the observation that, in terms of priorities for next year's budget, I place the completion of the Tuggeranong centre ahead of starting new works at Reid. I think in the context of the distribution of education and training around the territory that the Tuggeranong project should be ahead of Reid, but the caveat I put on that relates to the team Canberra student accommodation possibility as well. So they are the two things that certainly are in my thinking in the lead-up to next year's budget.

I observe also, as Peter has alluded to, that once we get a little bit more detail on the time frame around the Constitution Avenue duplication, that has implications for a number of pieces of unleased territory land as well on the other side that I will be taking some briefings on from the Economic Development Directorate. So, undoubtedly, we will be talking about this some more in the months ahead.

THE CHAIR: All right. The Anglican archdiocese I think has indicated that it is going to remove Jamieson House—

MS HUNTER: And redevelop, yes.

THE CHAIR: And redevelop. Has CIT had discussions with the diocese about what—

Mr Kowald: Yes. Parts of their consultation processes have been to seek our comment on proposed changes that they wish to make right on the boundary, because

Jamieson House is right on the boundary on the Constitution Avenue side.

THE CHAIR: All right, so—

Mr Kowald: That has been in just the last couple of months.

THE CHAIR: All right. Then what is involved in the master plan for the Fyshwick trades skills centre, the feasibility study? What is it you intend to do there?

Mr Kowald: The intention there is to explore the opportunities to resolve our car parking issues on that campus and to look at student support facilities as they may be required to expand in association with the East Lake development, which is going to change the urban features in that area away from the extensive grassland arrangements that currently exist. So that master plan will both have short-term and long-term features. We will complete the master plan within the next 12 months. I cannot predict at this stage what projects it might necessarily lead to, but certainly there is an urgent need to address car parking issues.

Mr Barr: Noting that the new electrotechnology opened there only recently. It is a magnificent facility, I hasten to add.

Mr Marron: And it moves students from Bruce to Fyshwick.

THE CHAIR: All right. The last in the capital works is the asbestos removal at Watson. What is the quantum of the problem and what is going to happen there?

Mr Kowald: That problem stems from an asbestos removal project which was supposed to be fully completed in the 1980s before CIT occupied the site at the end of the 1980s. So it was supposed to be completed under the management and control of the commonwealth, and it was recently discovered about six months ago that there was still asbestos in the roof of the building which is occupied as a tenancy by the Mental Health Foundation. So as the licensor for the site, we undertook to put a proposal to government of the necessity to remove the asbestos from that building within the next few months.

The project will commence on 6 August and should be completed by February 2012. CIT has already advised the licensee, which is the Academy of Interactive Entertainment, that we will require vacancy of that building in order to have the asbestos removed. I should add that we did investigate the possibility of pursuing the firm that was supposed to do the job, and I regretfully notice that it was a South Australian firm—

Mr Marron: Therefore it must be my fault!

Mr Kowald: a firm which went out of business some time ago, so our legal avenues were not available to us. So it unfortunately fell back on the ACT government to make that contribution.

THE CHAIR: Is there an avenue to approach the commonwealth, given they should have overseen the project so much better?

Mr Kowald: We have sought advice about that and I understand there is not.

THE CHAIR: So when you say you need the premises empty does that mean the services provided by the Mental Health Foundation will not be carried out there for that period of time?

Mr Kowald: To rephrase it, they will have to move from that building in order to enable the asbestos to be removed from the ceiling space. So—

THE CHAIR: So where will they move to?

Mr Kowald: I understand that the licensee has offered them the space that was formerly occupied by the Islamic school, also on the Watson campus.

MS HUNTER: And that would only be temporary while it was being removed?

Mr Kowald: That would be temporary until this job was completed.

MS HUNTER: Did you also say then that the multimedia active academy, or whatever, also had to move out?

Mr Kowald: No—

MS HUNTER: No? They are ok.

Mr Kowald: The building is entirely occupied by the Mental Health Foundation.

Mr Barr: They lease the entire complex and sublease.

MS HUNTER: No problem. I also wanted to go to some of the regular upgrade and maintenance programs. They appear in budget paper 3 on page 203 and my question was really around the sorts of upgrades you are doing with energy efficient lighting, solar hot water and so forth. I know, having visited the Bruce campus, that a lot of work was going on around things like more efficient lighting that was resulting in significant reductions in utility bills so I am just wondering how that is all going and whether the savings are continuing to accumulate.

Mr Kowald: As you know, CIT is very proud of its history in the area of saving water and energy and there has been investment in efficient lighting, better water utilisation and insulation arrangements over a long period of time. The projects that are in the capital upgrade component of the budget continue that work, because we have four significant campuses. So we need to do more work on the south side and Reid campuses with energy efficient lighting and that is usually focused on replacing heavy utilisation of fluorescent lighting with the modern, much more efficient lighting available, plus improved power supply arrangements.

In regard to hot water we have invested in solar hot water on Bruce campus and some of the other campuses and again this extends the solar hot water arrangements on Bruce campus to H block, at a cost of \$59,000. That is the full extent of—

MS HUNTER: And how is that translating as far as savings go?

Mr Kowald: Quite apparent. In our latest annual report, page 148, when you look at our electricity use, kilowatt hours, 2009 to 2010, it has decreased from 12.2 million to 11.9 million. In regard to water use, our kilolitres from 2009 to 2010 have decreased from 121,000 kilolitres to 78,000. That is quite significant and I would suggest—

MS HUNTER: That is significant.

Mr Barr: It has rained a bit but still it is good—

MS HUNTER: As for the horticultural part of Bruce campus, you were putting in a series of water tanks and so forth, so that was around also your water efficiency. When I was out there, there was some talk about also collecting water from the car park. Has that progressed?

Mr Kowald: Yes. That has been fully implemented and I think that has been a contributor and I expect the water usage figures to improve further. So there has been a major investment in water tanks and there was a redesign about getting water off the roofs and from the car park, feeding it into the water tanks and then being able to feed it into the horticulture site. So I think that is part of the reason. We believe that we can do even better so we are going to continue.

MS HUNTER: Thank you.

THE CHAIR: I want to go to some of the financials, if I could. On page 446, in the operating statement, it mentions the dividend revenue. Is the dividend from CIT Solutions or is it from some other source?

Mr Kowald: It is from CIT Solutions.

THE CHAIR: The outcome for this year is \$2 million. Next year you are assuming it drops to \$1.3 million. What is driving that dip?

Mr Marron: Part of it will be the international students; part of their income is the recruitment part of our international student—

THE CHAIR: If that is the case, are you truly expecting the market to continue to dip? In the three outyears it is down to just \$800,000. Are you assuming that the market will continue to fall even further? Your outyear figure for the three years is only \$800,000 for the year.

Mr Kowald: Mr Smyth, can I just explain that the 2010-11 outcome of \$2 million includes the \$1.1 million that was a one-off contribution from the company to the cost of the sustainable skills building.

MS HUNTER: Okay.

THE CHAIR: Okay.

Mr Kowald: So after you take that out—

MS HUNTER: There is to be a slight increase next year?

Mr Kowald: There has been a slight increase in 2011-12, which represents the very good performance of the company in 2010, and then what Mr Marron is saying about the effect of overseas students comes. So it is not as dramatic; there has been a bit of a one-off blip there.

THE CHAIR: Why would you have that as a dividend rather than other revenue or in kind?

Mr Marron: We did seek some advice on that, and to comply we were advised that we had to call it a dividend.

THE CHAIR: So that is the technical advice?

Mr Marron: Yes.

THE CHAIR: Because there is another line of revenue received or gifts—

Mr Barr: Other revenue resources received free of charge.

THE CHAIR: That is the next question. Well, you have had technical advice. That is fine; I will talk to the accountants myself. Resources received free of charge is flat at a net \$35,000 forever, it would seem. What is it and why is it flat or constant?

Mr Kowald: Historically it has been flat. It mainly represents the value of legal services obtained during the period from the ACT Government Solicitor's office, for which we are not charged.

THE CHAIR: Okay. Moving right on on your balance sheet, the receivables are constant at \$7,230,000 for about five years. How are you able to achieve such consistency?

Mr Barr: Excellent management.

THE CHAIR: Excellent answer, moving right along. But seriously, how can you have a flatline figure like that?

Mr Kowald: A large component of that is student fees. Historically there is a figure like that—

THE CHAIR: But you have been saying that student numbers are dipping; surely the fees would dip.

Mr Kowald: Sorry?

THE CHAIR: Part of our discussion today has—

Mr Marron: I think that to fully answer that question we should take it on notice—to give you a full, comprehensive answer about why our receivables are the same.

THE CHAIR: There are a number of lines. Under current assets, “Other” is strangely flat at \$142,000 for five years. Under current liabilities, your payables are consistently \$4.536 million. Your interest-bearing liabilities are \$75,000 for five years. For current liabilities “Other”, miraculously, is \$4,595,000 for five years. Is there a reason that it is presented in this way? It just strikes me as odd that we flatline it in that way.

Mr Marron: I think we are going to need to take some advice, because the accountant who would be compiling that is not here.

THE CHAIR: If you go over the page to your cash flow statements, in some cases in the outyears you do actually put zero. Grants and services purchased for the three outyears 2012-13, 2013-14 and 2014-15 are all zeros. It is just odd that sometimes you flatline it. I can understand why you do it, but it strikes me as odd. If we go down to the purchase of land and intangibles—how are your intangibles, minister?

Mr Barr: That is a very personal question!

THE CHAIR: What did you get for \$2 million and why is it zero in all of the outyears?

Mr Barr: I will need to seek some advice on that.

Mr Kowald: Page reference?

THE CHAIR: Page 448.

Mr Barr: It is page 448 of budget paper 4, about halfway down the page.

THE CHAIR: You purchased something for \$2 million. What was that?

Mr Kowald: That was the software component of the CIT online project, so it was a one-off.

THE CHAIR: And the land—you did not purchase any land?

Mr Kowald: We did not purchase any land.

THE CHAIR: So there are no intended purchases of software in the next four years?

Mr Kowald: I think there is an accounting—not of a capital nature; it would be recurrent expenditure.

THE CHAIR: Okay. If we just go to 451 in the notes to the balance sheet, under “other current assets”, it says that the increase of \$0.077 million, which is not a great deal, is due to high levels of prepayment for library resources and insurance fees. Is that the students putting money on their smart card for the photocopiers?

MS HUNTER: That is a lot of photocopying.

Mr Kowald: I am sure it is for the purchase of library materials and that there has been a prepayment component of that—hence the account categorisation in that way.

THE CHAIR: Is that subscriptions for your periodicals?

Mr Kowald: Yes.

THE CHAIR: All right. And it says “and insurance fees”. Is that just the payment of the annual insurance premium?

Mr Kowald: And insurance fees. Similarly, there must be a prepayment component of our insurance fees, which is recognised in the accounts in that way rather than being expensed in the period.

THE CHAIR: Can you confirm the prepayment for the libraries. It just seems an odd way to present it.

Mr Kowald: Yes.

THE CHAIR: Ms Hunter has some questions on CIT Solutions.

MS HUNTER: Many of them have been covered now, so I am not sure that I do have a lot of questions on CIT Solutions.

THE CHAIR: Let me go to CIT Solutions then. Again, in the cash flow statements there are lines that are surprisingly consistent—purchase of plant, property and capital equipment at \$320,000 for 2011-12, 2012-13 and 2014-15. If you could just have a look at your accounts and explanations where those lines are strangely consistent for a long time to come, I would be appreciative.

Mr Kowald: We will.

THE CHAIR: Members, any further questions on CIT Solutions? No? That will end the session on CIT and CIT Solutions. For questions taken on notice, you have five days in which to respond. Members, you have four days for CIT and CIT Solutions to get questions on notice that will be then answered within the five days. Minister, we thank your staff for their attendance and we thank the officers for attendance today.

I feel prompted to say that I am not sure whether the department can now outdo the CIT, but I think we need to thank Dr Hawke for his concept of marriage and the levity that it engendered into the meeting this afternoon. We now have the strange case of Andrew Barr in his self-acknowledged role as father of the bride. I am not sure if that makes you the bride, Mr Marron. If it does, it would make Mr Kowald the new Pippa, the bridesmaid. We will finish there and move on to the department.

Mr Marron: Can I just say in leaving that I am really getting appalled at the stereotyping in this marriage. Just because I am Scottish and our national dress is a

kilt—

THE CHAIR: Thank you, Dr Hawke! We will now move to the department—output class 3, vocational education and training. Minister and officers, in front of you is the privilege statement. Do you understand the privilege statement and its implications?

Mr Barr: Certainly.

THE CHAIR: Thank you. We are recording, we are webstreaming and we are broadcasting live. You will all appear in Committees on Demand for those who have not got anything to do on Saturday nights. Minister, are you happy to proceed?

Mr Barr: I am indeed.

THE CHAIR: Thank God for that. I simply ask, members, that all questions be concise. Minister and officers, concise answers would be appreciated.

Mr Barr: We have been going okay so far.

THE CHAIR: We are doing very well. Minister, do you want to make a statement on behalf of this output class?

Mr Barr: No, I am happy to proceed.

THE CHAIR: A question I had asked of me the other day in regard to vocational education and training was this: who is responsible in the ACT for certifying, in relation to overseas tradespeople, that their trade skills are up to our qualifications? Is that a function undertaken by the ACT government or is it still done by the federal government?

Mr Barr: It is the commonwealth, I am advised.

THE CHAIR: For instance, in the construction industry at the moment there is a large number, oddly enough, of young Irish tradespeople in the ACT. I understand that particularly in regard to electricians, who are in short supply, there is some angst over whether the Irish qualification in this case is acceptable and whether they do some sort of bridging course.

Mr Barr: ACTPLA regulates—

THE CHAIR: ACTPLA regulates, but does—

Mr Barr: Yes, and the licensing as well.

THE CHAIR: Okay. So output class 3 does not have a role in that; it is done by all around you?

Mr Barr: Yes. It used to—

THE CHAIR: You used to do it when you were minister.

Mr Barr: When I was planning minister, yes, so it is the—

THE CHAIR: Personally, yes, no doubt.

Mr Barr: I had ministerial responsibility for it. It is the construction occupations licensing area within ACTPLA which will be in the Sustainable Development Directorate. They have estimates next week, so save all those questions for them.

THE CHAIR: The flick pass is noted. Ms Hunter finished towards the end of the CIT session with a question about how do we determine what are the skill shortages. I appreciate the difficulties in knowing, but what is the relationship with business? How do we gather data about what we are short in and what is likely to be in short supply into the future? How do we, therefore, direct resources to addressing those issues?

Mr Barr: I will go to Leanne in a minute, but there are obviously national and local processes, as well as an intersection of industry skills councils at a national level, Skills Australia and local liaison in the local training plan that was presented to me as the considered view of industry to sign off on each year. That sets out a range of priorities. The priorities for this year, Leanne?

Ms Cover: In terms of skills shortages, it is fair to say that just about every one of the trades would be defined as a skills shortage in the ACT. Obviously that is primarily because of our very high employment rate, or low unemployment rate, and the labour shortage that we have as well.

In terms of how we go about establishing what the priorities are, that is done through intensive consultation with industry stakeholders. We work with industry peak bodies. As the minister said, they are sometimes located here in the ACT. We also tap into the industry skills councils, which are national bodies. The 11 industry skills councils actually give us that advice. They do an environmental scan on a yearly basis and we pay particular attention to that.

The industry advisory bodies, which we heavily rely on for those on the ground, tell us what the employers need, what the level of qualifications is and also what the emerging levels of qualifications are. As to the actual RTOs, we work very closely with CIT as the largest provider of public VET education in the ACT. We are constantly working with not just CIT but also private providers. We have started a new mechanism for consultation with providers in a quarterly forum. We ran one recently in March, which was very successful. It is another mechanism to get that feedback.

The directorate also liaises closely with the Chief Minister's Department because of the skilled migration area that you have just spoken about. I mentioned CIT. There is also the ACT and Region Chamber of Commerce and Industry, the Tourism Industry Council, emergency services, ambulance services, the professional nursing association, ACT Health, EE-Oz—for the electrical side of things—InTACT and ACTION buses. In the last 12 months we particularly focused on the construction industry and ran a very successful large stakeholder forum, which was facilitated by industry, and had excellent engagement on the construction industry needs there.

MR HANSON: I have a supplementary.

THE CHAIR: Yes, Mr Hanson.

MR HANSON: On the same issue of skill shortages, have we got the skill trainers that we need?

Ms Cover: You mean the teachers?

MR HANSON: Yes, the teachers and the trainers.

Ms Cover: It is competitive because we have such great employment. It is competitive between RTOs—so between the public and private sector—to actually secure those people. CIT might have mentioned some of the initiatives that they are looking at to actually bring teachers from overseas in some of the areas that are potentially emerging as shortages.

MR HANSON: What are those areas?

Ms Cover: I think they are working with the plumbing industry to bring over those trainers. On the whole, I guess, the tension is working in a registered training organisation as a trainer versus being out in industry. It depends a bit on the actual current rates that are being paid out in the private sector to be in the industry, as opposed to being in an RTO and actually providing that level of training.

MS LE COUTEUR: I have a supplementary. One of the areas that have been discussed in terms of workforce issues for the ACT is mature age people. Do you do anything in terms of specifically directing retraining for mature age students or, conversely, training employee organisations about issues in employing workers over 45, over 55 and over 65—because that seems to be the area where the ACT has got to put in more effort?

Ms Cover: Each of the funding sources that we manage has a weighting for mature age workers. The traditional Australian apprentices have a weighting and incentives paid for—mature age workers who are 40 years and over.

MS LE COUTEUR: Thanks! That is hardly mature!

Ms Cover: Those buckets of funds that we administer are administered on a competitive basis. Clearly, we give weighting to those areas that have mature age retraining, upskilling, as part of their submissions.

MS LE COUTEUR: Given you are taking 40 as a definition of mature and that some of us feel it might be a little bit older than that, do you do any work specifically directed at more mature age people—baby boomers, to be precise about it?

Ms Cover: The definition of 40 years is a commonwealth age definition. There is a lot of engagement with the 60 to 65 age bracket. Again, we see submissions not only in our competitive training for our accredited courses, such as Australian

apprenticeships and productivity places programs, but also in the other program we administer called the adult community education program, which is not accredited. Often a lot of mature age workers re-engage in training at an informal level, compared to accredited training. We administer funds to promote that sort of training. There is, again, a weighting for mature age in those adult community education programs.

MS LE COUTEUR: Do you have any training—that is the other thing I was mentioning—in terms of supervisors for people who are supervising staff who may be considerably older than them? I think there are some real cultural issues in doing that.

Ms Cover: We do not have anything specifically aimed at mature age cultural re-engagement for trainers, but under the productivity places program we did recognise that, in order to grow our VET sector, we did need to increase the number of trainers that we had. So we gave considerable funds to the certificate IV qualifications to enable people to be trainers or teachers within the registered training organisations.

THE CHAIR: A supplementary and then Mr Hargreaves.

MS HUNTER: Ms Cover, you spoke earlier about these new quarterly forums of industry to have a look at what the needs are. What came out of the last quarterly forum?

Ms Goleby: The last quarterly forum had a communication focus. That one was not so much focused on setting priorities. Really, what came out of that was the need to relook at the way we engage with our stakeholders, to make sure that we were meeting each other's needs and, from there, to make sure we had a consistent approach and outcomes that were clear and stable.

MS HUNTER: So if we take other forums, what have been the areas that have come out of that, apart from the internal communication areas?

Ms Cover: Clearly, it is a forum that industry uses to give us direct feedback about whether we have got the payment amount right for user choice—for instance, under Australian apprenticeships, whether we have got the level of qualification. Particularly with Australian apprenticeships and the productivity places program there is a growing demand for the higher qualifications.

As students go through their baseline training, we are now getting increased demand for not just the construction worker but the project manager on site, for instance, or the OHS project sort of person. We are getting growth in that diploma and advanced diploma level. That is an example of where we would get that feedback at those industry forums. We went through the industry priority list with the stakeholders before we released it and got feedback about whether we had it right.

When we have those forums that I spoke about earlier, when we go and actually engage with either small groups or big groups of industry, we try and synthesise what they have told us. We give it back to them and ask: have we got this right? We then compare that with what the commonwealth is telling us. That is how we create the story, if you like, about what those priorities are.

Dr Watterston: Can I just add to that. You might recall that at this time last year when we spoke there were some concerns from within the RTO area about the communication and the way that we were managing some of their payments. So these forums have been as a direct response to a need that was created. Building on the conversation that we had 12 months ago, I think you will find that the level of satisfaction from RTOs and the people that we deal with directly as stakeholders has improved immeasurably because of this two-way dialogue and the flow that we have already had described to us.

MS HUNTER: We may have talked about this in the annual report hearing as well—that that payment issue had been sorted through and you were just about to finish up with it.

Dr Watterston: It has gone further than that now. We are allowing people within the field to talk to us about improvements and enhancements. I think the culture that we have developed in terms of a working relationship has been one that has been considerably enhanced from 12 months previous.

Mr Barr: And in BP4 at page 326 you will see the initiative around the AVMS replacement.

MS HUNTER: Sorry, where was that?

Mr Barr: BP4, page 326.

Mr HARGREAVES: Policy adjustments.

Mr Barr: Policy adjustments—the new initiatives: replacement of the vocational education management system.

Dr Watterston: It is also on page 328, which is the capital component, as well.

Mr Barr: Only you could know that off by heart.

THE CHAIR: Mr Hargreaves has a new question.

MR HARGREAVES: Thanks very much. Now for something completely different. Talking about vocational education that is getting people trained so they can have a fulfilling life—there are people in our community who do not have one. I refer to the people in the Alexander Maconochie Centre. I would be interested in knowing what involvement, both from a policy setting perspective and from the perspective of services on the ground—and for the department generally, for that matter—there is in providing those guests of the territory with an opportunity to have a vocation and a trade.

Ms Cover: We have met on numerous occasions with the AMC team that are contracted to deliver the education program at the AMC. We do not have a role in that delivery in itself—it is being contracted out under a tender process to a private registered training organisation—but we do work with and around listening to what the needs are and linking it between what they are doing whilst they are clients of the

AMC system and also what programs we might be able to offer to keep those students engaged after they are released from there.

Ms Goleby: One of the exciting proposals that were funded under the productivity places program in the last round was from the RTO that provides the services within AMC. It was for clients who were about to be released from AMC. They were doing programs within the centre on literacy and numeracy and some technical skills. And then the program that those students were taken into on release was to actually work—the company organised an employer for work experience and to continue on the two programs that they were doing, their technical program and their literacy and numeracy foundational skills programs, on release. That has just been funded; I cannot tell you any good news stories for success yet, but it is an exciting development.

MR HARGREAVES: I am aware that for some people it is a waste of time; they will be there for the rest of their natural life. And for some people who are only there for a number of months, you cannot actually get engaged with them long enough to do anything except get them encouraged to pursue it. But there are people who may have a two-year or three-year sentence for whom this is a real option.

I would also like to know where you see yourself sitting in a couple of years time around providing the trade training part of it. I know that numeracy and literacy are a really huge issue, and that is being addressed. And setting them up for a job at the other end is also being addressed. It is doing wonderful things, sensational things, in that regard. I have to say it is leading the country in that bit. But I am just wondering about people's aptitudes and giving them actual trade training—bricklaying and that kind of thing. Do you see yourselves in that space?

Ms Goleby: The AMC's current RTO is already doing that. They are offering horticultural and landscaping skills. The actual on-the-job experience that they are getting is actually at the facility in grounds maintenance and grounds development. They are also doing it in hospitality; again it is in the actual facility itself. And thirdly it is in asset maintenance from a cleaning perspective. They are the three that I am aware of.

Another thing is that the contract for that RTO is to be renegotiated in the short term. We are working with the providers from JACS in AMC to look at what sorts of parameters they might see as important criteria to use to make that decision about which way they go and whether the public provider might actually have a bigger role versus multiple other RTOs. But certainly there is that link in getting some skills and having connections with employers so that on release those people can continue that training so that there is not that "Oh, well, I've done a little bit but it was not worth while because it just stopped."

MR HARGREAVES: I am aware of those programs. Those programs also can be mind-numbingly boring after a while. It is not exactly the greatest incentive I have ever heard of after a period of time—whereas building something is, seeing the product of your labour and carting it off somewhere else. I am also wondering about this. I have a couple of questions. One is: was the department a contender in bidding for the contract to be an RTO provider?

Ms Cover: We do not—

MR HARGREAVES: You did not want to do it?

Ms Cover: We are not registered. Our role is not as an RTO for mature age. We do not have an RTO status for mature age. Our nine colleges are registered RTOs, but not—

MR HARGREAVES: I guess that is where I was heading. That is why it was a general departmental thing—whether or not CIT generally thought it could work in that space as an RTO for the AMC.

Mr Barr: That would be a question for the CIT to determine. The department itself would not.

MR HARGREAVES: Okay. There has to be an overlap between the VET people and the CIT, because the CIT actually deliver the stuff. And do you know—I should have asked this of the CIT, so if you do not know the answer it is not a great problem—whether or not those people who are in the current programs that we just talked about, horticulture and those sorts of things, are coming out with cert I, II, III, IV or something like that at the end of their stuff?

Ms Goleby: They are definitely coming out with nationally recognised competencies, yes.

MR HARGREAVES: So they can turn up to a prospective employer and say, “Look at that.”

Ms Goleby: Correct, and they can turn up to another RTO, such as CIT or any other, on release, and show their competencies already achieved and then go on to the next level.

MR HARGREAVES: And then go on to the next level?

Ms Goleby: Yes. That is the national recognition process.

MR HARGREAVES: How much involvement did you guys have in setting up the barista thing for the girls in the prison?

Ms Cover: We perhaps provided funding, but not in actually securing it.

MR HARGREAVES: Did you encourage them to do hairdressing in there while you were at it?

Ms Cover: We certainly are promoting hairdressing; it is one of the areas recognised as skill shortage areas.

MR HARGREAVES: Sensational. Thank you.

THE CHAIR: Mr Hanson, are you right? Mr Doszpot? Any questions?

MR DOSZPOT: Yes. I hope this has not been asked before. Talking about skill shortages—during the CIT session we did talk about some of the skill shortages that exist. What is the relationship between DET's contribution to examining where the skill shortages are and CIT? Is there dialogue between the two of you on it?

Ms Cover: There certainly is. We meet throughout the year at scheduled meetings. I think it is every six weeks with CIT. In getting feedback from CIT, as the largest public provider of VET in the ACT, it is very important that we know what their profile is in terms of the purchase from government around their qualifications and what industry areas we need to target. That dialogue happens on a continual basis throughout the year. That is how we have input into the statement of intent which they have with Treasury around the profile of their government-subsidised programs.

MR DOSZPOT: We asked a variation on this question during questioning on the CIT, and I got an answer from Mr Kowald. He sort of contradicted the newspaper article that I was referring to—that there did not seem to be a total shortage as much as is claimed. I was referring to an article that was about the vocational education gaps skills crisis. It was quoting Chris Peters. At the end of the article, he highlights the fact that it is Canberra he is talking about. The article said:

Dr Peters said Canberra was facing dire skill shortages and any measure to improve the vocational training sector would be welcome.

So he was still identifying the fact that it has got a negative impact on Canberra, where we are short of every apprentice, every tradesperson.

Mr Barr: As I understand Mr Peters's position, he says that it is more than a skills shortage. He would call it a population shortage. He has been on the record as saying that on a number of occasions. There could be some element of truth to that assessment, although that obviously raises a whole range of other policy issues. I understand that some are being considered by another committee in this place.

MR DOSZPOT: What I am referring to is this. Is the department sufficiently comfortable about the courses that are being offered or are there areas where we should be looking at having new courses?

Ms Cover: We are confident, because of our high level of engagement with industry—not just CIT, but all industries, as I said, from the industry skills councils down to the small industries that are operating here in the ACT, of which there are many. We are confident that, because we are a relatively small jurisdiction, we are in constant contact with the employers and the industry on a weekly basis, getting feedback about not just what their current shortages are but what the emerging ones are. Some of the green skills would be a good example—the sustainability ones. We are getting that information now before our funding model is released next year so that we can input some of those priorities—as an example.

MR DOSZPOT: The question I was going to ask prior to leaving was this. I think it is still relevant, and I would like to ask it of you. Perhaps you can consider it. With the

introduction of the quality teaching institute, what sort of impact is that going to have on the teachers within the vocational teaching area? I am referring to the CIT teachers where we have a number of fully qualified teachers and we have a number of part-time teachers who only have X amount of qualifications. Is that going to restrict the numbers of teachers available once the quality teaching certification kicks in?

Dr Watterston: I can answer that. No. The teacher quality institute really is just for school-based education; so it will not apply to the tertiary area at all. So it will not have any impact.

MR DOSZPOT: Thank you.

MS HUNTER: Could I pick up on something. Ms Cover, you mentioned green skills. I am just wondering whether that has come out a bit. What sorts of skills have been raised? We have had solar hot-water installers. We have obviously got the PV cell installers and so forth. We have got institutions that are already looking at that sort of training. What others are emerging? Is there any talk, say, in the area of waste?

Ms Cover: The industry skills council are actually looking at it. We have got to work quickly to identify and target what those areas are going to be. Let me give an example of some of the emerging areas that we have not thought of. I guess there is the obvious area of how to respond, for instance—we are working with JACS and the ISCs—to fires of solar cells. And obviously there are the chemicals and various aspects of treating those sorts of hazardous materials—implications if there is an emergency in that sort of situation. CIT, as you know, has a very comprehensive program, as our largest provider, particularly with their new government-funded building for the sustainable house and the skills that are happening there. I do not have with me the specific qualification levels, but I can certainly provide those for the committee.

MS HUNTER: That would be great because I was having a look at some in the UK. Interestingly, one of the courses is around the wind turbines—installation and maintenance. We happen to live in a region where there are more and more wind turbines being installed. So it is also around finding those sorts of skills markets that you can use. It is an interesting area.

I did want to go back to page 326 of budget paper No 4. There were a couple of things I wanted to get some answers on. One is around the productivity places program, and it is down near the bottom. It is under “technical adjustments”. We seem to have—

Mr Whybrow: Budget paper 4?

MS HUNTER: Page 326 of budget paper 4. We seem to have an adjustment of this \$1.3 million.

Mr Whybrow: The productivity placement program was initially provided by—it was a commonwealth government program. Funding was provided to the ACT. This amount relates to a rollover of funds—so the funds that were provided last year remaining unspent this year, anticipated to be rolled over in the next year and spent next year. This is what that relates to. If you need more information about the details

of the program, I am sure that Leanne can provide them.

MS HUNTER: If you go up to the next page around the government payments for outputs, we have got the commonwealth grant there for PPP. There is nothing in the years and then there seems to be this 13, 14, 14, 15. What is going on there?

Mr Barr: Aimed at the program.

Mr Whybrow: Yes, that is right, and that relates to the nature of how we present these tables. The outyears have a base amount and that minus amount simply shows a potential into the program. My understanding, and Leanne will be able to correct this, is—

Mr Barr: They announced a new one.

Mr Whybrow: a new program which, I believe, is—

MS HUNTER: Right, that is a new line in there?

Mr Whybrow: called the national entitlements of quality—

Mr Barr: So they redirected the PPP funding into a new program and that was announced in the federal budget.

MS HUNTER: But it is pretty much the same program with a new name?

Mr Barr: Well, no, it is different.

THE CHAIR: How?

Ms Cover: Look, it will be different. Just this morning we were at a meeting with our commonwealth counterparts to try to work out how that program will be different. We are just sort of at the starting phase of those negotiations. The new PPP certainly puts industry at the heart and the student at the heart of the actual sector. There has been some feedback but the productivity places potentially are being driven by the market of RTOs as opposed to really what the students and industry need. When it is finalised, I think the new arrangement will very much have industry predominantly being the adviser to government through the industry skills councils and through Skills Australia.

MS HUNTER: So is it pretty much the same program but—

Mr Barr: Yes, I am hanging on the “but” here, yes.

MS HUNTER: Yes, it is just changing who is going to take that lead in the development of whatever courses are put out there?

Mr Barr: Well, is it—

MS HUNTER: So you are saying it is—

Mr Barr: Leanne will correct me if I am wrong, but I think the question was that the original program did not have sufficient flexibility; so that is your top level summary.

MS HUNTER: Okay, so greater flexibility.

Mr Barr: One can muse over the level of industry input, stakeholder input. This interaction between different levels of government, different levels of industry involvement from time to time has one thinking from a ministerial perspective that you are in an episode of *Yes Minister*. I think any effort, and I have been saying this for a number of years, to make this process and this system more transparent, easier to understand for all those involved, is a worthy initiative.

So I have supported this on a regular basis and I think I am up to my 23rd Ministerial Council for Tertiary Education and Employment. Every time I think the golden rule is that we should be stripping back one bit. We have got to cut a little bit of red tape in this area. I think this is a move in the right direction. It comes off the back of some pretty significant work from Skills Australia, although—

MS HUNTER: So when you are talking about cutting back that red tape, there seems to be some broad guidelines at the top and then it is a negotiation between the commonwealth and the state or territory around what you will use that for.

Mr Barr: Yes, these come to the challenges in a country as large as ours with the different industry needs and the regional differences. Having national programs is important but then the capacity to have bilateral jurisdiction-by-jurisdiction negotiations with the commonwealth to tailor the training packages to suit the needs of a local jurisdiction is pretty critical.

We require a certain degree of flexibility, and we argue for that. But equally, the commonwealth in making this money available to states and territories also demands accountability for it and an assurance that the money they are providing is actually going to provide solutions to the issues that we have jointly identified.

From their perspective, I understand that they want a degree of accountability from states and territories, but equally in return if we are going to achieve the outcomes that have been set as part of a lot of these national partnerships, we need a bit of flexibility. So to the extent that what they have outlined in the budget gives us that flexibility and the opportunity to negotiate further, I think ultimately it will be a good thing.

Ms Cover: Yes. Can I give an example of that?

MS HUNTER: Yes.

Ms Cover: The current or the old PPP funding had a dropout rate of 65 per cent built into it. The flexibility that the minister is talking about, about jurisdictions being able to negotiate on a needs basis for individual jurisdictions, is really important, because our dropout rate is only between seven and 10 per cent. So it is a really good news story about the retention rate for us in the ACT, but we did not have the ability to negotiate the jurisdictional needs with our very high retention rate compared to other

states and territories in the previous agreement.

MS HUNTER: And what is the new program called?

Ms Cover: It is yet to be defined in terms of the title, but it will be a new agreement.

MS HUNTER: Is it called the new, new PPP?

Ms Cover: No, it will be an enterprise workforce development strategy, I think it is called.

MS HUNTER: Thank you. Just one last question and that was around page 326. It is under the policy adjustments. It is at the third from the bottom, the reinstatement of the efficiency dividend. Could you explain that to me? We seem to have no efficiency dividend in 2010-11 and then we have it kicking in in 2011-12 and into the outyears?

Mr Whybrow: In last year's budget, efficiency dividends were identified. This is a positive adjustment to effectively increase—"reinstate" sounds like a painful word, really—

MS HUNTER: Yes.

Mr Whybrow: We are not subject to the efficiency dividend in 2011-12; so if we looked at last year's budget papers there would have been an amount there—something like \$3,900,000. The vast majority of that has been reinstated. The differential there is that the program that we put into place this year had a part-year flow-on effect; so we did actually achieve full-year savings by some of the things that we did. So that is why there is a small differential.

THE CHAIR: I might go to some of the financials. On page 337, just as a sort of rogue question, I noticed in "Other expenses" that you are transferring Birrigai to Territory and Municipal Services. Why is that?

Mr Whybrow: This relates to a transfer of the infrastructure and the assets—the buildings. So there are some synergies involved to have the management of the site—if you have a look at the Birrigai site in comparison, it is totally enclosed by Tidbinbilla. For the vast majority of that space, there are synergies there in pest control—a number of maintenance facilities can happen at the one time. We still as a department retain the educational delivery at the site, but the management of the site, and therefore the assets, has transferred.

MS HUNTER: So that educational—

Mr Whybrow: Sorry, I should mention that some of the administrative staff have also transferred.

THE CHAIR: Okay.

MS HUNTER: To TAMS?

Mr Whybrow: Yes, so like—

MS HUNTER: So the educational component that is delivered out of there, has that been cut back over the years or where is that?

Mr Whybrow: The educational component—there has not been a cutback, but the reality of this site is that it is dependent on bookings. So it fluctuates from year to year. So the level of activity at the site is dependent on the bookings and that is driven by schools booking.

Dr Watterston: But there have not been cuts from the central office made.

Mr Whybrow: No, and there has not been a reduction in the department's educational support.

THE CHAIR: Could we go to page 344, the operating statement for vocational education and training? I notice that user charges, non-ACT government, are going to increase by 58 per cent.

Mr Whybrow: Sorry, I did not get that page?

THE CHAIR: Budget paper 4, page 344, the second line, “User Charges—Non ACT Government”. You expected this year \$428,000 and miraculously you got exactly \$428,000. But next year, you are budgeting for \$678,000, a 58 per cent increase. What—

Mr Whybrow: I will pass this to Ms Sharma.

Ms Sharma: This relates to specific programs, and previously it was recorded under “other revenue”, so you can see there has been a decrease in other revenue. It is basically the reclassification there.

THE CHAIR: Yes.

MS HUNTER: So that accounts for the minus nine per cent variation?

Ms Sharma: Yes.

MS HUNTER: A rather large variation?

Ms Sharma: Yes. So it is about 0.3 something.

MR HARGREAVES: Double entry bookkeeping 101.

THE CHAIR: Excellent. Okay, if we go down to expenses, I see you have forecast \$399,000 of expenses. For the coming year it is down to \$109,000.

Ms Sharma: Again, back in 2009 there was an initiative relating to ASBAs, so we budgeted it under “other expenses”. But based on its actual expenditure, again, it is a reclassification between other expenses and employee expenses. So we put it in the

right place.

THE CHAIR: All right. If we just go up to employee expenses then, I see you are budgeting for an 11 per cent increase. Is that just wages or is that an increased number of staff in the area?

Ms Sharma: The adjustment has been based on the actual staffing, so basically in line with the audited outcome, just to reflect in line with the audited outcome. So the budget was slightly under in 2010, so we tried to reflect in line with the actual information.

THE CHAIR: No, you have gone from \$4,380,000 to \$4,457,000, but for the coming year it then goes to 4.9—

Ms Sharma: There has been an increase in commonwealth grants as well, so there is part of the grant increase that has been attributed to employee expenses.

THE CHAIR: So will there be additional staff as a result of the grants?

Mr Whybrow: I do not believe that is the case. I think what Ms Sharma is trying to say—and I am just trying to find the page reference in the annual report—is that the actual outcome from the annual report last year is higher than that estimated outcome position. So there is not a change in the staffing structure, but it more accurately reflects the mix of admin and staffing in the costs in this output class. But I will find the page reference for you.

MS HUNTER: Okay.

THE CHAIR: So if employee expenses go up 11 per cent, how come superannuation only goes up five per cent?

Ms Sharma: Again, that depends upon the staffing profile, so the staffing profile dictates, so everybody will not have the same superannuation scheme.

Mr Whybrow: And if I point out, we are—

MS HUNTER: So some might have been on the 14 or 15 per cent and some would be on the nine per cent?

Ms Sharma: Yes, on the 15 per cent and nine per cent.

Mr Whybrow: And we are seeing that we also have people on the now closed CSS, which has a rate significantly higher than that, so as people retire, there is a change in our superannuation cost profile.

MR DOSZPOT: Just while you are checking those figures, can you also give us an indication of the number of staff that applies to?

Mr Whybrow: The number of staff?

MR DOSZPOT: The number of staff, yes.

Mr Whybrow: Yes.

Ms Sharma: Around 40 FTEs.

MR DOSZPOT: Sorry?

Ms Sharma: Around 40 FTEs.

THE CHAIR: All right. Any other questions for output class 3?

MR DOSZPOT: Yes, I will.

MR HANSON: Very bold, Mr Dozspot.

THE CHAIR: Remind him about school bells, Mr Hanson.

MR DOSZPOT: Going to page 328 of BP4, if we have a look at a new system, replacement of ACT vocational and education management system, AVMS 2—

Mr Barr: Yes, we have talked about that earlier. Ms Hunter asked questions on it.

MR DOSZPOT: In that case, I am done.

THE CHAIR: Done? Any further questions for output class 3? It looks like you are getting an early mark, minister.

Mr Barr: Very good.

THE CHAIR: Minister, thank you for your attendance this afternoon, and I thank all of the officers. I would like to remind you that for any questions taken on notice you have five days in which to answer. Members, you have four days in which to place any further questions on notice that you would like.

The committee adjourned at 4.59 pm.