



**LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY**

**SELECT COMMITTEE ON ESTIMATES 2012-2013**

(Reference: [Appropriation Bill 2012-2013 and Appropriation \(Office of the Legislative Assembly\) Bill 2012-2013](#))

**Members:**

**MS A BRESNAN (The Chair)**  
**MR J HARGREAVES (The Deputy Chair)**  
**MS M HUNTER**  
**MR B SMYTH**  
**MR A COE**

**TRANSCRIPT OF EVIDENCE**

**CANBERRA**

**FRIDAY, 22 JUNE 2012**

**Secretary to the committee:**  
**Ms S Salvaneschi (Ph 620 50136)**

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

*Amended 9 August 2011*

## **The committee met at 9.16 am.**

Appearances:

Gallagher, Ms Katy, Chief Minister, Minister for Health and Minister for Territory and Municipal Services:

Territory and Municipal Services Directorate

Byles, Mr Gary, Director-General

Elliott, Mr Gordon, Director, Finance, Directorate Services Division

Smith, Mr Kim, Executive Director, Directorate Services Division

Perram, Mr Phillip, Executive Director, Business Enterprise Division

Steward, Ms Fay, Executive Director, Parks and City Services Division

Peters, Mr Paul, Executive Director, Roads and Public Transport Division

Ware, Mr Chris, Director, ACT NOWaste, Business Enterprise Division

Gill, Mr Tony, Director, Roads ACT, Roads and Public Transport Division

Flanery, Ms Fleur, Director, City Services, Parks and City Services Division

Colussi, Mr David, Director, Canberra Connect

Little, Ms Vanessa Director, Libraries ACT, Parks and City Services Division

**THE CHAIR:** Good morning, and welcome to this sixth public hearing of the Select Committee on Estimates 2012-2013.

The Legislative Assembly has referred to the committee for examination the expenditure proposals in the Appropriation Bill 2012-2013 and the revenue estimates in the 2011-12 budget. The committee is due to report to the Assembly on 14 August 2012.

The committee has resolved that all questions on notice will be lodged with the Committee Office within three business days of receipt of the uncorrected proof transcript, with day one being the first business day after the transcript is received. Answers to questions on notice will be lodged with the committee office within five business days of receiving the questions, with day one being the first business day after the transcript is received. Answers to questions taken on notice will be returned five business days after the hearing at which questions were taken, with day one being the first business day after the question was taken.

I welcome the minister and officials from the directorate. The proceedings will commence with an examination of the Territory and Municipal Services Directorate output class 1, municipal services, including outputs 1.1, information services, 1.2 roads and sustainable transport, 1.3 waste and recycling, 1.4 land management, and 1.5 regulatory services. The committee is scheduled to suspend for lunch at 1.15 and there will be a morning tea break at about 10.30. We will work to that time frame.

I am sure you are all very familiar with the privilege statement but I draw your attention to it. It is on the blue card that is in front of you. Can you indicate that you have read that and that you are aware of the information contained in it? The proceedings are being broadcast; you should be aware of that.

Before we go to questions from the committee, minister, I invite you to make an

opening statement.

**Ms Gallagher:** Thank you, chair. I will make a few opening comments. This year's budget sees increased effort going into the local services provided to our community. There are a number of initiatives outlined in the budget papers. They cover all of the areas that we will be happy to take questions on today, in relation to the output classes that you have listed, focusing on improving our municipal services and also dealing with the growth in demand that we are seeing across the city. You can see that in one of the initiatives, including an increased effort in the first year to prepare the city for the centenary celebrations.

There is of course a focus on roads, but also on public transport. I understand that public transport will be subject to a separate estimates hearing next week. We are also looking at how we provide services and responses through Canberra Connect. There has been incredible growth, about a 566 per cent increase, in the number of calls coming in through Canberra Connect over about an eight-year period. We are having to deal with some of that demand. You can see that reflected in the budget papers as well. There are some initiatives in capital and in recurrent around waste and managing our waste, including recycling. We are very happy to answer questions about all of those areas.

There is, as I said, a focus in this budget on dealing with some of the growth in the city in relation to roads. Whilst we will be discussing that today, it will be difficult not to have the discussion on roads without also looking at some of the effort we are putting into public transport.

We are very happy to take questions today. I have only been the Minister for Territory and Municipal Services for about six months. I think it is a very responsive agency that seeks to deliver the services that the Canberra community expects within a fairly tight financial environment. I think it does a very good job but there is always more work to be done and improvements to be made to the way that we service the city.

**THE CHAIR:** Thank you, minister. I will go to my first question. It is a general one related to TAMS. I have been asking other directorates this as well. I am aware that there is a part of TAMS, the Dickson motor vehicle registry, that has a resource management plan. Is there a resource management plan for the whole of TAMS?

**Mr Byles:** Could you expand on that question please, Ms Bresnan?

**THE CHAIR:** Yes. I asked ESDD and it was part of their requirements. This is in terms of carbon neutrality—that all departments are required to have a resource management plan. I have also asked other departments about this. As I said, I am aware that the Dickson motor vehicle registry has a specific one but is there a general plan across TAMS, given the sort of activities that TAMS undertakes and also given that there is that carbon neutrality requirement?

**Mr Byles:** In terms of the carbon neutral requirement, the whole-of-government aim is to achieve carbon neutrality by 2020. Of course the carbon neutrality issue goes to the very heart of TAMS and the services we deliver. It affects our specific operations right across TAMS but more specifically in electricity pricing, in waste and of course

in transport. We are working very closely with Treasury to establish the impost that might be for TAMS. But we certainly consider that as part of our financial planning.

**THE CHAIR:** Do you have a resource management plan? I asked ESDD and they said there was an executives committee and that all departments were required to have one.

**Mr Byles:** I might take that on notice, if you do not mind, Ms Bresnan—a resource management plan in terms of that specific title. There are other types of planning we do in terms of looking at our requirements to meet our obligation particularly to accountability indicators. I might call to the table the executive director of directorate services, in terms of resource management.

**THE CHAIR:** I did ask ESDD and they said there was an executives committee and that with respect to resource management plans for each directorate, particularly ones that had service delivery roles, as TAMS did, they were a part of that, and that was discussed in that committee.

**Mr Byles:** Again I might ask Mr Smith to join us. He might be able to shed some light on this particular aspect.

**Mr Smith:** We are currently going through a fairly comprehensive planning process for the directorate to identify the plans that we will put in place to cover off on the full resource planning. As far as I am aware it is not complete as yet. We are still looking at the impacts of it. Our planning process will pick that up.

**THE CHAIR:** Do you have any idea when it will be completed?

**Mr Smith:** We are working now on the plan. It is likely to be in place roughly by the end of July. But there are steps that we need to take to make sure that we have a fully standard impact.

**THE CHAIR:** Are you in communication with ESDD about this? I understand they are leading that process.

**Mr Smith:** Generally we are. I have not had specific conversations with them on this topic. But part of our planning is that we do link in with other directorates.

**THE CHAIR:** Is it something that you will make public? Will it be on your website?

**Mr Byles:** That will be a decision for the minister.

**MS HUNTER:** What is included in the discussions about your resource plan at the moment?

**Mr Smith:** We are looking to try and identify the services that we can provide in accordance with the resources that we have. Because TAMS has such a diverse range of functions that it deals with, there are different impacts based on those particular services. It covers a wide range of things, including the impact of waste, how we deal with waste, how we work towards carbon neutrality. There is a whole range of

different elements in the planning.

**MS HUNTER:** So you are looking at energy efficiency, you are looking at how you deal with waste?

**Mr Smith:** Yes. We have already done some work on energy efficiency and we are continuing to.

**MR HARGREAVES:** I have a couple of questions on the Heritage Library. Maybe you would like to call for the cavalry. Is Ms Little here? She would be the most knowledgeable person in the room, would she, on the library service, it being absolutely dear to her heart?

**Mr Byles:** Vanessa, yes.

**MR HARGREAVES:** I want to explore a couple of things around the Heritage Library. I think it is one of our most understated resources within the library service and people in Canberra really ought to know a little more about it. So if there are any members of the media listening in listen closely. Can you tell me how many items are in the Heritage Library?

**Ms Little:** I would have to take that on notice, Mr Hargreaves.

**MR HARGREAVES:** Sure.

**Ms Little:** It is very difficult with a library of that kind, as you would know. We receive a lot of material and we often receive a box of photographs or a box of someone's papers. So that is a very difficult question, but I am certainly happy to take it on notice.

**MR HARGREAVES:** Thank you, because you have just answered my second question. BP4 on page 105 talks about the number of items that were added to the collection. You had 14,000 as a target and you got 14,000—well done—and then you have a target of 12,000 for the following year. I know how difficult it is to try and pick how much you are going to get, but I was curious to know what the make-up of that is, and you have just described that, so thank you. How do you acquire the items for the Heritage Library?

**Ms Little:** Several different ways. Some of it we identify for purchase. We have a very small but very valuable purchase amount of money that we use. If somebody is publishing material within Canberra that is about Canberra we will purchase that material. Most of the material is donated to us. Mostly we target people and organisations. Our collection is not one where we take everything; we do not have the space, the personnel or really the need to collect everything. What we do is try to take a snapshot of Canberra life in each year. We now have quite a historical collection from certain clubs and associations—their minutes, agendas, special papers, annual reports—and there are certain parts of Canberra or activities in Canberra that we identify that we do not have much on and we go and talk extensively to those groups or those people. We identify people who have had some kind of significant role in Canberra and we talk to them well before they pass away and hope that they—

**MR HARGREAVES:** Doing it afterwards would be a bit difficult, wouldn't it?

**Ms Little:** We can and do negotiate with people who look after estates, but we do try to talk to people with significance to Canberra before they pass away and ask them whether they will put in their will that their papers come to us. There is a range of different ways.

**MR HARGREAVES:** It is true, is it not, that during elections, ACT style, people acquire publications that are put out by various candidates and there is a collection of those in there?

**Ms Little:** Yes, we do collect that.

**MR HARGREAVES:** There is a note of beware for candidates in the next election. Can you tell us how many staff you have got in the Heritage Library?

**Ms Little:** We have a full-time heritage librarian, we have another assistant staff member who looks after cataloguing and those kinds of things and we have some part-time staff as well; it is about 2.5 FTE.

**MR HARGREAVES:** And you are still at Phillip?

**Ms Little:** They are still upstairs in the Woden library.

**MR HARGREAVES:** I do not think you would have information but you would have anecdotal reports from the staff—I presume Bernadette is still there, is she?

**Ms Little:** Antoinette, yes.

**MR HARGREAVES:** Antoinette, sorry. Good. Say g'day to her for us, please. How many people access it? What sort of visits do you get? I know people like Alan Foskett, the historian, uses it all the time. But how much of the general public or—

**Ms Little:** Again I can take that on notice and give you exact numbers, because I would not want to give you incorrect information. A lot of our contact is through telephone and via email. Some people do come in, and some of our local historians spend an awful lot of time sitting at the desks and asking our staff for assistance, which is fantastic. I know we have been quite heavy contributors to a lot of the publications that have been written about Canberra or particular parts of Canberra. Increasingly we are getting requests from around the world and from around Australia via email; people who are doing television documentaries—we have had a few of those in the last while—clearly people who are writing books, some people from all over the place who want to buy photographs from our collection and have us send them to them, so an increasing number of requests via telephone and email.

**MR HARGREAVES:** Good.

**THE CHAIR:** I just note that a couple of things were taken on notice then.

**MR COE:** Earlier this year I ordered a photo through the Heritage Library and it was a very easy and smooth process; it was wonderful.

**Ms Little:** They are very committed people.

**MR HARGREAVES:** I have one final one. I was wondering what sort of involvement people like Antoinette Buchanan would have with the historical and heritage research? You have sort of answered part of that.

**Ms Little:** She is very connected into all of those groups and associations and is very active in supporting them. She has now come on board to help us with some of the historical records around the arboretum as well, which is great.

**MR HARGREAVES:** That is great. You were saying that you have tried to anticipate something happening, something coming to a conclusion, so you will contact those people before it happens and say, “Would you like to consider giving us the papers for that purpose?”

**Ms Little:** Yes, we do that, and sometimes people think of giving things to us. We had a beautiful letter donated to us a little while ago by a family. It was written by a fellow who came here for the opening of Old Parliament House and it was found by his family elsewhere in Australia. They gave it to us and we have digitised it, so if you ever get a chance to go onto our website you can look at this particular letter. We have digitised it and transcribed it and put little links in it, so that where the letter is talking about Kingston you can click on the word “Kingston” and it gives you images that we hold of Kingston.

**MR HARGREAVES:** A very final one on this: I remember going along when you were doing some historical work around the Estonian community coming to Australia and Canberra in particular. How many open days a year do you have to show off what the Heritage Library does?

**Ms Little:** That depends. There are quite a number planned for next year, of course, with the centenary. We are very busy putting things together for next year and also providing information to others. We probably would not have any more than a couple, but we are always open to having people come to us to ask if we can showcase particular parts of the collection.

**MS HUNTER:** I have some supplementaries on this. Under the accountability indicators on page 105 in budget paper 4 there is one of customer satisfaction with library services. According to the note it does not include the virtual mobile and heritage libraries. How do you measure, or do you measure, customer satisfaction of those services?

**Ms Little:** That particular matrixing is from the TAMS survey that is done. We do other surveying of our clients. In particular we do a survey with a number of Victorian libraries where we all share the cost and we all agree on the questions. We run that annually, so we do pick up a lot of feedback that way. Not long ago we did a survey of mobile library users and asked them for feedback. We also target the Heritage

Library as well.

**MS HUNTER:** And how was that feedback, just in a broad sense?

**Ms Little:** Always glowing.

**MS HUNTER:** Could you provide further detail on accountability indicators about the percentage of the population that are library users. Your estimated outcome this year is 55 per cent. Has it been going up?

**Ms Little:** It has been going up. We do what we call a purge of our database. We keep a very good record of who is and who is not a member of the library. Every 12 months we take off the people who have not used the service or used their card for five years. So it is an up and down kind of thing. We very much hope that in this new financial year we will see an increase because it is the National Year of Reading. There is a library membership drive about to commence, starting 1 July, and we are planning a whole lot of activities to raise people's awareness of library membership.

**MS HUNTER:** How does that 55 per cent of the population being registered as library users compare with other jurisdictions in Australia?

**Ms Little:** It is higher. Usually it is between 48 and 50 per cent on average, so we are higher than the average.

**MR SMYTH:** On the entire library service, is there a strategy to develop the library service? If so, where would one find it and how long does it run for?

**Ms Little:** There is a draft library strategy at the moment.

**MR SMYTH:** Where is that? Is that out for public consultation?

**Ms Little:** There was a public consultation process a while ago and it has now been formulated into it.

**MR SMYTH:** How long has it been a draft?

**Ms Little:** A while.

**MR SMYTH:** How long is a while?

**Ms Little:** I would have to take that on notice.

**MR SMYTH:** A couple of months? A couple of years?

**Ms Little:** Not a couple of years, no, but at least six months.

**MR SMYTH:** Where would one find it? I have searched.

**Ms Little:** The original documentation was out for comment and there were community consultations around it. It is now back with us at the library service. We

are planning to put the 2012-13 material into it.

**MR SMYTH:** Some years ago I think nobody in the ACT was further than about five kilometres from a library and there was a push to bring that down to a three-kilometre level so that areas like west Belconnen, north Gungahlin, Weston Creek and Lanyon Valley also had local library services. Is that one of the parts of the strategy?

**Ms Little:** Obviously that is a policy decision for the government.

**MR SMYTH:** Surely a strategy would cover accessibility to the library service.

**Ms Little:** Again, I cannot pre-empt what the government might decide around libraries. What I can say is that Canberrans are very well supported by library services. They have got very good access to library services. We have got well in excess of required opening hours and access points. Our collections are of a very good standard. Rest assured the people of Canberra have very good library services.

**MR SMYTH:** I do not doubt that; it is about making them even better. Where would one find the strategy? It does not seem to be on your website.

**Ms Little:** As I said, it is back with the library staff who put together a strategy that will then go to government.

**MR SMYTH:** Could the committee have a copy of the strategy that was put out?

**Ms Little:** I would have to seek advice about that.

**Mr Byles:** That would be a decision for the minister. I have not seen the strategy, Mr Smyth, at this stage.

**Ms Gallagher:** The draft, the documents that went out—

**MR SMYTH:** I am asking about the original document that went out.

**Ms Little:** Certainly; we can give you that.

**MR COE:** A year or two ago we discussed one or two security breaches and staff were perhaps at some risk. Has there been any development on that? Have there been any further incidents of significance?

**Ms Little:** We work with the public, so there are always things that happen. Our staff are very highly trained. We have a very strong focus on staff training and development with regard to how we manage these sorts of activities and incidents. We certainly have a very good relationship with the police. They have given us some terrific advice and have given us direct access to them if we need them. We have looked at the layout of the libraries and made sure that staff are aware about making sure that others on the staff know where they are in the library so that everybody is keeping an eye out for everyone else. The sad fact is that we work with the public and there are always going to be incidents, but we manage them quite well.

**MR COE:** So there are no serious changes in the layout or in the policy that are required going into the future to combat the problems?

**Ms Little:** We are always monitoring it, if that is what you mean. We are always monitoring it. We keep records. We debrief staff and we debrief incidents. We work with the TAMS security staff. We have also borrowed training from other parts of the government. We now have a relationship with the people in Health. It is important for us to be able to work with them so we understand how to approach people with mental illness. The Health people run courses for our staff on how to approach and work with someone who is displaying some of the symptoms of having a mental illness. We also work with some of the people in ACTION because we have discovered that often people who have difficult behaviours catch a bus to the library. We have shared some training with the ACTION people as well.

**MR COE:** What percentage of items are not returned?

**Ms Little:** You are testing my memory now. Items not returned at any one time? I think about four per cent of the collection is out and overdue. I am happy to get you other data around that. For a place like Canberra it is actually not a lot. We do not have a really bad problem with overdue stuff. We do have overdue material and we do have material that we struggle to get back—that is every library—but if I compare it to other libraries I have worked in, Canberrans are pretty good people about bringing their stuff back.

**MR COE:** How much do you recover in fines and also in actual payment for the book after it is deemed to be permanently missing?

**Ms Little:** Perhaps I can talk about the system.

**MR COE:** Sure.

**Ms Little:** We alert people when material is overdue and ask them to either extend it or return it. If they have not done that after a number of weeks we write to them or we email them again and say: “You have not, and your fine is now starting. The clock is ticking. By the way, if you have lost the material or you don’t return it, this is the value of the material that you need to bring back. You’ve got a fine, a processing fee and the cost of the material.”

I had this experience myself recently where my new dog Wally had eaten one of the library books and I had to pay the cost of the book and the processing fee. I did not allow it to get overdue.

**MR HARGREAVES:** But how’s Wally?

**Ms Little:** Wally is fighting fit and eating more things.

**MR HARGREAVES:** He’s not hungry now!

**MR SMYTH:** But did he consume the book completely and gain benefit from it?

**Ms Little:** One would hope so, but I am not all that sure!

**MR HARGREAVES:** Did you play “where’s Wally?” after you could not find the book?

**Ms Little:** It was not a book on “where’s Wally”.

**MR COE:** If you do have data and it is easier to extract information; if there are any statistics on that, I would be curious to see them.

**Ms Little:** I can certainly provide you with some statistics.

**MR COE:** If it is not easily extracted from the database then that is fine.

**MS HUNTER:** How is the space at Kingston going?

**Ms Little:** Really well. The visits are doing well; the loans are doing well. People are very happy with it. I was at a flash mob reading thing at the Kingston markets on Sunday and lots of people were coming up and telling us how much they love the library at Kingston.

**THE CHAIR:** That idea of having a shopfront library—is that something that you think would work in other areas of the ACT?

**Ms Little:** It could. It would depend on the demographic and it would depend on how much money there was to put towards it. It has certainly worked very well in the Kingston context.

**THE CHAIR:** Thank you, Ms Little. We will now move to Canberra Connect. In budget paper 3 on page 114 there is an expenditure initiative to increase the efficiency and effectiveness of the Canberra Connect centre. It is around \$0.6 million each year for four years. Did this initiative come out as a result of the review that was undertaken of relevance and benchmarking?

**Mr Colussi:** No, they came out at the same time, essentially. We have been monitoring the growth, obviously, of Canberra Connect ongoing over a number of years. Really, it has been the growth factor that has driven the investment for Canberra Connect for 2012-13.

**THE CHAIR:** So that initiative has not actually come out of that review. You are saying it is a separate process.

**Mr Colussi:** Correct.

**THE CHAIR:** And it is related to growth, did you say?

**Mr Colussi:** Yes.

**THE CHAIR:** Is it related then to the fact that you have got more people accessing it?

**Ms Gallagher:** The volume of calls going to Canberra Connect now is extraordinary. I think in 2001 it was about 140,000 calls a year. In 2009-10 it was 934,000.

**THE CHAIR:** So would the funding just go towards addressing demand? Is that what it will basically do?

**Mr Colussi:** That is correct.

**THE CHAIR:** In terms of the actual review that was done, what has come out of that? Has it had any impact on the way services are delivered through Canberra Connect? In terms of that benchmarking, what will it actually be used to achieve?

**Mr Colussi:** The benchmarking review was essentially to look at our delivery outputs. If you look at the old accountability indicators, essentially they are not married up with what Canberra Connect is charged to do, which is really to make access easier for the Canberra community. So we were looking at the old accountability indicators, things like 80 per cent of calls answered within 20 seconds, and at whether that really reflects ease of access. Our research and the assessment that we did say that it does not.

What the customer really benefits from or really values is the quality conversation that they have, first-call resolution, staff knowledge. Those sorts of things really drive customer satisfaction and they perceive that the effort of use of Canberra Connect is quite low from their perspective. So that is what drives their satisfaction. Of course queue time is important but in measuring the holistic nature of Canberra Connect it is really the integrated service delivery that makes it easier for Canberrans to use the service that drives satisfaction.

**THE CHAIR:** Did anything around efficiency or cost savings come out of that review?

**Mr Colussi:** There were some things in the review that related to other directorates—for example, registration labels in Justice. They are obviously subject to regulatory and legislative changes in other directorates.

**THE CHAIR:** As you said, it was looking at other things that directorates can do that will actually impact on the time?

**Mr Colussi:** Correct; the volume and the length of transaction.

**THE CHAIR:** You mentioned that customer satisfaction and resolution are seen as important. Is there anything around that in terms of staff training, around awareness of all the things that people access? What is it that will actually impact on that?

**Mr Colussi:** There are probably two elements of that. There is how closely Canberra Connect integrates with other directorates, about service delivery and re-engineering the business processes that come from other directorates and funnel through Connect out to the community. The more streamlined we make those processes, the less effort is required by the customer to engage with government. The other thing is just the

sheer volume and managing that volume with appropriate resources, which has been identified in the 2012-13 budget.

**THE CHAIR:** Some feedback I have had from a couple of people is that it can be quite confusing in terms of working out whether you call Canberra Connect or someone else. That process of then being referred on continually can be frustrating.

**Ms Gallagher:** The desire of the government is to have everything come through Canberra Connect. Part of that is about building up the capacity and resources of Canberra Connect to be able to take on that role. What we are seeing through the numbers of calls coming in is that increasingly that is the place people are going to for their information about ACT government. Therefore, in a way, that is happening through customer behaviour. It gives us an opportunity to make sure that we build the service around that.

**MR SMYTH:** What demographic profiling have we done to see who uses Canberra Connect? Is there a specific group that uses it a lot and are there any groups that tend not to use it at all?

**Mr Colussi:** No, it is pretty well spread. Obviously there are segments of the community that do more transactions through Canberra Connect. RTA-type transactions are obviously a very high volume transaction for Canberra Connect. Obviously that is people who have motor vehicles, and licences and registrations that they need to pay for. Certainly there are housing payments, rates payments and all those demographics.

**MR SMYTH:** How many government transactions do we currently do on Canberra Connect and how many are yet to be made electronic?

**Mr Colussi:** Electronically?

**MR SMYTH:** Yes.

**Mr Colussi:** You can pay—that is a complicated question. There are many parts to that. I would probably have to take it on notice to give you a full answer to that. Just as a guide, you can do 72 ACT government payments through the Canberra Connect portal. We have multiple information resources on the website. We have taken over five million visits to the site over the last year. So it is quite a resource-rich site.

**THE CHAIR:** There was something taken on notice.

**Mr Colussi:** Yes.

**MR SMYTH:** Minister, are you aware of how many individual transactions there are that the government conducts and when will they all be electronic?

**Ms Gallagher:** We currently provide a range of services for electronic payment. But in my own portfolio I can think of a number of fees and charges that are provided—different, relatively small volume—that probably would not be able to be processed electronically. Obviously the desire of the government is to move more and more

services online, but it is a staged process.

**MR SMYTH:** Can we have a breakdown of what transactions the government has put online since it has been in office?

**Ms Gallagher:** Yes.

**MR SMYTH:** And when they went online? Thank you.

**THE CHAIR:** Okay, that is taken on notice.

**MR COE:** In terms of the appropriation for Canberra Connect, do you recover money from other agencies or is it a direct appropriation?

**Mr Colussi:** It is about 85 per cent direct appropriation and 15 per cent is fee for service from other directorates.

**MR COE:** I think you mentioned in the budget, and it has certainly been said elsewhere, that MyWay has generated a lot of inquiries, especially in the early days of MyWay, with registration and everything along those lines. Do you in effect charge ACTION for those costs?

**Mr Colussi:** We cost recover from ACTION the cost of delivering that—from road transport, I should say.

**MR COE:** What proportion of your budget would have come from ACTION?

**Mr Colussi:** I would have to take that on notice. It would not be very high.

**THE CHAIR:** That is taken on notice.

**MR COE:** Okay, if you could. The minister said that in time it would be good to move all transactions or—

**Ms Gallagher:** Where that is possible, yes; where proof of identity—

**MR COE:** Sure.

**Ms Gallagher:** There are some that will not be able to be.

**MR COE:** With that in mind, it would mean that the people operating the phones in particular but also the various offices would have access to a huge amount of data. They already have access to data for MyWay cards. If you were then to include information like the Revenue Office, fines and absolutely everything, it is a huge amount of data to have access to. What sort of security strategies do you envisage you will require to ensure that that is not abused?

**Mr Colussi:** There are a number of systems in place already to manage that scenario. Most of the people who work in Canberra Connect only have fit-for-purpose views of those sorts of databases. So people working in the shopfront have a certain view of the

rego.act system, a certain view of the housing database and a certain view of all the systems that we use as a customer of those directorates. So those systems are already in place and we would roll out something similar for anything else that came on board.

**MR COE:** And access to all records is logged?

**Mr Colussi:** Yes.

**MR COE:** So at any point in time you can see—in effect somebody could, say, see my information if they wanted to?

**Mr Colussi:** Correct.

**MR COE:** Members of the public—you could do that?

**Mr Colussi:** Yes.

**MS HUNTER:** Going back to the review around the indicators and so forth that we were talking about earlier, who conducted the review and how much did that review cost? Was it an internal review or was it done externally?

**Mr Colussi:** There was a review done by LSI. Is that the review you are talking about?

**MS HUNTER:** Right.

**Mr Colussi:** That was funded by Treasury, so I do not have the figures for that. There was an internal review of accountability that Canberra Connect did; that was an internal thing.

**MS HUNTER:** When you were looking at those indicators and so forth, who were you benchmarking against?

**Mr Colussi:** We were benchmarking against all our current benchmarking partners. There are multiple jurisdictions: in Canada, New York 311, Smart Service Queensland, Service SA, Service Tas—a whole cohort of contact centres around the world that we benchmark with.

**THE CHAIR:** We might have a couple more questions and then we will go to roads and sustainable transport.

**MS HUNTER:** I have one around fix my street. When someone does go to the website and registers that they think something needs fixing, how is that request managed? Is it given a ticket number? Can you run through the process?

**Mr Colussi:** When someone goes to that site and lodges the information they are putting to government, they receive an automatic response that gives a unique identifier number. The job itself is triaged, usually electronically, to the appropriate directorate, based on the customer selected categories. Then the directorate that is responsible for responding to that engages with the customer to resolve that bit of

feedback.

**MS HUNTER:** You can go in and say, “This is what needs fixing on my street.” Is there also some capacity to suggest works that could be done or is it just about existing infrastructure?

**Mr Colussi:** The categories that are available are: complain, compliment, suggestion, request for information and notification. Some of those are more popular than others but they are triaged to the appropriate area in government.

**MS HUNTER:** How many suggestions come through, as a percentage of the information on that website? Are we able to get that?

**Mr Colussi:** We would have to take that on notice.

**THE CHAIR:** That is taken on notice.

**MS HUNTER:** It is about being promoted so that people know that they can go through. I just want a percentage.

**Ms Gallagher:** I do not think there is any problem with promoting fix my street. It is pretty well used.

**MS HUNTER:** Maybe not the complaints bit, but it was more about whether people know that they can put in suggestions.

**Mr Colussi:** Regardless of whether someone selects “complaint” or “suggestion” the text box usually gives free rein for the person to put in whatever they want to raise with government, so the end receiver would get that verbatim and be able to respond to that appropriately.

**MS LE COUTEUR:** Following on from that, sometimes people find it very hard to find that on the TAMS website. A lot of times I have had to talk people through it. Is it possible to get it a bit more prominent, please, so that people can find it more easily?

**Mr Colussi:** It is front and centre on the Canberra Connect website. On the TAMS website and on all the other directorate websites there is a link to Canberra Connect. If you take that link you pull up the Canberra Connect page, which is in the front middle.

**Ms Gallagher:** It is on the front of Canberra Connect; it is big, fix my street.

**MS LE COUTEUR:** The problem is if you do not start on Canberra Connect.

**Ms Gallagher:** If you go to TAMS rather than Canberra Connect?

**MS LE COUTEUR:** Yes, if you go to TAMS particularly. People who have a little bit of knowledge know. But if you go to TAMS website—

**Ms Gallagher:** I think that would be pretty easy to fix.

**MS LE COUTEUR:** I am not saying it is impossible, but I have had numerous phone calls and conversations with people, explaining to them how to find it. My other question is about triage. Are they triaged by human beings or is there any way that a complaint about a particular part of a road can be directed straight to whatever crew is looking after that to say, “This is on your list of things you need to do day. It is intersection X on the Google map”?

**Mr Colussi:** The categories are all theme based and essentially there is no wrong door. Some things are hard for a member of the public to discern whether it is a roads issue or an environment protection issue or whatever. So regardless of the top category when you drill down and start to specify what the issue is it will start to automatically direct those inquiries to the right area. Where people really cannot identify where it belongs or what the topic is, it goes to an individual who goes through and triages those manually. It is a small percentage of the total that come through fix my street.

**THE CHAIR:** We will move on to roads and sustainable transport. Is this the place to ask about planning for the third bus depot or do I ask that of ACTION?

**Mr Byles:** We can handle that.

**Ms Gallagher:** I think there will inevitably be some crossover.

**THE CHAIR:** I thought this would possibly be the best place. Can we get a bit more information on the feasibility study for a third ACTION bus depot. Have you already located where it might be and how it fits into the broader strategy?

**Mr Byles:** Mr Paul Peters, the executive director, has joined us, with the minister’s permission.

**Mr Peters:** That study in the budget is for a feasibility study for a third bus depot to service essentially the Gungahlin growth areas. We have not really narrowed in on sites as yet, but places like Mitchell would be an option.

**THE CHAIR:** So it is likely that it will be located there. Is it going to be close to Gungahlin or somewhere—

**Mr Peters:** Somewhere close to Gungahlin.

**THE CHAIR:** We have a whole range of issues going on with the planning for transport. Will it be designed in such a way that it can incorporate bus rapid transit or whatever it might be that we decide on? Will it be able to service and accommodate those buses if that is needed?

**Mr Peters:** Yes. This feasibility study goes over two years so it gives us enough time. If and when a decision is made on the technology we can make sure it is incorporated in that depot if it needs to be.

**THE CHAIR:** When you say it goes over two years, does that mean it is looking at starting in a time frame of two years?

**Mr Peters:** I think the allocation is \$100,000 this year and \$100,000 next year, so that would mean we would do feasibility stuff this year and maybe pre-design type work the following year to firm up a concept.

**THE CHAIR:** So when would we expect to see the bus depot come on line and be available to use?

**Mr Peters:** Part of the feasibility study is a business case. That business case will be prepared and it will be a decision for government.

**THE CHAIR:** There has been quite a bit of discussion about dead running. I imagine this would assist in that. So there is no definite time frame when we will have this third bus depot available?

**Mr Peters:** No, not at this stage. Essentially what drives the requirement for the third depot is our bus fleet expansion. We have got 215 buses down at Tuggeranong and 215 buses at Belconnen, which is essentially the capacity more or less of those depots. We have Woden coming on stream, which could be up to another 80 buses, and then if the fleet grows beyond that obviously there will be demand for another one. So it is really about getting in now and working out where the best location is.

**THE CHAIR:** As you said, it is driven by fleet demands. With Gungahlin being such a growing area, with all those suburbs there, the demand would be there presumably.

**Ms Gallagher:** That is why we are doing the work. We are not going to do it thinking that there is no demand.

**THE CHAIR:** So it is something that will actually happen.

**MR COE:** In which case, how do you do the feasibility study and the design work before you actually acquire the land, because the shape of the land will dictate to a large extent how the depot operates? If you cannot get 10 hectares it is going to be totally different if you get half an acre, for refuelling—

**Mr Peters:** Essentially the feasibility study would look at what size depot you might best need for an area like Gungahlin and how many fleet you might have—is it 100 or 200? Then once you have got an idea about how it needs to be—does it need a workshop and all those sorts of parameters and activities you might need in a working bus depot, once we have identified that, we would probably go looking at the sites that are available, so essentially that would be it. So it is a case of working out how big the thing needs to be and then looking for the site, rather than finding a site and seeing if it meets our needs.

**Ms Gallagher:** It is all interconnected with the planning for the network overall, because that is going to inform potentially how you are going to run the most efficient service and where your buses are going to be at the end of each day. I do not know that it is as simple as going and finding land first and then fitting everything in around that. This work could be done and then land could be identified that is in the best place and of the right size to deliver the network improvements that we are after.

**THE CHAIR:** Will it be dependent then on what is actually pursued in that Gungahlin to Civic corridor? Is that going to have an impact on this as well?

**Ms Gallagher:** That would inform some of the decisions, depending on what way we go—bus rapid transit or light rail.

**THE CHAIR:** That could potentially hold up the process of actually pursuing this?

**Ms Gallagher:** We are expecting to make a decision on BRT-light rail in this calendar year.

**MR HARGREAVES:** I want to talk about some road stuff—BP4, page 106—but it is not about ACTION. It probably sits in Tony Gill’s area. I want to talk about some of the accountability indicators on page 106. There are three in which I have an interest, or which sparked my curiosity. The first one is a fairly easy one, I suspect. It is accountability indicator c, “percentage of customers satisfied with the public road network”. How do you go about finding that out? Is there a survey? Is it a statistical extrapolation? How does it work?

**Mr Gill:** TAMS as a directorate has a customer service survey on an annual basis, based on a collection of comments from I think 900 telephone inquiries over a period of time. There is a series of questions; it is across the whole of TAMS and there are in the order of 50 questions about the various services provided by the directorate. Within that there is a question on the level of satisfaction with the management of the public road system. That is how that information is derived.

**MR HARGREAVES:** In the following one it talks about “percentage of territorial roads in good condition”. I reckon that 88 per cent is pretty crash hot, quite frankly, given that we inherited a road system with not one dollar to go with it and it is an ageing infrastructure. I reckon you are doing brilliantly to keep it at 88 per cent or 86 per cent. What standard do you apply to check whether or not they are in good condition? Presumably there is an Australian standard or something along those lines?

**Mr Gill:** This is quite a technical measure. Across Australia each road authority measures the condition of the road pavement in terms of roughness, in terms of driver comfort. They actually go out and drive each—so in the case of the ACT, over a three-year cycle, we go out and drive, with a specific piece of equipment, the whole network. From that we collect data that gives us information about the roughness and the driver comfort of a road. We then compare that with other jurisdictions. So that particular one is quite a technical standard.

**MR HARGREAVES:** With respect to that, presumably the type of pavement has a bearing on whether it is in good nick or not. For example, pavement in a suburban street is quite different to that on the parkway. I am curious about the Majura parkway because when we do that it is going to have to take B-doubles. I would imagine—and I need confirmation of this—that the Northbourne Avenue-Canberra Avenue corridor going south is not really supposed to take B-doubles. You would pop that up in your check, wouldn’t you?

**Mr Gill:** I will just clarify a few points here. This measure talks about territorial roads; it is about main roads. So it excludes municipal roads or residential roads. In terms of designing a road like the Majura parkway, the percentage of heavy vehicles that would be expected to use that road would and has been a design consideration. So the type of road design and surface finish on that road would be appropriate for its use.

**MR HARGREAVES:** I asked a question about this earlier on in the week: when Majura parkway is brought online, it will presumably be the perfect diversion for B-doubles and trucks of that size, away from the city centre. Do you see a need to actually prohibit B-doubles from going down Northbourne Avenue? There are quite a number of them coming along the Cotter Road, for example, while Molonglo is being built. I do not know whether the pavement on Cotter Road is built for those types of trucks. Would it be contemplated to prevent trucks of that size from going down Northbourne once that is open?

**Mr Gill:** In relation to B-doubles, there is a network already defined for use of B-doubles and there is a permit that is required for them to drive on a particular road. In relation to Majura parkway, it does provide a good opportunity for freight travel. One of its main justifications in terms of securing funding was that it can contribute well to the freight task.

**MR HARGREAVES:** I have one last question on the indicators. Indicator g, the sustainable transport one, talks about “increase in length (kilometres) of bus priority/transit lanes”. The note to that says that it reflects the proposed program of works. But it talks about only extending it by 200 metres—that was the target last year and it is what you achieved—and then 500 metres for the next year. I congratulate you on the increase but I was curious as that is not a very long bit of road or bit of transit lane. Is it a complicated exercise to do this or is it just that we do not have that need yet to extend those transit lanes?

**Mr Gill:** The total number of bus or transit lanes in the territory is only about 16 kilometres in all. So the overall total is quite small in that context. The 200 metres in 2011-12 relates to Kingsley Street in the city and improvement in the city. The half a kilometre forecast for next year’s program relates to a section on Canberra Avenue which is currently under design. Again they are relatively small sections.

**MR HARGREAVES:** I take your point. If you only have 16 kilometres, doing half a kilometre is actually quite an extensive—

**Mr Gill:** That is the context that you need to consider it in.

**THE CHAIR:** Is it possible to get a copy of the funding agreement between the ACT and the federal government on the Majura parkway?

**Ms Gallagher:** I would have to take some advice on that. I do not see why not.

**THE CHAIR:** So you will check that?

**Ms Gallagher:** Yes, we will check with the commonwealth.

**MS HUNTER:** On that Canberra Avenue one, you were talking about the busway there or the bus infrastructure. Is that going to go over the border and connect up with Queanbeyan? How far is that going and what is it going to provide?

**Mr Peters:** The Canberra Avenue project is about improving transit along Canberra Avenue. At the moment the project stops at the ACT border. We have had discussions with Queanbeyan and with Deane's for a while now about how that project might develop in future.

**MS HUNTER:** Have we progressed far on that? It has been subject to discussion for a time now.

**Ms Gallagher:** We have funded the first stage of Canberra Avenue. We put in a joint submission for the RDA regional grants, which was unsuccessful. We are working with the Queanbeyan mayor. The south-east RDA and the ACT RDA saw that as the priority project. I think it probably got through to the last hurdle and then did not get funded, unfortunately. We will just have to review that. We funded the first stage. I would have liked some assistance from our neighbours or the commonwealth government on the second stage, but we have not got that at this point.

In terms of Deane's, we have had some progress. We have had some breakthroughs with our friends in the bus industry to allow Deane's to pick up passengers in the ACT, which has not been able to be done to date. It is a relatively small step forward, but an important one, in demonstrating that regional services can cross in and out of the ACT and provide a service to Canberrans, just as they are providing a service to residents of Queanbeyan. That trial started—

**Mr Peters:** It is underway.

**Ms Gallagher:** We will have a look at how that goes. It is a bit cheaper for Queanbeyan people to use it off peak.

**Mr Peters:** Yes, their fare has gone down to \$6.

**Ms Gallagher:** And then ACT people can use it for the cost of an ACTION trip. They are not able to use MyWay, but they can use a cash fare and will get where they need to go on the Queanbeyan to Civic run.

**MS HUNTER:** On the Majura parkway, what tenders have been let, or have any tenders been let? Have any contracts been signed and what are they?

**Mr Gill:** In terms of Majura parkway, the tender to do the detailed design documentation has been let. That was let in November last year. The construction tender went out on 26 May, so it is a current tender. That will close towards the end of July and will be assessed during August with a view that the contract could be let in early September. There is also a contract covering the superintendency, which is to overview the construction works. That was called last week.

**MS HUNTER:** Do you have any modelling of how much freight actually comes down the road at the moment and how much will come down once the parkway is in

place?

**Mr Gill:** The ACT is currently preparing a freight strategy, so in the context of that we will be collecting information on Majura parkway before and after.

**MS HUNTER:** Will that include modelling on—

**Mr Gill:** Origin and destinations in terms of where they are coming from and going to.

**MS HUNTER:** We will also be looking at capacity on the road, when the road might be starting to reach capacity?

**Mr Gill:** From a freight point of view or from a general point of view?

**MS HUNTER:** Yes, from a freight point of view.

**Mr Gill:** We will be looking at that aspect, yes.

**MR SMYTH:** The upgrade to Constitution Avenue, the \$42 million that the federal government finally coughed up as a gift, even though it was a payment for a—

**Ms Gallagher:** Call it what they like; the money is here.

**MR SMYTH:** You perpetuate that it is a gift in your own press release, which I think is disturbing, because the former Chief Minister was saying that we may well get to legal action. Did we actually get to the stage of legal action over the federal government's non-payment of their bill?

**Ms Gallagher:** No, but it would have gone there had it not been returned.

**MR SMYTH:** You let them off the hook by calling it a gift. It is not a gift; it is just a payment.

**Ms Gallagher:** I did not let anyone off the hook. We actually secured the rightful return of those funds, Mr Smyth. I do not know what you did about it.

**MR SMYTH:** Okay, "the rightful return". So it was not a gift?

**Ms Gallagher:** I have said this publicly: if the commonwealth want to call it a gift for the centenary that is an issue for them. We have always maintained the view that that funding was required as part of an original arrangement that was reached with the commonwealth. My view on that has not changed. If the commonwealth want to call it a gift as part of the centenary, that is really a matter for them.

**MR SMYTH:** But you called it a gift in your press release of 3 April, when you said, "The Australian government has gifted \$42 million to the ACT government for the upgrade of Constitution Avenue." You perpetuate the lie.

**Ms Gallagher:** It is the agreement we have with the commonwealth for that money.

**MR SMYTH:** What will the \$42 million be spent on?

**Mr Peters:** The project is currently at a pre-design stage. We have been out to the community with a couple of concepts just recently. Essentially, what the \$42 million would buy would be an upgrade of Constitution Avenue between, essentially, London Circuit and Anzac Parade, probably to a boulevard standard. That will, of course, depend on NCA's final approval.

**MR SMYTH:** When you say "boulevard standard"—and I have seen the material on the web—it will be two lanes each way with quite a large median strip?

**Mr Peters:** The general concept is a median strip in the middle with trees so it becomes a boulevard. It has a transit lane or bus lane, a general traffic lane and parking on one side—so two lanes, essentially.

**Ms Gallagher:** And a cycling lane.

**Mr Peters:** Yes, and a wide footpath.

**MR SMYTH:** A separated cycling lane?

**Mr Peters:** A separated cycle path from the southern side.

**MR SMYTH:** On the southern side. Where will the parking be?

**Mr Peters:** Indented bays as you can fit them in along the strip.

**MR SMYTH:** When will work commence and when will it be completed?

**Mr Peters:** The next stage of this is obviously to get NCA approval for the works and finalise the design. If we can do that then we would like to go out probably for early works-type work, which is around relocating services that are in the corridor to get it ready for full construction, towards the end of this year.

**MR SMYTH:** So start at the end of this year and complete when?

**Mr Gill:** 2015.

**Mr Peters:** 2015.

**MR SMYTH:** Will it require the removal of some of the existing trees, or will they be moved?

**Ms Gallagher:** I think the advice I have was removal.

**Mr Peters:** Again, it needs to be determined in the final design which trees get moved and which trees get removed. Definitely trees will be removed.

**MR SMYTH:** What percentage of the existing trees will be moved into the median strip or onto the new southern sidewalk?

**Mr Peters:** Probably about a third.

**MR SMYTH:** So we save about a third?

**MR COE:** Roughly, what would be the width of the median? Obviously we are not talking about a Northbourne Avenue-style median.

**Mr Gill:** Five metres.

**MR SMYTH:** And Northbourne Avenue is what, five metres?

**Mr Gill:** Northbourne Avenue would be wider than that; 10-plus.

**MS LE COUTEUR:** The decision on which end to build first—was that the ACT government's decision and, if so, on what basis?

**Mr Peters:** Essentially, we have looked at the amount of money that we have. Obviously Constitution runs further than Anzac avenue. We have looked at what development works we have in the corridor and where most of the traffic is, where we get best benefit from it and where there are most people. That pointed to the city end being done first. That is essentially what it was.

**MS LE COUTEUR:** Is that going to enable the sale of blocks of land along the city end?

**Ms Gallagher:** Does it enable it?

**MS LE COUTEUR:** Yes. It has been stated that that is the reason for it.

**Ms Gallagher:** I do not know who has stated that. I do not think it is any secret that even if you did not redevelop the road there are redevelopment opportunities along that part of Constitution Avenue. We are working through, I think, the concerns of local Campbell residents. I am sure they have been contacting you, Ms Le Couteur—they have been contacting me as well—around their concerns about when the ASIO building comes on and the impact that that will have on that end of Constitution Avenue. We have got to talk a little bit further with them around that, but I do not think ultimately it will change the decision around where to start the commencement of the Constitution Avenue upgrade.

**Mr Byles:** Just to expand on your question, Ms Le Couteur, where you said about the ACT government's decision to do that portion of the land, certainly that was the case in its finality. But I would stress about the steering group, which I chair, that both the chief executive of the NCA and the senior planner of the NCA attend that forum, so they are very much involved in the decision-making process.

**MS LE COUTEUR:** So it was a joint decision?

**Mr Byles:** Absolutely.

**MR SMYTH:** So the extra width is taken from the southern side of the road?

**Mr Gill:** Yes, basically. The northern edge stays the same and—

**MR SMYTH:** Everything eats into the lake side, yes. Your document says that the overall visionary design is aimed to be completed by 2031, so when will Constitution Avenue, the eastern section, be done?

**Mr Gill:** The territory's commitment is to the \$41 million.

**Ms Gallagher:** That is subject to decision making at budget cabinets in the future.

**MR SMYTH:** If the overall visionary design is aimed to be completed by 2031 you must have an indicative timetable. Is it done 2025 to 2031? Is it done 2020 to 2025? Is it when we finish the western bit that we go on to the eastern bit?

**Mr Gill:** Constitution Avenue is a national road, managed by the National Capital Authority, funded by the federal government. This particular case is unusual inasmuch as they provided funding to the territory to do some work, which will then be handed back to the commonwealth government to manage and maintain. So a decision to expand beyond that rests with the federal government.

**MR SMYTH:** Just to finish on that, Russell Avenue is currently closed and there are rumours going around that it may never reopen. What was the process for closing Russell Avenue and having the detour through central Russell on to the top end of Constitution Avenue?

**Mr Gill:** While the issue you have described is the responsibility of the National Capital Authority, to assist you in that I will give you a summary of it. With the construction of the new works at Kings Avenue and Parkes Way, one of the concerns was that the traffic turning off Morshead Drive and turning right into Russell Drive would have an impact on the operations of that new work because there is a very strong movement and traffic using Morshead Drive going towards the airport would have to continue to yield to traffic turning right into Russell Drive. So the NCA, in trying to maximise the capacity of the intersection, decided to introduce that restriction. It is likely to become a permanent feature.

**MR SMYTH:** So Russell Drive will not contact—

**Mr Gill:** It will not be a through route in the future.

**MR SMYTH:** Does that then put pressure on ACT government roads?

**Mr Gill:** No. By doing that work that improves the capacity of Morshead Drive.

**MR SMYTH:** When will we find out whether or not the Russell Drive connection to Constitution Avenue will reopen?

**Mr Gill:** The NCA have implemented what they have described as a trial closure. The timing of it is to be determined by them. They will be doing some evaluation on it.

But you can imagine it will be at least a six-month period to evaluate the effectiveness of those changes.

**MR SMYTH:** And what is this period of the trial?

**Mr Gill:** I have said six months would be the period of the trial.

**MR SMYTH:** Thanks for that. I have a last one: is Heagney at its capacity such that we now have to do the traffic study?

**Mr Gill:** As I might have flagged to you at a meeting of the Tuggeranong Community Council, TAMS will commence studies into five roads, five residential streets, in the new financial year. One will be Heagney Crescent, another will cover Coyne Street, another will cover Clift crescent, Streeton Drive, and there is one other. We will commence them come the new financial year—look at the traffic conditions, get input from residents, try to develop a traffic management plan that will address issues identified, and develop a business case for funding that might see some traffic management measures implemented over a period of time.

**MR SMYTH:** And use the existing traffic warrant system to do these studies?

**Mr Gill:** That is the basis for progressing the work; that methodology would be the basis for it.

**MR SMYTH:** The fine system that you praised at the Tuggeranong Community Council the other night?

**Mr Gill:** That system that I outlined to the council, yes.

**MR SMYTH:** The reason I asked about Heagney Crescent, Chief Minister, is that Heagney runs past a block in Chisholm that is up for development.

**Ms Gallagher:** The block you put up for development, Mr Smyth.

**MR SMYTH:** Yes, we did. We put it up in 2000 and did some consultation and said it should not be developed. We listened to the community.

**Ms Gallagher:** As we are, Mr Smyth.

**MR SMYTH:** People love it when you raise that issue. More than 80 people attended a meeting last night at the Chisholm community centre and one of the huge concerns is traffic volume on Heagney. They know that from Heagney you go on to Deamer which links to Clift. That interaction, that whole area, is very busy and very often very fast speeds are used on those roads. Will you give an undertaking not to develop that block on the corner of Heagney and Deamer?

**Ms Gallagher:** No, I will not. I will wait. We arranged this meeting with the Economic Development Directorate and I think we need to hear back. That is what we said we would do. We are listening to the community, Mr Smyth—something that the government does very well. You learn from us.

**MR SMYTH:** For a change, Chief Minister—a very pleasant change.

**THE CHAIR:** All right. Let us go to Mr Coe, please.

**MR COE:** I have a few things I would like an update on. Firstly, I wrote to Mr Stanhope and Mr Corbell when they were ministers for TAMS about stormwater drains in Nudurr Drive between Palmerston and Crace. The reason for that was that adjacent properties were getting flooded—water actually coming up out of the drains into their garages and houses, resulting in a big insurance claim. I was wondering whether that situation was assessed as per my correspondence.

**Mr Gill:** It has been assessed but in terms of detailed advice we would have to take that on notice.

**MR COE:** Sure. I wrote to the respective ministers a few times about this and Mr Corbell said in August last year, “I am pleased to advise that a detailed investigation of the causes of flooding at Macedon Crescent and surrounding area has been included in the 2011-12 stormwater upgrade program.” Did that end up happening?

**Mr Gill:** Again I would have to take that on notice.

**THE CHAIR:** That is taken on notice.

**MR COE:** It goes on to say, “This study is expected to be completed by December 2011.” Then a few months later Ms Gallagher wrote to me, saying, “I confirm that no stormwater improvement works are being progressed as a result of your representations.” So there seems to be some vagary about that. I would appreciate it if you—

**Ms Gallagher:** Let us get some advice for you, Mr Coe. I recall a couple of issues around stormwater. There is another one in Duffy, I think.

**Mr Gill:** Yes.

**Ms Gallagher:** There is a similar issue that has some funding in this budget to progress that. I will take some advice on that.

**MR COE:** I would appreciate that. Secondly, could you please give an update of where things are at with Southern Cross Drive in west Belconnen and on the work that is being done to Florey Drive and the work that I believe has now been postponed for Starke Street, an intersection which is a couple of hundred metres up the road? There was a tragic accident just recently there at Florey Drive, so could you please give us an update?

**Mr Gill:** There is a current construction contract covering the intersection of Florey Drive and Southern Cross Drive, the installation of traffic lights. It had started before that unfortunate fatal crash that you described occurred. It had been identified some time ago and it will be completed, I believe, in August this year. There are works

proposed at the intersection of Starke Street and Southern Cross Drive and they are continuing, so when you turn out of Starke Street on to Southern Cross Drive you will be turning into your own lane, so that will basically separate you from through traffic. That work is included as part of the current work.

**MR COE:** Was that project delayed?

**Mr Gill:** The overall project was delayed by about two months because of wet weather.

**MR COE:** But was construction of the Starke Street end meant to begin earlier than it has?

**Mr Gill:** No, the Starke Street end initially was described as the scoping work required for the consideration of provision of a roundabout. But the detailed design and the project budget basically saw a different result which addresses the key issue at the intersection in a way that can be delivered as part of this current project.

**MR COE:** When will that commence on Starke Street?

**Mr Gill:** It is part of the existing contract. It is the same contract; we will be doing the same piece of work.

**MR COE:** Once Florey is finished does that end—

**Mr Gill:** Yes. The overall contract will be completed by September, so it is in the same time frame.

**MR COE:** Just up the road from there in Spofforth Street, it has been, I imagine—

**Ms Gallagher:** We are reviewing that—

**MR COE:** an interesting one for the people in Roads ACT. I imagine you guys have received a lot of correspondence.

**Ms Gallagher:** Yes.

**MR COE:** You guys are doing an assessment of the 15 speed humps. I was wondering what that assessment has—

**Mr Gill:** I believe it is actually 12.

**MR COE:** I lost track at 11.

**Mr Gill:** We are currently doing a technical evaluation and community evaluation of those measures on Spofforth Street. It closes on 29 June. We will then be providing some advice to the minister on that.

**MR COE:** Has that work evaluated the impact of traffic on other streets in—

**Ms Gallagher:** That is what it is doing.

**Mr Gill:** It is suburb wide.

**Ms Gallagher:** That is the review. Quite a number of people who live in Spofforth Street have welcomed the speed humps. So it is going to be an interesting one.

**MR COE:** I realise it is a balancing act.

**Ms Gallagher:** Yes. We need to navigate through it.

**MR COE:** From my assessment of all the correspondence, fewer speed humps might do the trick.

**Ms Gallagher:** That may be the case. There are plenty of other places to put them.

**MR COE:** That is right. I have two final ones. William Webb Drive in Evatt has been the site of some hooning and excessive speed in general. From the general design of the street, it is understandable why they are getting some excessive speeds there. Are there any strategies in place to tackle that issue?

**Mr Gill:** Specifically, there is nothing currently planned on our programs. Whether or not there is evidence supporting excessive speed and hooning, it has not been brought to our specific attention.

**MR COE:** What about Owen Dixon Drive?

**Mr Gill:** Again nothing specific has been brought to our attention.

**Ms Gallagher:** We can certainly have a word with the police. That is usually a good source of information.

**MR COE:** Sure. I have sent some letters on that one as well. Finally, on Wentworth Avenue and the upgrade that is going to be happening there, could you please give an overview of what works are going to be included as part of that million dollars?

**Mr Gill:** Wentworth Avenue is one of the older roads in Canberra. It was initially constructed in the 1920s. It was upgraded in the 1960s and the pavement on a section of it is to be upgraded as part of the current project—the million dollars identified. There will be some work 700 metres from Eyre Street, in the city-bound direction. There will be a replacement of the existing road pavement as part of the road rehabilitation project.

**MR COE:** That is obviously fairly major works—a million dollars?

**Mr Gill:** A million dollars for 700 metres gives you the context of the cost. Yes, it is a fairly significant piece of work.

**MR COE:** It is something that I have written to the minister about on several occasions, and as late as last year. The response I got was “I am further advised that

there are currently no plans to resurface Wentworth Avenue.”

**Ms Gallagher:** That was correct at the time.

**MR COE:** That was in August last year. For a road that was built in the 1920s and has been in need of repair for some time, it is interesting that as late as—

**Ms Gallagher:** A very responsive minister—

**MR COE:** August last year there were no plans.

**Ms Gallagher:** There are not, because it was not funded. So there are no plans. But it does not mean that you have not been doing the work or building up a business case to go through for the financing for it. It is not appropriate that my response to you would be, “We’re developing a business case for the budget.” So at that point there were no plans. However, there was a successful business case for an upgrade to the pavement.

**MR COE:** The interesting thing was that earlier in the year they said there were plans. That is what makes this a little bit erratic, this approach.

**Ms Gallagher:** Just to keep you on your toes, Mr Coe.

**MR HARGREAVES:** That one worked, didn’t it?

**MR COE:** The real question is: how are the decisions made to upgrade roads? Is there a rolling strategy for five or 10 years?

**Ms Gallagher:** Yes.

**MR COE:** In which case how can it be that you have an answer in 2010 which is one thing, then you get a different answer in February last year, then you get a different answer in August? How do you plan what roads are worthy of a million-dollar upgrade?

**Ms Gallagher:** Ultimately it is the budget cabinet’s decision about what gets through.

**MR COE:** That is all very well but surely road safety considerations are one of the factors.

**Ms Gallagher:** There are, and that is the work that TAMS do in providing advice to the budget cabinet on what the priorities from their point of view are.

**MR COE:** I would be keen to hear what those priorities are.

**Mr Gill:** There is an asset management plan that does take a 20-year perspective. Roads typically are a long-lived asset and that is the context in which it should be looked at. Every year we do a feasibility study, we do an assessment of the road, we identify priority projects. We develop a bid for funding through the capital program. We also make best use of our recurrent program. There is about \$12 million that is used on road resurfacing each year as part of our recurrent program. That is the

context that you need to understand as well.

So each year we identify a list of projects. They are put up initially within the overall TAMS directorate program and considered. They compete against a range of other projects. What is seen as a priority is then presented to the minister for consideration. So a project at one point in time might be under consideration and at another point in time it might not be.

**MS LE COUTEUR:** I would like to talk a bit about cycling funding. I do not find these papers incredibly easy to understand. In the 2009-10 budget there was new recurrent funding for the cycling signage and infrastructure maintenance component. That was \$1.6 million over four years and that was part of the Labor Party-Greens parliamentary agreement. But since then, in the 2010-11 budget—the year before, not the one you have in front of you—it appears that the recurrent funding will cease in 2013-14. So the last round of this is 2012-13. Is that the case?

**Ms Gallagher:** I do not have last year's budget.

**MS LE COUTEUR:** We found that in last year's budget. The question is: where would we find money for maintenance, for recurrent expenditure on cycleways and footpaths in this budget? We managed to find it in the past and we are failing with this one. It may be our lack of ability to understand your figures.

**Mr Gill:** There are two aspects. The recurrent budget is not shown in these budget papers.

**MS LE COUTEUR:** How can we find out what the recurrent budget is for footpaths and cycle maintenance?

**Mr Gill:** The funding that you talked about was some supplementary funding to the recurrent budget.

**MS LE COUTEUR:** Sorry?

**Mr Gill:** The funding that you talked about, which was over four years, was supplementary funding to the existing recurrent budget.

**MS LE COUTEUR:** And that is no longer going forward?

**Mr Gill:** It was over a four-year period.

**MS LE COUTEUR:** So that funding will cease, which is what we thought. Is it possible to find out what is the base recurrent funding for these going forward? We have spent quite a while racking our brains and have been unable to work it out.

**Ms Gallagher:** In terms of recurrent expenditure on the maintenance of—

**MS LE COUTEUR:** On the maintenance of footpaths and cycleways. Is that possible?

**Ms Gallagher:** We will see how we can break that down.

**Mr Gill:** We can take that on notice. It is not available in these papers.

**THE CHAIR:** That is taken on notice.

**MR HARGREAVES:** Is that because these budget papers are in fact based on an incremental budgeting process instead of zero based, so in fact as every year goes by, the base may shift, but you will not ever find the actual details of any program in an existing set of budget papers?

**MS LE COUTEUR:** I suspect you are correct but the problem is I want to find out—

**MS HUNTER:** The budget papers would be huge, but it would be great if you could take that on notice and get us that information.

**MS LE COUTEUR:** In terms of looking at the cycling and footpath maintenance, do you ever walk the footpaths or cycle on a bicycle, in terms of working out maintenance? You drive the roads to an extent.

**Ms Gallagher:** Tony rides his bike everywhere.

**Mr Gill:** Yes. We have a team of five inspectors and they basically do walk footpaths, walk cycle paths and indeed cycle as required. That is the only way you can get out and do it. As the Chief Minister mentioned, I am quite regularly on the bike myself.

**MS LE COUTEUR:** Is it a full-time job, inspecting—

**Mr Gill:** We have five people as part of Roads ACT staff whose role it is to inspect assets, including the range. It is not only cycle paths; obviously when they are out there they look at signs, street lights, pot holes.

**MR HARGREAVES:** Did you include the former Chief Minister in it, before you got to the figure of five?

**Ms Gallagher:** He's a volunteer.

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

**Meeting adjourned from 10.45 to 11.02 am.**

**THE CHAIR:** We will get started. The minister just mentioned that we will need to do waste management last because of staff availability. So after we finish on roads, we will go to land management, regulatory services and come to waste. Does anyone have any further questions on information services? If not, we will allow those staff to go. There do not appear to be any questions for information services; so you can go. I will go straight to Ms Le Couteur on roads.

**Ms Gallagher:** Can I just read into the record the answers to a couple of things that we took on notice?

**THE CHAIR:** Sure.

**Ms Gallagher:** The Heritage Library visits over a calendar to May, face to face, are 5,154, and page views are 955; 5.4 per cent of library collection is overdue as of today. In relation to suggestions received through fix my street, in 2010-11 there were 6,786 jobs reported. Suggestions comprised 259; so 3.8 per cent. And in 2011-12, there were 7,203 and suggestions comprised 237, or 3.2 per cent.

**MS LE COUTEUR:** Continuing on cycling funding, BP3, page 175, at the bottom there is a total of \$5.5 million for more walking and cycle infrastructure. Is that all actually new projects or is some of this for projects which have previously been announced? If so, what?

**Mr Gill:** This is actually new funding. These projects have not been announced. They would form part of the program of works that we have investigated over the last years.

**MS LE COUTEUR:** Are they for specific projects or are you saying that there is enough demand that we could spend this usefully on?

**Mr Gill:** Yes, the walking and cycling program is about trying to develop a network of walking and cycling infrastructure across the territory. That it is basically targeting filling in either new links or completing missing links in the network. For instance, in the 2012-13 year, out of that \$750,000 there are some works in Kingston Foreshore around Bowen Park, Bowen Place.

There are some works proposed in the Erindale centre. There are some recommendations in the Erindale master plan about the need to improve some footpath connections. There are some works proposed at Canberra Airport for the Glenora Drive linking of Pialligo Avenue into that area. There are also some works in Greenway east, the connection of the footpath in a particular area.

**MS LE COUTEUR:** Would you be able to give us a list of the works?

**Ms Gallagher:** Yes.

**Mr Gill:** Yes.

**MS LE COUTEUR:** It sounds like at least for the next year the money has already been allocated.

**Ms Gallagher:** Yes.

**Mr Gill:** Yes, there is always a large list of locations that come under consideration.

**MS LE COUTEUR:** I am sure there is a large universe of people asking for money. Is this money largely for construction or will some of it be going into design?

**Mr Gill:** It is a combination of design and construction.

**MS LE COUTEUR:** Would you be able to give us an idea of the proportions?

**Mr Gill:** Typically, five per cent.

**MS LE COUTEUR:** Typically, five per cent design and the rest construction. That is fine. That is the sort of thing—

**THE CHAIR:** You took on notice to get a list; is that right?

**Mr Gill:** I took on notice to get a list and probably no need to give any additional information.

**MR COE:** What would the cost be of, say, Majura parkway to include cycling infrastructure there?

**Mr Gill:** Majura parkway, it is \$288 million, but typically \$25 million per kilometre. That is the unit rate for Majura parkway.

**MR COE:** For cycling infrastructure?

**Mr Gill:** On Majura parkway? In terms of—

**Ms Gallagher:** It has an on-road cycle component. So are you talking about—

**MR COE:** Yes, I am talking about segregated ones.

**Mr Gill:** Segregated; we did some feasibility work on that in March this year. It talked about the cost of an off-road facility ranging between \$8 million to \$12 million. That really depended on whether you provided lighting along the route or not.

**MR COE:** And that might still go ahead?

**Ms Gallagher:** We are progressing that at this point in time. It is not included in the \$288 million.

**MR COE:** So why did it drop off?

**MS LE COUTEUR:** Why was it not included in the \$288 million?

**Ms Gallagher:** It was not part of it. It was not part of the original bid that we—

**MS LE COUTEUR:** Is it not an Austroads standard that for highways of that speed you have a segregated cycle road?

**Mr Gill:** The territory's policy in relation to the provision of cycling facilities, both on-road and off-road, requires that when new works get constructed you provide for cycle facilities. In the case of Majura parkway, at the time—this was in 2008 when the initial submission was made—provision was made for on-road cycling, because at that time a link between Gungahlin and the city was not identified as part of the main community network, which influences whether or not you provide an off-road facility.

Also, it was based on, I suppose, the fact that some leaseholders along the corridor have been keen to promote that area as a tourist facility—the benefits that would flow to groups such as CORC, Canberra Off Road Cycling, in terms of Majura pines. We think there is a case to provide a facility to complement the on road facility.

**Ms Gallagher:** So we are actively working on that. It can be built in the time. If we work our way through it, it can be run alongside the road project, so to speak, in terms of implementation. But there are some studies that need to be done.

**MS LE COUTEUR:** And what will the cost—

**Ms Gallagher:** It needs some approval, does it not—some environment approvals?

**Mr Gill:** The environment impact assessment for Majura parkway would not include all the requirements for the off-road facility.

**MS LE COUTEUR:** If the off-road facility was to be built later and not as part of the major construction, how much more expensive would it be?

**Mr Gill:** If it was built separately it would be about 20 per cent more expensive. So that is why we are taking the opportunity to do it at the same time.

**MR COE:** However, if you do not do it at the same time, it is possible you could meet a roadblock in terms of environmental approvals?

**Mr Gill:** No, we have done sufficient environmental assessments to be able to do that. We will secure environmental approval for the cycle facility. It is only minor—it is primarily—

**MR COE:** A segregated cycle path?

**Mr Gill:** Yes, it is primarily within the road corridor. It is only in a few locations that it goes outside that road corridor. So from an overall assessment point of view, we do not believe that will be an issue.

**MS LE COUTEUR:** We talked earlier about this money that has been allocated to cycling and you had a list of projects. How do you prioritise the spending of the money?

**Mr Gill:** For walking and cycling infrastructure generally?

**MS LE COUTEUR:** Yes.

**Mr Gill:** Or for footpaths?

**MS LE COUTEUR:** For walking; I am talking about the money at the bottom of page 173, cycling and walking infrastructure. How do you prioritise the expenditure, given that the list is a lot longer?

**Mr Gill:** There are a few approaches. Last year we commissioned a piece of work that looked at priority infrastructure for walking and cycling needs. That was the Cardno work. That was a report that involved community consultation, input from various stakeholder groups. That came up with a list of locations. Subsequent to that we have identified a number of locations in each of those districts across Canberra and had a working group consisting of people from Pedal Power, the Pedestrian Forum, NRMA and others that went through and confirmed the feasibility and then discussed the priority.

It is really what benefit does a particular link provide to a particular area—what is the catchment, how many people will it attract in terms of walking and cycling and, I suppose, the number of people that will benefit divided by the cost of it. So it is a simple cost-effectiveness sort of approach.

If you go down to a more quantitative or economic analysis point of view, it becomes difficult because of the lack of data available for being able to substantiate that. It becomes an issue. We are trying to address that by collecting data. In March this year we started collecting data on walking and cycling in each of the town centres. That will provide the basis for future programs. But at the moment it is simply the benefit that will be developed by constructing this link divided by the cost of it.

**THE CHAIR:** I have a question on park and ride. Obviously, there was funding allocated in the previous budget. I think Calwell, Kippax and Erindale have been listed in some of that funding. What is the time line for those? We had a community group here saying they were a bit concerned about some of the delays and wanted to make sure that particularly Kippax and Calwell were still going ahead.

**Mr Peters:** We put out a tender on 9 June for construction of three facilities: the one at Kippax, one at Bruce, University of Canberra, and one down at Calwell. It went out on 9 June and closes on 3 July.

**MS HUNTER:** Where is the location of the Kippax one?

**Mr Peters:** The Kippax one is on Southern Cross Drive, corner of Moyes Street and Southern Cross Drive.

**THE CHAIR:** When did you say the tender will come back?

**Mr Peters:** The tender went out on 9 June, closes on 3 July.

**THE CHAIR:** What is the indicative time frame for those to be constructed?

**Mr Gill:** Six months.

**Mr Peters:** Six months.

**THE CHAIR:** So six months from when—

**Ms Gallagher:** From the tender award.

**THE CHAIR:** From the tender being awarded?

**Mr Peters:** Yes.

**THE CHAIR:** In that vein, on the Erindale bus station and the feasibility study, there was funding in the previous budget—I think just over \$3 million—and the estimated completion was February this year. Now we have got some additional money in the budget for design. I am wondering what have been the delays in completion and why there was not design money approved in the original budget allocation.

**Mr Peters:** We originally had consultants on board to look at a park and ride site for us at Erindale. They had come up with a design along a street called McBryde Crescent near McDonald's. There was then a master planning process undertaken around Erindale. When we put those two things together, the location of the site plus feedback from businesses and stakeholders in the area suggested that that original solution along McBryde Crescent probably was not the most desirable. So we pulled back from that and have come up with a more integrated design that works with the future of the centre. This design funding is about getting that new facility to work.

**THE CHAIR:** It has been in relation to those concerns that have come through the community.

**Mr Peters:** Yes, the original design. There was a lot of feedback from the community about how that might work. We think we have got a better design now.

**THE CHAIR:** The \$3 million that was in the previous budget, that is still dedicated to the Erindale work?

**Mr Peters:** I might have to take that on notice. I think it has been reallocated to other bus stations and park and rides.

**THE CHAIR:** Will more money have to be found to do that Erindale work, even though it was meant to be completed this year?

**Mr Gill:** We will take that on notice.

**THE CHAIR:** So that will be taken on notice?

**Mr Peters:** Yes.

**MR SMYTH:** Just to be clear: the money for Erindale has now been dedicated to other projects?

**Mr Peters:** I will take that on notice.

**MR SMYTH:** That would, therefore, require an appropriation in the 2013-14 budget because it is not in the 2012-13—

**Ms Gallagher:** We will just take it on notice.

**THE CHAIR:** If we can get that information, that would be good.

**MR SMYTH:** Just further on Erindale, is what is proposed consistent with the master plan?

**Mr Peters:** Yes. What we have now come up with is a bus station and stops that are integrated with the future of the centre. More or less what we are talking about is something along Ricardo Street.

**MR SMYTH:** There are other concerns—this is perhaps more for Mr Gill, and we discussed this when we discussed Ashley Drive—about pavements and crossing points. On the other side of Sternberg Crescent there are aged-care units and other things. Is there money in this year's budget to do that work?

**Mr Gill:** As I mentioned in one of the earlier responses, some of the money from the walking and cycling program will be spent on Erindale centre. Only last week I walked around the centre with Bill Heins from the community council and along Sternberg Crescent, Comrie Street and Gartside Street. We have got a package of works so we can address issues there.

**MR SMYTH:** What is the likely funding to address that?

**Mr Gill:** I think in the order of \$200,000 to \$300,000 as the package of works.

**MR SMYTH:** That will start when and finish when?

**Mr Gill:** It will be done during the financial year, but we have walked through the site. I have identified where the improvements can be done. In themselves, they are not very large but they are important.

**MR SMYTH:** They certainly are. Thanks for that.

**MS HUNTER:** I just want to ask about the other bus projects. We have in here Barton bus station and Dickson bus station, which seems to have been moved and classed as a saving. If we look at budget paper 3, page 163, there are a couple of things that show up. It shows that we have had some money put in for Dickson bus station, but then it seems to have been removed and is showing up as a saving. I am getting a bit confused about what projects are out there at the moment. What is going to be done in this next financial year and the couple of financial years after as far as Barton and Dickson and the city layover are concerned?

**Mr Peters:** Just in terms of Barton, that money that we have allocated in 2012-13 is for the construction of a bus station at Barton. The other, the city layover study, is actually being led by ESDD. If you look at BP4, it is still a planning exercise at this stage. That study is still with ESDD, which is why it has been transferred out of our budget. I am sorry, what was the third one?

**MS HUNTER:** There was the city layover, Barton and Dickson.

**Ms Gallagher:** Dickson.

**Mr Peters:** Dickson is actually part of the Northbourne Avenue transit corridor project. The decision on what is actually designed there really depends on what is done in Northbourne Avenue. That is why it has been taken out of there.

**MS LE COUTEUR:** While we are talking about bus stations, and I know this is a bit bigger, but what is your involvement with the potential Woden bus interchange redesign project?

**Mr Peters:** That project is essentially being led by EDD. They have a steering committee which I sit on. We have significant input into that project in terms of how a bus station needs to work with the redesign of that area in future. We know about the project, we are involved in it and we are providing technical advice about how a bus station would work in a redeveloped centre.

**MS HUNTER:** It is actually on page 220 of budget paper 3. With the city bus layover, it is claimed on page 220 that it is a saving, but on page 115 of budget paper 4 it says that it has been re-profiled and that the money is being spent in 2012-13. Could you explain that?

**Mr Peters:** Just in terms of the project, Dickson is actually part of that Northbourne corridor project, so it is with the Environment and Sustainable Development Directorate. As to the design funding for the city layover, they have not actually done the feasibility study or completed the feasibility study in ESDD, so we have not commenced the design. As to how the funding has been moved around, I might have to take that on notice to explain that.

**THE CHAIR:** That will be taken on notice.

**MS HUNTER:** That would be good. When is it your expectation that that work will be done by ESDD, or is it now—

**Ms Gallagher:** It is subsumed into that, which ESDD are primarily leading.

**MR COE:** I see in budget paper 4, page 116, in changes to appropriations that \$6 million for the GDE from 2011-12 has been rolled over into 2012-13 and a little bit into 2013-14 as well. I am just wondering what that is for and the reason for the rollover.

**Mr Gill:** That money is part of the Gungahlin Drive extension. At the end of the project we have spent some money on landscaping and also an extended maintenance period of two years. That money has been rolled over into the current year and subsequent year. Basically, it covers the landscaping works which are currently happening primarily in the vicinity of the Glenloch interchange. The subsequent funds will be for a two-year maintenance program along the corridor, the whole route, to maintain it so that when it is handed over to PACS within TAMS it will be in fairly good condition.

**MR COE:** There is a bit of *deja vu* here, I know, but how much of that will be spent on landscaping?

**Mr Gill:** \$3 million is landscaping and the balance is for the ongoing maintenance.

**MR COE:** So of that \$3 million, is any of that deemed to be essential sort of earth moving-type landscaping or is it more aesthetic-type stuff?

**Mr Gill:** It is a mixture of hard landscaping and soft landscaping, like gabion walls. If you drive through the Glenloch—

**MR COE:** Hard landscaping is like retaining walls and that type of stuff?

**Ms Gallagher:** Yes, so it is not all trees.

**Mr Gill:** It is not all trees, no.

**MR COE:** It is not rolling to the arboretum.

**Ms Gallagher:** I have had some discussions with Roads ACT about how the landscaping is conducted with a view to minimising traffic disruptions.

**MR COE:** Sure. With regard to the road surface on the GDE, there seem to be patches where it deteriorates quite quickly. Are you satisfied with the quality of the surface? What improvements can be made to get a longer lifespan out of some of those—

**Mr Gill:** The Gungahlin Drive extension project has been handed over to the territory, but it is still in what they call a defects liability period, which is a 12-month period. We have gone through and tested the road pavement—and you are right, there are some spots that are showing signs of deterioration. We will be going back to the contractor with a view to having that aspect addressed. In terms of the issues, it is a question of whether it is a design issue, whether it is a construction issue or whether it is influenced by the materials used. We have to go through and then, in fairness to the various parties involved, establish what is leading to the deterioration in those few locations.

**MR COE:** Sure. So there is no cost to the territory for those repairs?

**Mr Gill:** No cost to the territory. That is why we have a defects liability period and that is why we are going to undertake some additional testing.

**MR COE:** So, in effect, any potholes that get repaired are covered under warranty.

**Mr Gill:** During that period, and the defects liability period goes up to September this year, given that the road opened up last year at around that time.

**MR COE:** With regard to Clarrie Hermes Drive, when you go over the crest and in towards Nicholls when you are travelling from the Barton Highway, the road surface changes and it goes to a—

**Mr Gill:** A chip seal.

**MR COE:** Yes, it is a smoother surface and it is a quieter surface, I understand, on the Nicholls-Casey side. How much more expensive is that surface compared to the other half of the road where it is obviously noisier and rougher?

**Mr Gill:** In a straight-out comparison it is about six to seven to one; it is in that order. You are comparing an asphalt surface and a chip seal surface.

**MR COE:** Yes. The asphalt surface is the part—

**Mr Gill:** That is the quieter surface.

**MR COE:** That is the quieter surface in between Casey and Nicholls?

**Mr Gill:** Yes. The chip seal surface is the section that goes on to the Barton Highway.

**MR COE:** Okay. So six to seven times more expensive; that is for the capital cost. However, what is the whole of life cost for that surface compared to chip seal?

**Mr Gill:** To give you an example, at the moment 90 per cent of the territory's maintenance program is using chip seal and the balance is using asphalt. It spends about \$12 million a year on its road resurfacing. If we were to convert all our program to asphalt, we would need an additional \$24 million per annum to do that. So, even if there is a better whole of life cost for asphalt, by the time you recover the initial capital cost it is just not economic.

**MR COE:** The road surface for the Federal Highway is a concrete of sorts, is it not?

**Mr Gill:** Concrete in New South Wales and asphalt in the territory.

**MR COE:** The concrete in New South Wales now must be coming up to 10 or 15 years old perhaps, especially around Lake George. Do you know whether that is holding up well?

**Mr Gill:** No. Sections of it have had to be replaced. There have been sections of it that have cracked.

**MR COE:** And will the surface at Majura Park be asphalt or concrete?

**Mr Gill:** It will be asphalt. It will be what in technical terms is called full depth asphalt, suitable for use by heavy vehicles and a good whole of life costing. As part of the design assessment process whole of life costing basically arrived at that being the most suitable for that particular road.

**MR COE:** Do you envisage that the road base will come from local quarries?

**Mr Gill:** Quarries within the Canberra region, yes—not just local quarries, because there is a limitation there.

**THE CHAIR:** We are going to have to move on because—

**MS HUNTER:** Can I just—

**THE CHAIR:** No. I am sorry but we have to move on, because we have a staff member who has to leave. I will go to you first, Ms Le Couteur, for land management.

**MS LE COUTEUR:** BP4, page 104, output land management, the cost to TAMS for land management is scheduled to drop by \$8.5 million between 2011-12 and 2012-13 and there was a similar drop in the 2011-12 budget. We will now be dropping to \$76.6 million. We started off two years ago at—

**Ms Gallagher:** Ms Le Couteur, do you reckon we could just start that again; there was a bit of a kerfuffle over this side.

**MS LE COUTEUR:** Yes. In budget paper 4, page 104, basically the cost to TAMS for land management is scheduled to drop by \$8.5 million between 2011-12 and 2012-13; it will go from maybe \$85.2 million to \$76.6 million. There was a similar drop last year in the 2011-12 budget, when the estimated cost in 2010-11 was \$92 million. So the trend is that we are basically losing \$8 million a year into land management. How are we managing to achieve this reduction in cost? Is it going to continue into the future?

**Mr Byles:** Gordon Elliott, the Chief Financial Officer, might be able to provide a response to this.

**Mr Elliott:** You will note there that we have got a government payment for outputs figure of \$66.5 million and in 2012-13 down to \$64.6 million. So there has been only about a \$2 million reduction and that relates to some internal restructuring. We did have an asset acceptance group previously in this output and it has transferred to output 1.5. So initially that is the GPO reason for the variance.

Then I will go to the total cost variance. Initially there is \$2.2 million from the internal restructure. This output also includes the bushfire insurance program, which last year was around \$2½ million to \$3 million in expenses. So, whilst you will see that figure in 2011-12, that budget is still to be developed for 2012-13, so that will account for a further \$3 million of that variance.

This output also includes some storm insurance expenditure as a one-off for 2011-12. So, whilst that will be in 2011-12, it will not be in 2012-13. You will see that several items will contribute to that full \$8 million variance.

**MS LE COUTEUR:** You may need to take this on notice so that it is easier for us, but could you provide a breakdown of the costs by the various responsibilities under land management and, if possible, include the last two years, or at least the last year as well as the coming years, so that we can see what is happening?

**THE CHAIR:** That has been taken on notice.

**MS LE COUTEUR:** I understand you as saying that there have not been any services cut or cancelled, or am I confused?

**Mr Elliott:** My point was that, whilst we transferred about \$2 million in GPO to another output—

**MS LE COUTEUR:** It was still being done by—

**Mr Elliott:** Yes; these additional costs I ran through are government funded. They are more insurance related, for example.

**MS LE COUTEUR:** Okay. And it appears that costs are higher than government payments. Am I correct in that? If so, where does the money come from? Is it all to do with the insurance?

**Mr Elliott:** Yes. There will be some issues such as depreciation, for example. We need to cost depreciation of assets to this output. That is an unfunded expense. Also the bushfire insurance, for example, is moneys that we have held, if you like, as a provision; that is not government funded either so that is elsewhere in the balance sheet, for example.

**MS LE COUTEUR:** We will possibly ask some more when we get that breakdown from you, because we are a bit confused. But one thing we definitely are confused about: we are trying to track how much money is being spent on the urban forest. Budget paper 3 on page 289 says that a key priority is implementing the agreed recommendations made by the Commissioner for Sustainability and the Environment's inquiries into the urban forest. In February 2011 the government's response agreed to some of the recommendations and agreed in principle to almost all of them, but it did say at the time that most of the decisions on those agreed in principle were going to be deferred for the budget process, quite reasonably. Is there somewhere we can see an explanation, now the budget has happened, of which of the ones that were agreed to in principle because they were waiting on the budget have now been implemented?

**Ms Steward:** I am sorry; I am really having difficulty hearing you. You were asking—

**Ms Gallagher:** The budget for the urban tree—

**MS LE COUTEUR:** Budget for the urban trees, yes, and in particular lots of the commissioner's recommendations were agreed to in principle, waiting for the budget. Is it possible to see, of those agreed in principle and waiting for the budget, which have been implemented, as a list or something—funding overall for urban trees and the recommendations?

**Ms Steward:** Yes, we can. There is a program that is well underway in any case. The money that was appropriated for the tree management program has resulted in an audit that identified trees that were dead or in a state of decline and that needed to be removed but were not urgent and a replacement tree planting program. The body of work associated with that is well and truly nearing completion for this financial year and it was fully funded.

**MS LE COUTEUR:** So can you tell us how much money is actually going to urban trees this year? We spent time and we could not resolve the answer to that from our reading of the budget papers.

**Ms Steward:** I will direct that to my director.

**MS LE COUTEUR:** And preferably not just this year but the outyears as well. The commissioner made recommendations about funding for the program. We are trying to work out where they are being carried out.

**Ms Flanery:** In respect of funding in the budget for the urban forest program and urban trees in general, there is about \$6.1 million or \$6.2 million allocated towards tree maintenance works. Tree maintenance works include planting, pruning and removal.

**MS LE COUTEUR:** Okay, and do you know the figures for the outyears?

**Ms Flanery:** The funding is recurrent funding, so I assume that would continue.

**MS LE COUTEUR:** So we could expect approximately \$6 million ongoing for tree maintenance and replacement?

**Ms Flanery:** Yes, for maintenance works as well, not just planting and removal.

**MS LE COUTEUR:** Yes, the whole job with the urban forest is about \$6 million a year. My other question related to the commissioner's recommendations that you had agreed to in principle and the response was that you had to wait until the budget. Would it be possible for you to go back to that and say which ones, now the budget has happened, have actually been actioned? You might want to take that on notice.

**Ms Flanery:** Certainly that body of work is well underway; we are happy to provide that.

**MS LE COUTEUR:** Great.

**THE CHAIR:** There were a couple of things taken on notice there.

**MS LE COUTEUR:** The \$6.1 million in this budget for trees is new funding or continuing?

**Ms Gallagher:** That is the allocated budget. It is there every year.

**MS LE COUTEUR:** I thought it was more than the previous year, but it is not additional funding? How much additional funding for trees is there in this budget?

**THE CHAIR:** Is that question taken on notice?

**Mr Byles:** We will take it on notice so that we can, firstly, clarify the nature of the question and, secondly, give the precise answer.

**THE CHAIR:** Thank you very much.

**Ms Flanery:** Sorry, could you just state the question again so that I know exactly what I am answering.

**MS LE COUTEUR:** Basically, the question was about tree funding. You say there is \$6 million recurring for it. How much of that is new? It would appear to us from what you are saying that now there must be a fair amount of new, because we thought that the last budget had \$6.2 million over four years, so if it is \$6 million a year now, there must be—

**Ms Gallagher:** That is in the base. There was not new funding allocated for urban trees under the new initiatives or the capital in this budget. Those appropriations in the past have built on the base and that base of \$6 million per annum is there going forward.

**MS LE COUTEUR:** And that is all, the \$6 million per annum—

**Ms Gallagher:** For this financial year that is the case, and then obviously next budget there is another round. I am sure TAMS are already drafting their business cases as we speak.

**MS LE COUTEUR:** One hopes so. But you will give us a breakdown of the urban tree funding and where we might find it in here.

**Ms Gallagher:** Yes.

**MS LE COUTEUR:** As we look at it, you are short on the commissioner's recommendations.

**THE CHAIR:** That has been taken on notice.

**MS HUNTER:** We have got rangers in TAMS who are on the ground and do that work. But the policy work is done over in the Environment and Sustainability Directorate. There is an ongoing concern about how these things are integrated and how, I guess, they talk to each other and work together so that what one is doing in research and policy is then being carried out by those on the ground. So my question is: how is this done? What have you got in place to make sure that that discussion, that interaction, occurs?

**Ms Steward:** The arrangement between the two directorates is really based on an existing relationship that existed at the time that the structural changes were made. There are formal committees in place and as a consequence the dialogue between the two areas is very productive. The policy people in ESD understand the importance of their work; likewise, the Parks and Conservation staff understand their dependence upon expert advice. They work together collaboratively very well, and after the new structure was put in place they did formalise a regular monthly meeting so that they could get together and just work through all of the operational and policy matters that come before them, because there is a program of work that they work towards.

**MS HUNTER:** Doesn't it make more sense to have them co-located and in the same directorate, minister?

**Ms Gallagher:** In this brave new world of one public service, those silos need to be broken down. I am relatively new to this portfolio, in having ministerial responsibility for it. From my point of view I have not noticed any significant disadvantage—in fact, any disadvantage—from having ESDD develop policy and the land area within TAMS implement it.

**MS HUNTER:** Are we able to get a breakdown of ranger numbers in the budgetary allocation between the ACT, urban parks and Canberra nature park?

**Ms Steward:** Yes, we can.

**THE CHAIR:** That is taken on notice.

**MS HUNTER:** And do the park rangers that are assigned to Canberra nature park also have urban park responsibilities?

**Ms Steward:** No, they do not. They are two discrete groups. They have different requirements, different responsibilities and different skill sets. But of course they do talk to each other. In Canberra nature park of course they will notice certain sorts of things where because of the interface they need to talk to their counterparts in city services to pass on information where there are problems in terms of vandalism or antisocial behaviour or some such. Again it is a seamless relationship between the two groups, albeit that they do have distinct responsibilities that are different.

**MS HUNTER:** And how many FTE do we have in each category? Are we able to—

**Ms Steward:** In the environmental rangers, 37. I would have to get you the figure for city services.

**MS HUNTER:** Thank you. And have the numbers been dropping in either of those categories?

**Ms Steward:** No.

**MS HUNTER:** Have they been increasing?

**Ms Steward:** We did get one additional person at the pound. That was a kennel master. No, we have not increased the number of FTEs.

**MS HUNTER:** It has been raised that there are more people out there using Canberra nature park and other places. Has it come to your attention that there may be a need for an increase, considering that more people are going out to enjoy those areas? I guess that does also increase the chances that there is activity going on that is a bit of an issue, that needs to be monitored and so forth.

**Ms Steward:** We really do encourage as many people to use Canberra nature park as possible. Yes, it does mean there is a bit more wear and tear in terms of the tracks and

the like, but the more people that use it the less likely there is antisocial behaviour resulting in vandalism and the like that means that we have got other work to do. So there are benefits in having more people there.

Where that translates is not in a requirement for additional FTEs, because you have still got the same number of people who have to supervise contractors associated with a parcel of land. The rangers are not out there necessarily doing the on-ground work. Their role is to make sure that there is a program of work in place that does respond to whatever the requirements are and to supervise GSOs and contractors in terms of the ongoing work program.

**MR SMYTH:** I have a number of issues. Minister, as a consequence of this budget are there any changes envisaged to the fire management unit?

**Ms Gallagher:** No, not as a consequence of this budget. Indeed, there is an ongoing resolution of the Assembly that I am to update the Assembly if there are changes to the fire management unit.

**MR SMYTH:** Does the ACT government have a policy on playgrounds?

**Ms Gallagher:** What do you mean? What sort of policy?

**MR SMYTH:** A policy to implement playgrounds—

**Ms Gallagher:** We have a playground upgrade program and safety audit.

**MR SMYTH:** That is a program. Do you have a policy that residents can go and consult as to the locations of playgrounds, what sort of—

**Ms Gallagher:** Yes, that is all available.

**MR SMYTH:** That is all available? Where is it available?

**Ms Gallagher:** The TAMS website.

**Ms Steward:** Yes, through the playgrounds upgrade program—you will find it on the TAMS website—the forward program is where we identify the play spaces. The same applies to shopping centres that we are looking at and any community engagement opportunities and the like. So, yes, there is a program. That has been in place.

**MR SMYTH:** That is the program. But is there a policy—each town centre gets a town centre park and then a suburb is entitled to an area—a policy that people can go and reference—

**Ms Steward:** A strategy, yes.

**MR SMYTH:** whether or not they are getting the level of parks that they deserve.

**Ms Steward:** Yes, we do have a strategy. That strategy defines the level of park and the infrastructure in that park. Whether it is a district, a local or a neighbourhood, it

says where they are now. The body of work in terms of defining where there should be any shift or change in that is something that comes through ACTPLA, through their whole planning processes. As they look at changes in the city, new release areas and the like, they will look at where the needs are. We work with them. We have representation on a committee so that we can get some insight into where that is heading and then that will influence our decisions about playground upgrades.

**MR SMYTH:** Sure. There is on the TAMS website an area that refers to play, parks, conservation and land and there is “Playgrounds policy” where it says:

The contents of this webpage are currently under review. An updated Policy is expected in 2007.

Where would an ordinary person logging on and doing a search for playgrounds policy go and look after they found this reference? And is it true that—

**Ms Gallagher:** I imagine they will call Canberra Connect and then they will be provided with extensive information. I will have a look. Obviously that is out of date, Mr Smyth. We can have a look at that. But I would also say that I do not think any government prior to ours has invested more in playgrounds and in creating fantastic play spaces for children than we have. Just go and walk the shore of Lake Ginninderra. Go out to Yerrabi. Take a look at the parks that have been upgraded as part of the community facilities. I go to these all the time. They are fantastic.

**MR SMYTH:** Indeed. I used to go to them all the time when I was a TAMS minister, and, yes, we all build parks. But is there a policy or not?

**Ms Steward:** There is a strategy; perhaps it is the word. We will need to obviously update the website, but there is a strategy that clearly defines—

**MR SMYTH:** So when was that strategy released?

**Ms Steward:** I will have to check that out. I will take that on notice. The strategy would have been, I think, two years ago, but I will have to check that.

**MR SMYTH:** Could you provide a copy of that strategy and the link to where it is so that I can provide it to my constituents?

**THE CHAIR:** That is taken on notice.

**Ms Gallagher:** I must say I have never had a request for one from my constituents who have contacted me.

**MR SMYTH:** But there is a hierarchy as to whether or not—

**Ms Gallagher:** Yes, there is. You know that.

**MR SMYTH:** I do, but you cannot find it on your website. People have been looking for it. They cannot find it.

**Ms Gallagher:** All I am saying to you is that the constituent inquiries I get about playgrounds are not about strategy. They are, “I’d like an upgrade,” “I’d like a swing,” “I’d like a flying fox,” “I’d like some soft fall,” “When are you going to upgrade this park?” “How long is Black Mountain going to be out of action for?”

**MR COE:** It is interesting you should mention soft fall. Have you encountered any challenges with the installation of soft fall?

**Ms Gallagher:** The maintenance is probably the big issue—vandalism and costs.

**MR COE:** I am particularly interested in the maintenance and the longevity of the soft fall which has been installed.

**Ms Steward:** It partly is dependent upon weather conditions and the amount of use it gets. But, yes, there is an ongoing program—and there is in this budget an amount that has been dedicated specifically for upgrading some of the soft fall and some of the bark chip areas—

**MR COE:** Has any of the soft fall had to be replaced within a year at cost to the territory?

**Ms Gallagher:** It would have had to be if it was vandalised—if it was burnt, for example, which seems to be one thing that happens to soft fall.

**MR COE:** Yes, but otherwise is there any that was either inappropriately installed for its type—I do not know the technical name for the one that goes as a liquid or a fluid as opposed to the soft fall which is rolled out—

**Ms Steward:** I would have to take advice specifically on soft fall types and where there is any specific problem. I do know that as part of our whole maintenance program we do know where there are problems with some of those areas and those funds will be used to replace that soft fall.

**MR COE:** I have been advised that some of the soft fall which has been procured has been inappropriate for ACT weather conditions and as such has deteriorated very quickly and that some has to be replaced within a year at cost to the territory because of poor selection of the actual soft fall. If you are able to provide any additional information on that, that would be good.

**Ms Steward:** Again I am not aware specifically of that problem, so we will—

**MR COE:** Sure, okay.

**THE CHAIR:** That is taken on notice.

**MR COE:** I have a question about the mowing contracts. I understand there were a few issues with the new contracts and getting them underway early in the year. Could you give us some background as to what happened there?

**Ms Steward:** As you know, it was one of the wettest seasons we have ever had. It was

really a case of in order to keep up with the mowing program we were injected with additional funds to do that, and there is only a limited number of mowers and contractors that we can draw upon. We did achieve it in the end, but we did have to cast the net fairly wide, outside the immediate ACT area, to be able to get the contractors to meet the program.

**MR COE:** That is interesting, because there were some contractors that were put out of work in the middle of summer, so it was not quite a matter of not having enough people. There were contractors that lost contracts. What happened at the transition which led to there being a period where grass was not being mown?

**Ms Steward:** For the mowing program on the whole, once we put in the new service levels, we did catch up to speed. Occasionally we did get behind for a week or two. But again that was partly dependent on the weather. In most cases they were able to catch up. It was very rare that we were substantially behind in our mowing program.

**MR COE:** I and a number of constituents received information which said, "Regrettably, the transition from one contractor to another earlier this year resulted in some delays to the regular schedules and a temporary decline in the usual standard of service." What was not anticipated which led to that problem? And why would you change contractors in the middle of summer?

**Ms Steward:** I cannot make any comment specifically about an individual contractor. That would be inappropriate. It is a competitive process. I am sorry; unless I know more details about the nature of the question, I cannot answer that.

**MR COE:** Sure. Do you know how many of the contractors are locally based businesses?

**Ms Steward:** I cannot answer that.

**Ms Flanery:** Not specifically, but we can take that one on notice.

**THE CHAIR:** That is taken on notice.

**MR COE:** It would be good if you could please take on notice how many are local-based contractors now as opposed to before the recent contracts were awarded. Still on that issue about the transition from one contractor to another, which led to delays, what was the problem?

**Ms Flanery:** The mowing program is quite complex. The issue there which happened in one specific region related to start and finish dates of one contractor to another. The new contractor indicated they could start at a certain date but for a range of unforeseeable reasons could not and then they started and an effort was made to catch up on that program.

**MR COE:** So the old contractor ceased doing mowing services in the ACT in which month?

**Ms Flanery:** I would have to take that on notice.

**MR COE:** Okay, so there was not actually a shortage of mowers out there if a business had a mowing contract—

**Ms Gallagher:** I think we are talking about two different things here. I think Ms Steward has been talking about the mowing program overall, the fact that the wet weather impacts on that and the need to recruit additional staff to that. What you are talking about is an isolated issue about a transition from one contract to another that was done through a competitive procurement process. So they are two different things.

**MR COE:** But they are very much linked, because earlier it was said there was a shortage of mowers—and there is no shortage of mowers, given—

**Ms Gallagher:** Through successfully winning government work I think is probably the key issue here.

**MR COE:** So what you are saying is that there was dissatisfaction with the previous mowing?

**Ms Gallagher:** No, I am not saying that at all. I do not get involved in tender selection. What I am saying is that there was a competitive process; new arrangements were put in place. Overall the mowing program subsequently got some additional funds in order to allocate additional work, and that would have gone through a competitive process as well. Whether everyone was happy with that or everyone got the work they wanted is another question. But the key issue here is a clear tender process, an awarding of government work and with the work that was available, which was topped up because of the wet year.

**MR COE:** How many areas of mowing are there in terms of clusters?

**Ms Gallagher:** In terms of how it is regionally structured?

**Ms Flanery:** There are five regions.

**MR COE:** Is one contract awarded for one whole region or do you get a part of that region?

**Ms Flanery:** The mowing program is complex. They are not awarded a whole region. It relates to type of work—dry land mowing, sportsgrounds, fire works—

**MR COE:** Would I be right in thinking there are 19? Would that be about right?

**Ms Flanery:** Just to clarify, there are five regions but there may have been 19 packages of work that were put out.

**MR COE:** I would be keen to know—

**THE CHAIR:** This will need to be a final question on that.

**MR COE:** I would be keen to know, of those 19, how many are local businesses and

which contractors were awarded.

**Ms Gallagher:** That information is interesting, but it is a competitive process and value for money—

**MR COE:** I am not making any judgments yet; I am simply asking for information.

**Ms Gallagher:** Okay.

**THE CHAIR:** So that has been taken on notice?

**Ms Gallagher:** Yes.

**THE CHAIR:** Ms Le Couteur. Then we will move to regulatory services.

**MS LE COUTEUR:** BP4, 116, refers to weed control in Lake Burley Griffin. The 2011-12 budget committed \$300,000 over two years for it, but from page 116 it appears that only \$100,000 was spent last year and that funding for this year has been cut. Is that correct?

**Ms Gallagher:** We are on 116 of budget paper 4, are we?

**MS LE COUTEUR:** Yes. I looked at it a minute ago and I will—

**Ms Gallagher:** And we are going—

**MS LE COUTEUR:** It is on the second half of the page.

**Ms Gallagher:** That has been brought forward, by the look of it.

**MS LE COUTEUR:** Yes, but if you look at the year before, there was \$300,000. Our interpretation, and we are asking for confirmation, is that—

**Ms Gallagher:** We have spent \$400,000 without taking—

**MS LE COUTEUR:** How was—

**Ms Gallagher:** It looks as though we have brought that forward. I think that is the issue. It was money expected to be spent in 2012-13. From my reading of that, it has moved forward.

**MS LE COUTEUR:** Can you give us a reconciliation of last year and this year? Our reading of budget paper 4, page 86—

**Ms Gallagher:** From last year?

**MS LE COUTEUR:** I think it is from last year. Our interpretation is that the money has been cut compared to last year. If you believe that in fact the money has just been moved forward, can you just give us—

**Ms Gallagher:** That is what that indicates.

**MS LE COUTEUR:** Yes, I can see that, but what I am saying—

**Ms Gallagher:** What we are missing here is the 2010-11 year. Is that right?

**MS LE COUTEUR:** Yes, we—

**Ms Gallagher:** It is the 2011-12 budget and what that had.

**MS LE COUTEUR:** Yes. Our interpretation was that the money has been cut. If you do not think that is correct—

**Ms Gallagher:** It has not been.

**MS LE COUTEUR:** Could you take it on notice—

**Ms Gallagher:** It has not been cut. It has been brought forward.

**MS LE COUTEUR:** to reconcile that with last year's allocation?

**Ms Gallagher:** It has not been cut, Ms Le Couteur. It has been brought forward.

**MS LE COUTEUR:** Okay. We will try and pursue more questions on this, I guess, because that is how we read it.

And there is another funding one. This is on page 319, which is admittedly not TAMS. The reason I am asking is—the 2011-12 budget allocated \$300,000 over three years to conservation measures for threatened species. This is budget paper 4, 76. We understand that this funding has been transferred to ESDD, but it appears to have been cut back substantially, to \$60,000 in 2012-13 and no further funding afterwards. Firstly, have we interpreted this correctly? You may need to take that on notice, but that is our interpretation of the figures. If that is correct, why was the money scaled back? And regardless of whether it is correct about scaling back or not, why has it been transferred to ESDD?

**Ms Gallagher:** Can you just draw to my attention what you are referring to, Ms Le Couteur? I am looking at 319.

**MS LE COUTEUR:** I did not have the page at the time I was reading it out to you, so I will have to find it.

**Ms Gallagher:** I am just trying to make sure we get exactly what you are talking about.

**MR SMYTH:** BP3 or BP4?

**MS LE COUTEUR:** My notes say BP4, 319.

**THE CHAIR:** It is down there: conservation measures for threatened species.

**Ms Gallagher:** Yes, I see. It is rolling over that money into 2012-13—\$60,000.

**MS LE COUTEUR:** Our interpretation is that this is in fact a cutback on what was previously allocated. And whether or not that is the case, it seems to have moved out of TAMS into ESDD. Firstly, can you give a confirmation? If you think it has not been cut back, can you just explain, compared to—

**Ms Gallagher:** It is just in the technical adjustments section. It is not a saving. But we would have to consult with ESDD on this.

**MS LE COUTEUR:** Could you take that on notice?

**Ms Gallagher:** Yes.

**THE CHAIR:** That is taken on notice. Just one final question.

**MR SMYTH:** Chief Minister, over the last four or five years there has been a lot of discussion in estimates about Pialligo quarry. The former Chief Minister told us that it had all been fixed. It has not been fixed. The quarry is currently shut. The sole operator is not trading and not earning an income. WorkCover, ACTPLA and TAMS are all involved. When will there be a resolution?

**Ms Gallagher:** As soon as possible. And I understand that you have had quite an extensive briefing on this.

**MR SMYTH:** I have had a briefing, but the position changes, in some cases daily, as to who is involved and what is involved. When will the issues be resolved such that this gentleman can get back to supplying the Canberra construction industry with the stone that comes from the quarry?

**Ms Steward:** The most recent discussions were held, I think, last week, between all of the parties. It was agreed that the proponent would be provided with an opportunity to undertake the remediation work that has been required by WorkSafe independently of any other work that TAMS might have to do. He has also been made aware that he will need to get licences in order to undertake that work. ACTPLA is providing the information to him to enable him to prepare whatever plans are necessary for him to be able to be granted the licence. So it is now in the proponent's court, working with ACTPLA to prepare that information. That was the resolution at that point in time. He seemed to be quite happy that at least that was a way forward that was okay with him.

**MR SMYTH:** What was the purpose of the visit to the quarry yesterday by two officers from the investigation unit in the utilities, land and lease regulation section? The problem for this gentleman is that the game just keeps shifting. There are agreements made and then other things are piled on top of it. When can we distil this down to a point where it can be resolved?

**Ms Steward:** I would have thought that if ACTPLA arranged for two of its officers to go on site, it would have been with a view to determine what conditions would be necessary for the proponent to comply with—the work that would be necessary for

him to be able to legally undertake the work that he wishes to do. I would have thought a site inspection was a pretty sensible way to go about it in the first instance.

**Mr Byles:** But again, Mr Smyth, I suggest that it might be appropriate to direct that question to ESD. I certainly do not have any knowledge of that, and I am not sure that Ms Steward has any knowledge.

**Ms Steward:** No, I do not, but I would have thought that as part of the normal process there would be an exchange between the proponent and ACTPLA staff so that they could discuss what would be necessary for him to be able to achieve the licence he wishes to get.

**MR SMYTH:** But he was unaware of the visit. They just turned up. If you are not aware of the visit—you said two weeks ago that there was a resolution: “We’d come to a point where we could move forward.” But the game continually changes, Chief Minister. Chief Minister, will you give the committee an assurance that you will look at this and work out some way to resolve the issue?

**Ms Gallagher:** I do not need to give the committee assurance. We are. We are doing more, I think, than has been done in years.

**MR SMYTH:** No, it is not. It changes daily.

**Ms Gallagher:** I will not accept that.

**MR SMYTH:** And it has been going on for four or five years now.

**Ms Gallagher:** I think everyone is trying to work together to resolve some very complex and historical issues at that site with a range of different interests that need to be managed. I do not need to provide the committee with any assurance. We are onto it; we are dealing with it.

**MR SMYTH:** You have been onto it for four or five years.

**THE CHAIR:** Okay.

**MR SMYTH:** Just a final question.

**THE CHAIR:** Sorry, we do have to move on, Mr Smyth.

**MR SMYTH:** In regard to the arboretum, can we have a reconciliation of the moneys in and moneys out since the project started? And the moneys in this year’s budget are different from the moneys that were detailed in last year’s budget. Have any extra funds gone into the arboretum this year apart from the commonwealth money? Is there any additional funding for it?

**Ms Gallagher:** No.

**MR SMYTH:** Has any money been withdrawn or delayed?

**Ms Gallagher:** No.

**MR SMYTH:** There are—

**Ms Gallagher:** There has been money transferred, obviously, because it has changed directorates.

**MR SMYTH:** Apart from the changes.

**Ms Gallagher:** Yes.

**MR SMYTH:** Yes. But all the moneys are consistent? There has been no cutback in the ACT contribution to the arboretum funding?

**Ms Gallagher:** No.

**THE CHAIR:** I am sorry; we are moving on.

**MR SMYTH:** So there is no cutback?

**Ms Gallagher:** No. There has not been any cutback. And there have been no additional increases.

**THE CHAIR:** We are moving to regulatory services now.

**MR SMYTH:** Sorry—you took the reconciliation on notice?

**THE CHAIR:** Was the reconciliation taken on notice?

**MR SMYTH:** So there might be a different answer?

**Ms Gallagher:** No.

**MR SMYTH:** So you will not do the reconciliation?

**Ms Gallagher:** What?

**MR SMYTH:** Have you taken—

**Ms Gallagher:** We will do what we can to provide assistance to the committee.

**THE CHAIR:** Okay.

**MR SMYTH:** But no funds have been withdrawn from this year's budget?

**Ms Gallagher:** Not to my knowledge. We will get back to you if there is.

**THE CHAIR:** So that is taken on notice.

**MR SMYTH:** There appears to be a lot of discussion.

**THE CHAIR:** That is the answer?

**Ms Gallagher:** We will get back to the committee if there is any. There has been no decision by the government to remove funds from the arboretum. In time, we look forward to your continued support for it, Mr Smyth.

**MR SMYTH:** I look forward to your reconciliation.

**THE CHAIR:** Okay; we are moving on.

**Ms Gallagher:** We are welcoming you back up there into the hospitality tent.

**MR SMYTH:** I did not realise I was so important to you.

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

**Ms Gallagher:** It is nice to have a Liberal up there.

**THE CHAIR:** We are moving on, members. We are on regulatory services.

**MR SMYTH:** I have been going up on that hill for 40 years. I know all about that hill.

**THE CHAIR:** Can we please stop, thank you.

**MS HUNTER:** I want to go to the issue around Domestic Animal Services and also the RSPCA. We had the RSPCA in last Friday. I was asking about an update on its new site—where it was up to, what discussions were being held and so forth. It seemed to indicate that in the future it was looking at some sort of integration of RSPCA and DAS. Could you give a bit more information about what the plan there is? Is it about just, if you like, closing DAS and transferring those functions, or is it more of an integrated approach on the same site with some sort of shared functions?

**Ms Steward:** The objective there is to provide a completely integrated animal welfare service. From the public's point of view, it is not a DAS service and it is not an RSPCA service, but it is between the two agencies. It would mean in practice that, for example, in terms of the work that we do from DAS and the compliance work and the like, all of the pens would be associated in one facility, albeit the design is such that you have to separate the dogs that are unsuitable for the purposes of re-homing, sale or the like. It is designed so that you can separate the two functions, but nonetheless the care component—what we are looking for is that the RSPCA would effectively provide the care, but DAS rangers would provide the normal compliance work in terms of picking up stray dogs, delivering them to the new facility and dealing with a number of the more disturbing, aggressive dogs, in terms of management of those.

**MS HUNTER:** What is the time line on all of this?

**Ms Steward:** The RSPCA, TAMS and LDA have been working together, first of all to look at a model that everyone was happy with. The RSPCA and TAMS have agreed on a model for the delivery of the service. A preliminary design has been done

and we will have discussions with the RSPCA about that. In terms of the timetable, Economic Development will effectively be progressing and formalising the design, the commitment of funds and the construction program. But it is still very well progressed in terms of an agreement on the model.

**MS HUNTER:** Thank you.

**THE CHAIR:** Is there anything further on that, Ms Hunter?

**MS HUNTER:** The one-off allocation of increased support to RSPCA is \$150,000. There is still RSPCA putting forward that there is still this shortfall. What sort of discussions have you had around meeting what they are describing as their need for funding to run their service properly?

**Ms Steward:** We have had many discussions over some period of time. Prior to the new service funding agreement being signed, we did establish a formal working group, with the director-general, me and the deputy director-general. We held, I think, around 10 formal meetings to really work through all of the issues of the RSPCA—its funding requirements, its commitments and otherwise. The upshot of that was the two-year agreement that was signed in September and is for a two-year period to mid-2013.

The RSPCA does have a view, which it has expressed, in terms of its belief that it should be provided with more services. We did look at other jurisdictions. Certainly we looked at like jurisdictions in New South Wales—Sydney and large regional areas such as Wollongong—in terms of the demand that is placed on RSPCA for the sorts of services local councils would normally provide. We believe that the amount that the government is giving is fair and reasonable and reflects what would normally happen in a jurisdiction with similar characteristics.

**Ms Gallagher:** The total funding agreement with the RSPCA over the 2012-13 year would be \$585,000. Compare that to the \$420,000 they were receiving in 2010-11. So we have recognised and responded.

**MS HUNTER:** Yes, that is right. I suppose that \$150,000 extra—

**Ms Gallagher:** That is indexed.

**MS HUNTER:** Which is \$15,000 this year extra—

**Ms Gallagher:** It is 165. That takes us up to the end of the—we will negotiate for the next service level agreement after that expires.

**MS HUNTER:** It has been said by the RSPCA—I am not sure if this is something they have said recently, but certainly I have heard them say it—that they make donations to DAS of blankets, towels, food and so forth. Is that something that you are aware of?

**Ms Steward:** I am not aware of recent donations. I remember that last year we did receive some donations. We have also received assistance from the volunteers. I

cannot say specifically what particular items might have been donated in the past few months.

**Ms Gallagher:** I went out there and visited them not long ago, and they had sheds full of blankets and things that are donated to them from the community. I would see it as pretty positive if our animal welfare organisations could cross-support each other. I would expect that RSPCA gets a lot more donations than Domestic Animal Services, but Domestic Animal Services also support the work that the RSPCA does. In effect, if we can manage to co-locate in the future, those relationships would just be built upon, I would expect.

**MR COE:** In addition to co-location, do you see a different role for DAS in the event that they are co-located?

**Ms Steward:** No, I do not. In terms of the current service funding agreement, DAS—because it is a separate facility, what we do provide is accommodation for any dogs which effectively the RSPCA is unable to deal with because they are unsuitable in terms of re-homing or rehabilitation. We also provide additional shelter if there is a capacity problem at the RSPCA. That was part of the new agreement. We have not had to provide too much of that. We do provide inspectorate services, again as part of that agreement. That would be negotiated, but it would continue to be fundamentally an inspectorate role as well as managing the roaming of dogs and picking them up and taking them to the new facility.

**THE CHAIR:** The other point about the RSPCA that Michael Linke made is that DAS deals primarily with dogs, as you said, but RSPCA are the only place in the ACT that essentially deals with cats, and that is becoming a much bigger issue. That is where they are seeing the biggest increase, and that is where I think they said there is a big shortfall in their funding. How has that been taken into account? They put the view that they did not think that it had been adequately taken into account.

**Ms Steward:** Cats are always going to be problematic. There are regulations in place now that require them to be desexed and registered. Obviously we are trying to work with the breeders to try to get a little bit more—it is like the sale of any animal: we really encourage them, when they are selling an animal, to provide information to the new owners so that they can best understand the requirements of the animal and some responsible behaviour. It is always difficult in terms of compliance with cats. The government's policy in terms of cat containment has been shown to be popular. In terms of our surveys, people have indicated support and a willingness to adopt different approaches when it comes to cat management. We would hope that, in time, progressively, that policy and greater community awareness about responsible management of cats, as with dogs, will result in fewer and fewer cats and strays killing birdlife, wildlife.

**MS HUNTER:** He did mention, also, the issue about town cats and what he saw as the increasing population. Is that something you are aware of?

**Ms Steward:** Of town cats?

**MS HUNTER:** Yes. I am assuming he meant strays that are just out there.

**THE CHAIR:** Particularly adult stray cats, because he said that that is the thing. They will buy a kitten, then it becomes a cat, basically. People will say, “It is not the cute kitten anymore.” A lot of people do not seem to think it is going to happen. He said that that is the issue.

**Ms Steward:** It is an issue—

**THE CHAIR:** That is around the sale too.

**Ms Steward:** Councils generally do not, that I am aware of, deal with roaming cats and stray cats in the same way that they do with dogs. Dogs do provide a threat to the community, potentially, in terms of aggression. With cats it is different. It is extremely difficult. The best they can do is put in policies and encourage people to take a more responsible approach to their cats with cat management and desexing of cats.

I think in terms of desexing and regulation, that is a really strong message from the government. The cat containment policy, similarly, will have an impact. That is not saying that, in fact, cats may not be a problem for the RSPCA, but this is a service that they are providing. The level of funding that the government is giving to the RSPCA aims to address that, at least to the extent that it can.

**THE CHAIR:** Are there any further questions on this?

**MR COE:** No.

**THE CHAIR:** Caroline, did you have another one on this?

**MS LE COUTEUR:** Not on this particularly. However, on this output class, I am interested in abandoned vehicles. We are now going to take an extra couple of days to round them up. This is budget paper 4, page 107.

**Ms Steward:** I beg your pardon?

**MS LE COUTEUR:** You have got a new indicator.

**Ms Steward:** It is. It takes into account the additional weekend days, the Saturday and Sunday.

**MS LE COUTEUR:** So you just extended the indicator?

**Ms Steward:** That is right.

**MS LE COUTEUR:** Is there any particular reason for this? It does not say you were not meeting the old one—well, you were meeting it at 95 per cent.

**Ms Steward:** It just reflects that the two days in between the weekdays are there, and it is reflected, effectively, in the response time.

**MS LE COUTEUR:** Why are there no any accountability indicators for the other things that DAS has to do under legislation—ie, not just dogs?

**Ms Steward:** We do have performance indicators relating to all the service that we provide. In terms of syringes, in terms of responses to CanberraConnect about shopping trolleys—

**Ms Gallagher:** I guess it is just a matter of what goes into budget papers. Then Mr Smyth—

**Ms Steward:** Yes, we do have service—

**Ms Gallagher:** in his public accounts role—it is one of those questions: what is the most useful way of measuring your performance within the constraints of these budget papers?

**MS HUNTER:** And you pulled out the—

**Ms Gallagher:** We would happy to take any advice, Ms Le Couteur, through the report of the estimates committee if you think there are more useful ways. But what it would mean is that something else would drop off or you will just have a thousand pages.

**MS HUNTER:** You have got in here reference to response and collection of sharps. I am assuming that that has been put in as an accountability indicator because it is an important safety issue.

**Ms Gallagher:** Yes.

**MS HUNTER:** It is also obviously something that the public are concerned about. What is the issue out there on the ground at the moment? How many are we collecting, basically? Is it going down? Is it increasing?

**Ms Steward:** In terms of the numbers, I will have to take that on notice. I do not know what the current trend is specifically. I know that we do have problems in some parts of the city more so than others. So the trend might be different in different parts of the city. But I will provide some information to you on that.

**THE CHAIR:** That is taken on notice.

**MS HUNTER:** Are we keeping up the numbers of sharps containers and sharps bins that are provided?

**Ms Steward:** Yes, we have a regular servicing program for those as well.

**MR COE:** Does TAMS have any involvement with the policy work on the sale of cars by the side of the road?

**Ms Steward:** That has been captured under the proposed amendments to the Roads and Public Places Act. So, yes, that is where it has been captured. It is an issue,

because it is public land. It is being used for a commercial purpose, potentially; so that will capture that and regularise it.

**MR COE:** Is the intention to stop that to limit dealers from advertising vehicles or is the target actually individuals who are privately selling their cars, not necessarily for profit, but just because of change of circumstances?

**Ms Steward:** It is really aimed at capturing businesses that are using public land for the purposes of commercial gain.

**MR COE:** Ordinary people who happen to advertise their cars at popular places on the side of the road, are they going to be caught—

**Ms Steward:** If it happens to be on the side of the road and it happens to have a “For sale” notice and they happen to have been parked there, no. But if it turns out that there is an area which becomes a congregation for vehicles which seems to become the local place to sell your vehicle, we would be having a closer look at that, because it—

**Ms Gallagher:** We do not want to encourage people to use land to sell their cars. There is a range of other ways. The minute you let some group do it, businesses will restructure. You would find commercial operators finding a way to use that and all of a sudden you would have a bigger problem to deal with.

**THE CHAIR:** But then also there are people parking cars on the side of the road to advertise or—

**Ms Steward:** That is what I mean. We are talking about an individual with a car—a sign on the back of their car that it is for sale with a phone mobile number. It happens to be parked; an isolated incidence, no. But if it tends to be that there is an area which informally becomes a congregation for people, absolutely not. We would target that.

**THE CHAIR:** I know if it was something like advertising a business or anything like that—

**Ms Steward:** No, they cannot do that. Basically, it really will mean in respect of anyone who is wanting to advertise or use public land for any commercial gain whatsoever. It will capture that.

**MR COE:** In the event that there are—I will start again. There are places which are informal points where people congregate to sell vehicles. Do they get tickets when ORS go out there or do they issue warnings?

**Ms Steward:** Yes, it is illegal; tickets.

**MR COE:** They always issue tickets and never warnings?

**Ms Gallagher:** I do not think anyone is ever there, are they? When I have seen them, no-one is sitting their car to get a warning.

**MR COE:** I mean a written warning. Do ORS—

**Ms Gallagher:** It is probably a better question for ORS. I have certainly driven past and seen parking tickets on the vehicles.

**MR COE:** I am talking about the broader policy here. It seems to me that you see vehicles at the same place. I think a lot of people would think: “That that is legitimate. I will go and park the car there.” Whilst that may be a breach, there are not sinister motives here for a lot of the people. They are not trying to run a business there. They are simply trying to sell their family car. So I just wonder what—

**Ms Gallagher:** Again, the minute you start—yes, potentially there are some grey areas there. I think in terms of the legislation that will come before the Assembly, it will be up to the Assembly to determine the arrangements for that and then for public servants—if there is discretion to be provided, that will need to be spelt out clearly when that is debated. I think there is an issue and we have seen it when we dealt with smoking in cars with kids. There is not really a discretion to apply the law once the law is in place.

**MR COE:** I also think some fairly explicit signage at some of these locations saying, “Don’t sell your car here,” might actually help as well.

**Ms Gallagher:** I think most people—

**MR COE:** There are probably four or five sites in Canberra where the vast majority of this is happening. I think they would be well known to TAMS and ORS.

**Ms Gallagher:** Yes, and probably to all the people that are doing it as well, I would suggest.

**MR COE:** Absolutely and that is why some signage might be helpful.

**Ms Gallagher:** Yes, use allclassifieds. It is a much easier way and you get more people.

**THE CHAIR:** If there are no more questions on this output, we will move on to waste and recycling. My first question is about Renewable Processes and the contract that involved TV recycling. Renewable Processes was a business that employed a number of people with mental illness. I am just trying to get some clarity about what has happened with that contract. I have asked Procurement Solutions about this. They told me to ask you. Can we find out what has actually happened with that contract? I make the point again that this was a business actually employing people with a disability.

**Mr Perram:** I will provide a large overview and then pass over to Chris for the finer detail. The essence of the issue is that the national scheme for televisions and computers has overtaken the contract. The ACT government no longer, if you like, gains ownership of televisions and computers. So we are unable to effect the contract because we are not able to pass those computers and televisions on. I will hand over to Chris for the particular details.

**MS HUNTER:** Can you also explain why there was a tender process in very recent times? I understand that Renewable Processes did not get that tender. It was another company that was going to set up here in the ACT. Why did we do that if it was so close to this national scheme coming into play?

**Mr Ware:** The tender that you speak of, I believe, was undertaken earlier this year. Was that the one, Ms Hunter? That was to select out of the three at that point known approved arrangements that were seeking approval under the national scheme. It was a short-listing process of those people. Obviously, you cannot collect televisions and computers under the national scheme unless you are approved by the commonwealth. These were companies that have put their name forward at that time.

We went out to those and said, in effect, “Who would like to be able to do business at our sites?” DHL was the successful proponent under that process. They were, of course, appointed. As Mr Perram said, at that point in time when they commenced operations on 15 May, up to this date and beyond, the ownership of the TVs and computers, once they are passed by the public to the operators at that site, become the ownership of DHL. It is no longer us. I must point out that we still have a contract in place with Renewable Processes. We have not ceased that contract, but we are just not ordering services under that contract.

**THE CHAIR:** Does the contract just sit there dormant?

**Mr Ware:** It will sit there dormant until it expires.

**THE CHAIR:** So what actually happens to those people they are employing?

**Mr Ware:** Sorry?

**THE CHAIR:** What happens to the people they are employing?

**Mr Ware:** They people they are employing—I am not aware.

**THE CHAIR:** There were about 14 to 16 people, I think.

**Mr Ware:** I have heard that anecdotally as well. I believe that Renewable Processes have had to lay those people off. But in a competitive marketplace, DHL has chosen not to use Renewable Processes, but there are another two approved arrangements yet to come to Canberra. I understand that negotiations have yet to take place with local suppliers for any decisions, in fact, to be made on who will be recycling computers and TVs taken by the other two approved arrangements when they do come to Canberra.

**MS HUNTER:** I could not understand that. The tender process you went through was to decide who was approved to be able to take—could you explain that? I am really not getting the arrangement.

**Mr Perram:** Perhaps I could provide a separation. If you can imagine a hierarchy, there is a hierarchy at the commonwealth level where the approved parties are by arrangement for televisions under a stewardship scheme, for want of a better

description.

**MS HUNTER:** They are approved by the commonwealth?

**Mr Perram:** That is exactly right.

**MS HUNTER:** Okay.

**Mr Perram:** What we offered to them was access to our sites to facilitate the fast tracking of the stewardship scheme into the ACT.

**MS HUNTER:** Right.

**Mr Perram:** Prior to that, we had televisions and computers going into landfill and decisions were made in respect of the calling of tenders for the recycling of the televisions and computers that came into the ownership of the ACT government.

**MS HUNTER:** Right.

**Mr Perram:** That does not occur under the newer hierarchy arrangements. Hopefully that gives a—

**MS HUNTER:** So DHL has actually got a contract with the commonwealth government?

**Ms Gallagher:** Under the national stewardship scheme.

**Mr Ware:** I will just give some clarification there. DHL is approved by the commonwealth. Part of the approval process was how they would offer services across all of Australia, not just the ACT. DHL has a commitment to roll out services across Australia by December 2013. That includes to remote areas such as the Pilbara and the far reaches of New South Wales—regional remote areas of New South Wales, Queensland, South Australia et cetera. So DHL set up in the ACT first and to date that is the only location they have set up.

**MS HUNTER:** But basically they have got a warehouse somewhere in the ACT; so the e-waste—

**Ms Gallagher:** They bring trucks here.

**MS HUNTER:** goes to there to be put on trucks and taken out of the territory.

**Ms Gallagher:** They bring their trucks to the depot.

**MS HUNTER:** The depot, right.

**Ms Gallagher:** We have got some photos here I can show the committee. But in the first five weeks of this scheme, 800 tonnes of TVs and computers have been taken to the depot. That eclipses, I think it was, the 795 tonnes for the entire year. In five weeks we have collected more TVs and e-waste since this scheme started than we did

the year before.

**MS HUNTER:** There is the changeover in TVs too.

**THE CHAIR:** Sorry, but with Renewable Processes, why was that contract actually given to them at the beginning of the year if we were going through this changeover process?

**Mr Ware:** At that point in time we were not sure how long the national scheme would take or when it would be implemented. We needed a contract in place to recycle televisions and computers until the national scheme—

**THE CHAIR:** Were Renewable Processes told that?

**Mr Ware:** Yes, it was made quite clear to them on several occasions. They attended two information sessions by the commonwealth that I am aware of that I was present at. It was made quite clear what the rules would be under the national scheme. That was undertaken by commonwealth officers.

**Ms Gallagher:** To some extent, Ms Bresnan, that was not within our control—the national scheme. We could do things to make Mitchell and Mugga ready for the national scheme but it was not until, I think, April that we had it confirmed that it could start in May.

**THE CHAIR:** I understand that.

**Ms Gallagher:** We were recycling before that but people had to pay for it.

**THE CHAIR:** I understand. I think we all think that the new scheme is a great thing. It is just that we had a business here—

**Ms Gallagher:** Does the committee want some photos of the—

**THE CHAIR:** Yes, we will take those.

**Ms Gallagher:** They are photos of some of the 800 tonnes that has been collected.

**THE CHAIR:** Mr Hargreaves, I am sure you are happy to move that they be taken as an exhibit?

**MR HARGREAVES:** Yes, I move that they be received as an exhibit.

**THE CHAIR:** I understand all that but I guess my point is that, as a business, it was employing people, applying social procurement. We have a situation now where 14 people are out of work, essentially. They probably will not get work—may not get work—in another business.

**MR HARGREAVES:** I would like to ask about household waste and recycling and the education aspects. That has been something that I have had an interest in for quite a long time. I remember when the paper recycling kicked off in the schools way back

in about 1997, if I remember correctly. I know that the MURF is one of the main planks of how we can educate people. I would be interested to know what kind of visitation rates you have, who are the target people, who you are bringing through the education facility and what other avenues you have to convince people that household recycling at source is a good idea. I will kick off with that.

**Mr Ware:** Thank you for that question, Mr Hargreaves. Our figures to date show how many face-to-face contacts we have had with members of the public since 1 July. That equates to about 11,650 people.

**MR HARGREAVES:** Over what period was it, Chris?

**Mr Ware:** That was for the financial year to date.

**MR HARGREAVES:** 11,500?

**Mr Ware:** 11, 650 or thereabouts. Generally, those people tend to go home and talk to their mother and father if they are school children. They talk to their spouses if they are married, they talk to their parents, children, workmates. We generally estimate that for every individual point of contact that we make and talk about waste and recycling to, they will go out to at least five other people and will say, “I learnt something new today.” They will get very excited about what they learnt and they will want to pass on that information.

The types of groups that we try to communicate with mostly are obviously school groups. School children are very receptive to the messages that we are giving them. We have also made an effort over the past year and a half or thereabouts to widen that face-to-face contact. As well as offering tours of the materials recovery facility to school groups, we also offer them to community groups. We also go out into nursing homes and preschools especially to send the message to them. We have also recently been going to community events such as the Canberra show and—I forget the correct name for it—the senior citizens expo that was on recently at EPIC.

So we have gone out to a number of locations and engaged with the community. That figure I gave you of about 11,500 people is an increase on last year’s figure, which we estimated to be about 10,000. So we have increased our visitation, our community contact.

**MR HARGREAVES:** You are using the success of the quit smoking approach, where you get the kids on side, and the kids will teach the parents how to do the right thing.

**Mr Ware:** Definitely.

**MR HARGREAVES:** So you are exploiting these children, are you, Chris?

**Mr Ware:** We use a range of strategies with the children not only to go home and talk to their parents. Of course, kids are great, because they have no inhibitions about saying, “Mum, you’re not supposed to do that.” They do that. We also give them materials to take back to class and work with. Again, we have developed material

where you have to pick which material goes into which of the two bins. We are developing that into an interactive game for the whiteboards that are rolling out across the schools.

**MR HARGREAVES:** Cool. When I was out there last time I have to say the production line was unreal. I would be interested to know what sort of training regime you give those guys on the conveyor belt, because that would require a certain amount of OH&S training, I would imagine.

**Ms Gallagher:** Indeed.

**MR HARGREAVES:** It looks like a fairly dextrous kind of job. I was amazed at the way in which the different weights of metal and glass fly off the end and how they are collected. I think it is quite ingenious.

Also, if you would not mind, and this is probably the last one for now, when I was out there last time there was a bit of a problem with the crushed glass in having somebody actually buying the stuff. Apparently there is a bit of a glut of it around the countryside. Are you finding much trouble offloading the crushed glass?

**Mr Ware:** The broken glass which is too fine to sort into the three separate colours, clear, green and brown, does create a problem. We have done some work recently with ACT Roads. We are looking at being able to use that in certain road projects as part of the road base, to utilise that as a replacement for virgin product.

**MR HARGREAVES:** Tremendous. Now can you tell us a little bit more about that training regime for those guys on the conveyor belt?

**Mr Ware:** I would assume that the operators of the materials recovery facility, Thiess Services, would have a training manual supplied and they also have training protocols and OH&S manuals. I know for a fact that one of the things that they are not allowed to do is open or close plastic bags. Some people put their waste into a bag and tie a knot in it. They have very strict instructions not to open it as there could be anything in there—most people are surprised to learn that—and that goes along the conveyor belt. People think they are doing the right thing, putting their recycling in there. They are very surprised to learn that it goes along the conveyor belt and finally ends up, unfortunately, in landfill. That is one of the very strict protocols that they have. Does that answer your question?

**MR HARGREAVES:** Yes, clearly it is a Thiess responsibility. I am also intrigued, though, by Ms Bresnan talking about the people who were possibly looking for a job because of the IT recycling. I am presuming you are talking about that facility up in the north?

**THE CHAIR:** No, it was a contract here.

**MR HARGREAVES:** Okay. There is a group up in the north that are doing the same sort of thing, but they are using unskilled labour; that MRF actually employ unskilled labour from the beginning. They end up with a skill at that, from nothing. I would assume that if Thiess are doing that and there is an expansion of this sort of activity

that could get picked up.

The final question is about the drop-off centre in Gungahlin. Without stating the obvious, which is that if you had another one it would improve the strategy, just how is it going to work? How is it going to improve the waste strategy?

**Ms Gallagher:** It will provide Gungahlin with a recycling facility similar to those that operate at our resource centres but also at Belconnen and Philip. We are looking at one in Weston Creek.

**MR HARGREAVES:** There is one in Tuggeranong.

**Ms Gallagher:** Yes, in Tuggeranong, and then this one I think is planned to go near the Magnet Mart side of the town centre. We have got a site identified. I think it is fairly straightforward.

**MR COE:** Is the Mitchell site not capturing as many people as you would like it to?

**Ms Gallagher:** Chris can probably answer that, because the other side of this is providing the range of services to a community as is provided across the community. Now that Gungahlin has reached the population it has, I think the cabinet thought this was a good idea. Is there anything, Chris, that you want to add to that?

**Mr Ware:** Mr Coe, do you need anything further?

**MR COE:** I was just wondering whether there is awareness of the Mitchell facility. Do Gungahlin residents know it is there?

**Mr Ware:** Mitchell, from my observation, certainly gets well used by the traders within the Mitchell industrial area. But just up the road at the Mitchell transfer station we have similar facilities. The provision of the new drop-off centre in Gungahlin is really an additional service or provision of infrastructure for the residents of Gungahlin as it grows.

**MS HUNTER:** I have a quick supp before I move on to my question. It is about the information that you are giving to schoolchildren and so forth. Have you thought about, or do you include information about, organic waste, kitchen waste, so that they also have that in their minds and can go home and maybe encourage a different way of disposing of that rather than sending it into landfill?

**Mr Ware:** We offer a range of information to the people that we engage with. Some people say that their bins are not large enough, so we give them a range of strategies through which they can reduce the volume of waste in their bins. That may be bashing down cardboard boxes or squashing your milk cartons, if it is recycling, and of course having chooks, compost bins et cetera. Then we say that if they do not want to go to that extent they can always order additional services, which we offer at a cost just over \$1 a week for recycling or \$2 a week for waste bins. So we offer a range of strategies to people including how to reduce their organics. Of course the biggest one is: don't throw it out; use it as leftovers et cetera, or don't buy so much.

**MS HUNTER:** Thank you. I just wanted to move on to priorities. In budget paper 4 at page 100 one of the priorities is improving the Mugga Lane resource management centre. You talk about the road infrastructure. There are several contractual arrangements. How do you ensure that the resources that go to Mugga Lane are managed to minimise the waste to landfill? How do you ensure cooperation between the contractors so that you achieve the best outcome that you possibly can?

**Mr Ware:** Obviously in each of the contracts we have clearly defined roles and responsibilities, but we do also have something in each of those contracts where there are multiple contractors on a site and that is called a tripartite agreement. That is, in effect, an agreement between all the appropriate parties that before they come to government to sort out their problems they should at least have a go at sorting them out among themselves; that they discuss and negotiate in good faith among themselves to sort out things like traffic movement, who does what, who is responsible for that particular patch of ground versus that over there. So it is the demarcation, in effect, of areas and roles and responsibilities where there may be grey areas in the contract, to work that out.

**MS HUNTER:** What issues have not been able to be sorted through that arrangement and have had to come to government to have some discussions?

**Mr Ware:** I cannot think of anything off the top of my head at the moment. There have been no large issues that we have had to adjudicate on. Most of them are dealt with through the tripartite agreements. I could certainly undertake some research. Obviously these are large contracts and there are some issues. I would not like to say categorically that there are no issues.

**MS HUNTER:** Do you think there are adequate load inspectors at Mugga Lane?

**Mr Ware:** I could not comment on that in terms of load inspectors. All of the commercial vehicles that come through do have to go over the weighbridge. They are weighed in and then weighed out so that we know exactly how much waste was left on the site if that is the case for that particular type of vehicle.

**MS HUNTER:** Do you keep records on how much—recyclable materials; for instance, metal, cardboard and whatever—is retrieved? Do you keep records of what you are keeping out of landfill?

**Mr Ware:** We weigh everything that goes in and out of the site. That includes material that is recovered at the landfill face and is sent off for recycling. So, for instance, if a truck comes in and it is half full of steel and that is picked up at the landfill face, that then gets weighed out at the site, so we know to subtract that from the total that went to landfill.

**MS HUNTER:** And small loads of construction material directly taken from the transfer station to the construction and demolition facility?

**Mr Ware:** That is not weighed. It is weighed when it gets to the construction and demolition facility at Mugga Lane. But we have safeguards in place to prevent that from going in and that is partly down to the road network.

**MS HUNTER:** Finally, are all loads inspected to see if there are any materials that might be retrieved for re-use by Tiny's Shed? Are they able to have access to every truck that comes in or every load coming in?

**Mr Ware:** We do rely on patrons who come to the site to self-present to Tiny's. If householders who use the transfer station choose to drive past Tiny's without stopping and they have something of use, Tiny has staff at the transfer station, both at Mugga and at Mitchell, to recover anything that they think is worth while that perhaps the resident did not think was saleable.

In relation to the commercial vehicles that go into the site, Tiny has been negotiating with Thiess to have access to the landfill face, but of course you have got men standing behind 50-tonne compactors or in close proximity to them and there are safety issues that we have to be mindful of.

**MS HUNTER:** But isn't there a concrete pad? I understand there is a safe place that you can be.

**Mr Ware:** There is. I would have to take that question on notice to check how well that arrangement is operating.

**THE CHAIR:** So you are taking that on notice.

**MS HUNTER:** I would like you to take that on notice. Thank you.

**MR COE:** I have been contacted by a user of the Mugga Lane facility who has advised me that the business is having trouble setting up a credit account with ACT NOWaste. ACT NOWaste advise that it is because the business has not been in operation for a year, in spite of the business being in operation for 20 years, though it changed hands in December. Because of that, it has to use cash or credit card facilities and I am advised that the credit card terminal is regularly out of action, which causes considerable delays. Is this a situation you are aware of?

**Mr Ware:** No, I was not aware of that. Obviously we have quite a few customers who come through the facility. I was not aware of the outages. It may be that that is due to telecommunications links with the credit card facilities. Certainly I am not aware of the particular instance that you speak about. If you want to provide me with the company name, I could research that.

**MR COE:** Sure. Is there a hard and fast rule about not being able to get an account if you have not been in business for a year?

**Mr Ware:** We obviously look at the risk with new companies, and certainly with account customers we as a government and as an operator of the landfill would be expected to bear the risk of holding that particular company's accounts for up to 30 days, and longer if they are not prompt in their payments. So we do have to look at the risk. Unfortunately some companies do go into liquidation, which leaves the government with uncollected revenue.

**MR COE:** Is there any provision to put money into an account or to operate in a surplus rather than just—

**Ms Gallagher:** I think if you are able to provide ACT NOWaste with the business that is concerned we can undertake to have a look at it. Bear in mind that if they are a new individual accessing this service, even though the company might have been in operation for 20 years, at the end of the day it is about individual operators. So there is a requirement to understand, as Mr Ware said, the risk that you might be moving into. But I am very happy to look at what arrangements can be made.

**MR COE:** Sure. I think the business has also contacted you in the last little while.

**Ms Gallagher:** Have they?

**MR COE:** Just keep an eye out for that one.

**Ms Gallagher:** Yes, I will.

**MR COE:** With regard to the overall contract, I remember being advised once that there would be an interest next time contracts for waste are put up and that the government might look at splitting up the contracts to different operators. Is that something which is still on the agenda?

**Ms Gallagher:** In terms of the domestic waste service?

**MR COE:** Yes.

**Ms Gallagher:** That contract is due to go out shortly.

**MR COE:** Yes, I saw some money in the budget for that.

**Ms Gallagher:** Yes, there is some money to facilitate the specs around that.

**MR COE:** Do you think you will have different operators in terms of kerbside collection, weighbridges and the actual facility itself?

**Mr Perram:** Certainly, we are looking at separation of the weighbridges from the operation of any of the other tenders so that there is that clarity of separation there.

**MR COE:** Is that pretty much the main stumbling block, simply the weighbridge?

**Mr Perram:** Chris has just confirmed with me that the separation of the weighbridges has been confirmed now and is progressing, so there are separate contracts for that.

**Mr Ware:** I am sorry, I was probably misinterpreted. We are presently looking at separating out the weighbridge contract. That will take effect in the next number of weeks once we can get some contractual issues lined up. Mr Coe, when we are talking about weighbridges and kerbside collections there, they are separate contracts at the moment, as you would understand.

**MR COE:** They are separate contracts, but it is the same contractor; is that right?

**Mr Ware:** I am sorry?

**MR COE:** They are separate contracts, but it is the same contractor—or not?

**Mr Ware:** No, they are separate contractors.

**MR COE:** Okay.

**MS LE COUTEUR:** Continuing on with Gungahlin drop-off, is that going to have facilities for batteries and compact fluorescent lights? I mean little batteries, not car batteries—torch batteries.

**Mr Ware:** Presently we do not offer recycling of household batteries at the recycling drop-off centres. We have been provided with information from other councils around Australia that there are sometimes issues with mixing battery types. We would have to look at the design of the acceptance facilities in future. But at the moment it is not intended to have battery recycling at the Gungahlin drop-off centre.

**MS LE COUTEUR:** Given that these are being purchased every day, every minute, in Canberra and they are potentially toxic waste, why are we not doing it?

**Mr Ware:** I am sorry, can you repeat the question?

**MS LE COUTEUR:** Given that people in Canberra every day are purchasing little batteries and they are purchasing compact fluorescent lights—both of these have the potential to create toxic waste—why are we not giving the people of Canberra an easy way of disposing of those once they become waste?

**Mr Ware:** There are several commercial companies around Canberra that offer that collection service. I believe we have given you advice on that in the past. The ACT government has yet to fund that service. Obviously that may happen in future.

**MS LE COUTEUR:** Continuing with Gungahlin, one of things that surprised me is that it is obviously fairly close to the Mitchell transfer station—much closer than we generally have these things located. Does that mean there are any plans to close the Mitchell station? Is this where we are going?

**Ms Gallagher:** No. I guess it is more about the location of our resource recovery centres rather than the recycling centres. You could say the same thing about Phillip and Mugga to some extent. Woden's recycling area is close.

**MR COE:** The Mitchell recycling facility is offsite to the transfer station, though.

**Mr Ware:** Yes, in Mitchell at the moment we have the transfer station, which is on Flemington Road, and we have the recycling drop-off centre which is in Baillieu Court inside the transfer station. I will point out that the recycling drop-off centres that we do have are open 24 hours a day. Transfer stations are only open from 7.30 till 5 pm. Of course, the 24-hour operation allows for householders and small businesses

who have extra cardboard—

**Ms Gallagher:** They are very popular.

**MR COE:** I understand that.

**MS LE COUTEUR:** We are not saying they are not popular.

**MR COE:** Gungahlin will be too, but because Gungahlin will be so close to Mitchell—

**Ms Gallagher:** There are no plans to close Mitchell.

**MS LE COUTEUR:** We were just surprised they were so close together.

**Ms Gallagher:** As I said, we are looking at one for Weston Creek as well.

**MS LE COUTEUR:** That is obviously a lot further from Phillip.

**Ms Gallagher:** Yes.

**MS LE COUTEUR:** I guess that is the point. Another waste-related question: as we are all aware, Corkhills do the green waste composting. Would there be any issues which would stop them, if they wished to expand into composting food waste and—I will not even try to properly pronounce it—putrescible—

**MR HARGREAVES:** If Mrs Dunne were here, she would help you out.

**MS LE COUTEUR:** I am sure she would, Mr Hargreaves.

**MR SMYTH:** She is always very helpful.

**MS LE COUTEUR:** She is always very helpful.

**MR HARGREAVES:** She is the expert on putrescible waste.

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

**MR HARGREAVES:** I say that genuinely. She is; she has been talking about it for—

**THE CHAIR:** Ms Le Couteur, keep going.

**MS LE COUTEUR:** I have asked my question, even if I cannot pronounce it very well.

**Mr Ware:** So just to clarify: the issue is about Corkhills Bros accepting putrescible waste?

**MS LE COUTEUR:** Yes, could they? Are there any issues?

**Mr Ware:** Presently Corkhill Bros accept quite large quantities of organic waste. They are able to compost that in what is called open wind-rows. My information is that if you were to start including the composting of household putrescible waste it would have to be done in tonnes or under cover. The health risks there are much higher and, of course, the processes involved in composting drive the costs up. So instead of the present very cheap, easy and efficient composting process that Corkhills use, you have suddenly got to go into different processes with longer dwell times—as it is called—to ensure that any pathogen in the food waste is killed off through that composting process.

**MS LE COUTEUR:** Am I understanding from your answer that, from a regulatory point of view, it would be the department of health rather than TAMS? I know it is a more complicated process, but who is regulating it?

**Mr Ware:** Obviously the facility at Mugga Lane is almost at capacity due to the throughput and, yes, it is a more complex process.

**MS LE COUTEUR:** But from your point of view, if they chose to do it, there would be no regulatory problems? That is what I am trying to get at. You regulate it; not Health?

**Mr Ware:** I would have to take that question on notice.

**Ms Gallagher:** Health would be interested, I can tell you; they would be.

**THE CHAIR:** That question is taken on notice.

**Ms Gallagher:** Yes.

**MS LE COUTEUR:** If you are taking that on notice, could you also take on notice whether there would be restrictions if someone wished to do that as a closed thing, not as wind-rows, as Corkhills are currently doing—were they to do closed composting of food wastes?

**Ms Gallagher:** Yes.

**MR COE:** Regarding recycling in the city centre, funds have been allocated funds for the next few years—\$50,000.

**Ms Gallagher:** Yes.

**MR COE:** The marginal cost for each recycling bin is obviously much higher than for kerbside collection.

**Ms Gallagher:** Yes.

**MR COE:** Why is that?

**Ms Gallagher:** We can assist you, I am sure, Mr Coe. This is the recurrent cost—

**MR COE:** Yes.

**Ms Gallagher:** It has been very successful, I have to say: 26 tonnes, I think. I saw a big figure recycled through those bins.

**MR COE:** Yes, it is still that marginal cost that I find interesting.

**Ms Gallagher:** It was 24 tonnes.

**MR COE:** So the question is: why is the city recycling so expensive on a per-bin basis compared to kerbside collection?

**Ms Steward:** I can only speculate in terms of the accessibility—to do with the number of bins that are going to be captured in any particular area. This is a trial 37 bins that we are looking at as opposed to multiple bins that would be collected. The normal kerbside service would achieve greater economies of scale.

**MR COE:** Given that the kerbside collection contract is coming up, will you roll the city bins into that and therefore get the economies of scale?

**Ms Steward:** This is a trial project. What we are specifically wanting to look at with the 37 bins that are being trialled as part of this in terms of its effectiveness in dealing with recycling within the city centre—we would be wanting to measure and to quantify the different sort of material that is going in to see if it is going to achieve the outcome that is needed.

**MR COE:** My estimate is that it would be, just as it would be for recycling bins next to any rubbish bin. You are seeing that at Westfield centres and other shopping centres. I think the airport is also doing it. So is a trial really warranted, especially a trial at \$50,000 a year at 37 bins, when we are seeing a cost of \$68 per year for kerbside collection? Here we have got a cost of \$1,500 a bin.

**Mr Perram:** I think there is a fundamental difference in the kerbside collection contract. As Fay said, it is largely based upon economies of scale and the collection technique. If you like, the householder takes a lot of the costs associated with that collection process away from the government. They sort; they put it into their bins; they deliver that to the kerb to an easy location for a fully mechanised collection process to be done on a continuous basis, if you like, on a large scale. That opportunity in high public areas is not available.

**Ms Steward:** And I would add something about the importance of the trial. In kerbside collections, the individual householder will take certain actions in relation to their own bin, and in a responsible way. When you are looking at recycling in the city centre, there are multiple people who are using it. It is the contamination that is effectively what will make or break the success of this exercise.

**MR COE:** Sure. So the \$6,000 will actually include sorting, will it? Or is that just collection?

**Ms Steward:** No, it is the full project. It is the collection, the sorting, the analysis and

the quantification of what is actually going into the bins.

**MR HARGREAVES:** Are you going to involve the Glebe Park one in your evaluation? We did one at Glebe Park. That showed just what you were saying about having so many people with different approaches to it. I think it was a good idea, but it was not quite as successful as we would have liked. You have taken the lessons from that and folded it into the project?

**Ms Steward:** Yes, that is correct.

**MS LE COUTEUR:** Can I just check—this money is just to continue the existing situation?

**Ms Gallagher:** Yes, it is. There was no ongoing funding for those bins when they were put in.

**MR COE:** So the rubbish collected in these 36 bins or 37 bins is not just being taken to the current recycling facilities? It is actually being done separately from all that?

**Ms Steward:** In terms of the analysis of the contents of the bins as part of the trial, that is really what is being done in terms of what is actually being picked up. In terms of where it is taken, it would be taken to the normal distribution centres where that would occur.

**MR COE:** What is the merit of analysing the contents of the bins?

**Ms Gallagher:** The merit is about whether you expand what we are doing in Civic to other places. So understanding—

**MR HARGREAVES:** It is the contamination, isn't it?

**MS HUNTER:** You are checking for contamination, as you said. To date, what has been the situation with contamination? Has it been relatively low?

**Ms Steward:** I would have to get some information on what we have actually found to date.

**MS HUNTER:** That would be great if you could get an update on that.

**THE CHAIR:** So that is taken on notice.

**Ms Gallagher:** I should also say that, because we are pushing recycling, I think that, in terms of people who are using Civic, they look for recycling facilities. When you do an event like the Multicultural Festival, you see that people are actively looking. Behaviour has changed; people are not wanting to chuck stuff into one bin.

**MR COE:** I completely agree. That is why I wonder whether you need to do the trial or whether you cannot just roll this into a collection.

**Ms Gallagher:** Yes, but we want to make sure that we are getting material that can be

recycled. Understanding that before you expand it, I think, is worthwhile information. That was one of the reasons why it had not been done in the past—that people would not use it appropriately, and therefore it was more bins rather than recycling bins.

**MR COE:** So a three-year trial—

**Ms Gallagher:** No. The decision in this budget is that the bins in Civic are here. The trial informs whether or not they go elsewhere. Getting an understanding of what that means—how much waste will be generated, whether you can genuinely recycle that waste if you put them in town centres—is the information that informs the next stage of this.

**MR COE:** Will the kerbside collection contractors or other waste contracts include a capability to roll it in later on if need be?

**Ms Gallagher:** I would be happy to take some advice on whether we could do that. It is a different business.

**THE CHAIR:** So you will take some advice on that?

**Ms Gallagher:** I will see if we can, but I think it is a different business.

**MS HUNTER:** When you were referring to the 26 or 24 tonnes before, was that the collected recycled bit?

**Ms Gallagher:** Yes, recyclable material.

**MS LE COUTEUR:** The note to accountability indicator 1.3a in the budget papers at budget paper 4, page 106, says that the reason for the increased amount of waste going to landfill per head of population is “increased economic activity resulting from an increase in commercial and industrial waste”. We have got a two per cent growth estimate for economic growth; for population it is estimated at one per cent. So the growth per head is probably about one per cent. Why are the tonnes of waste going to landfill increasing more than economic growth and population growth? On our looking at it, it is estimated to increase by about 4.8 per cent? What is going on here?

**Mr Ware:** I have an explanation for that. The increase in tonnes of waste to landfill per head of population has increased partly—I will say “partly”—due to an extra 54,000 tonnes of waste that came out of the failed building waste recycler at Parkwood. In terms of the tonnes of waste that went to landfill, up until March of the financial year, when these indicators were calculated, that equated to 21 per cent of the overall waste to landfill. That added 0.13 of a tonne per head of population, which mostly accounts for the difference between the 0.7 indicator, as you mentioned, in indicator a, and the 0.84.

**MS LE COUTEUR:** But if that is the case, why is the target for 2012-13 up to 0.88? We had the one-off issue, but we are expecting next year to be even higher?

**Mr Ware:** Some of that increase would be down to the clean-up of some of the sites that we have been talking about, and also other intractable waste coming out of areas

that have to be cleaned up that have been left by the commonwealth—left for the ACT to clean up as we develop new housing sites. These are the real wastes that contain either hydrocarbons or asbestos or a combination of the two.

**MS LE COUTEUR:** So basically you are trying to say that household waste may or may not be increasing, but there are other big things. I guess if that is really what you are saying, you need to separate it out. When you look at it, it is quite a disturbing trend from 0.7 to 0.88. We need a vastly better explanation.

**Ms Gallagher:** I take your point. Perhaps that is a suggestion from the estimates committee about how you describe that output class subsection a.

**MR COE:** Those BWR figures—at 0.13 tonnes at 350,000 people, that is 46,800 tonnes. Is that correct?

**Mr Ware:** The figures that are derived there are taken from the combined population of the ACT and Queanbeyan.

**MR COE:** So it is even more—0.13 at 500,000 or 400,000. That is even more waste. That is huge. So we are looking at 50,000 tonnes taken out of BWR?

**Mr Ware:** Yes.

**MR COE:** If that was all dumped at landfill, why did it cost \$1 million? That was the cost, wasn't it?

**Mr Ware:** The material that was taken out of building waste recycling—I will just turn to my figure for that; there was a total of 62,334 tonnes taken out of building waste recycling. Some 8,219 was able to be recycled. That included tyres, concrete, gypsum and timber. That equated to 13 per cent. The remainder of that material that was weighed out during the clean-up was impacted with asbestos. Unfortunately, the operator out there took asbestos, whether knowingly or unknowingly, and that was mixed through the piles of waste. Unfortunately, there was much material there that we could have recycled, but the health and safety impacts of recycling that waste with the asbestos—

**MR COE:** So that is why it was \$1 million or thereabouts?

**Mr Ware:** Yes. And obviously the contractor that we engaged had to be mindful of the health and safety of his employees. The cost was \$1 million, and that included the men getting fully kitted up in appropriate clothing to manage that asbestos.

**MS LE COUTEUR:** Given this, is it possible to work out what in fact is happening at a household level per head? It does not appear that this accountability indicator gives you that information.

**Mr Ware:** Obviously these are interim accountability indicators up to March. The full-year ones we will be reporting on in the annual report. At that point in time, I am certainly happy to give you—I am sure you will give me questions at the annual report on those final statistics up until the end of June.

**THE CHAIR:** Did you just take on notice the household level?

**Ms Gallagher:** We will see what we can answer in the meantime.

**MS LE COUTEUR:** I would like to break this down—household and the rest.

**Ms Gallagher:** And we will take the point about separating it out for next year's budget papers.

**THE CHAIR:** So that is taken on notice. Unfortunately we are out of time. On behalf of the committee, I thank the minister and officials from the Territory and Municipal Services Directorate.

As mentioned at the commencement of the hearing this morning, there is a time frame of five working days for the return of answers to questions taken on notice at this hearing.

After lunch, proceedings will resume with the Canberra Institute of Technology; CIT Solutions; the Education and Training Directorate, output 3.1, planning and coordination of vocational education and training services; and the ACT Building and Construction Industry Training Fund Authority. We will then go to the Community Services Directorate, output 3.2, community affairs; and Aboriginal and Torres Strait Islander affairs.

**Meeting adjourned from 1.16 to 2.01 pm.**

Appearances:

Bourke, Dr Chris, Minister for Education and Training, Minister for Aboriginal and Torres Strait Islander Affairs, Minister for Industrial Relations and Minister for Corrections

ACT 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  
Dodd, Ms Jenny, Deputy Chief Executive, Education Services  
Kay, Mr Shane, Acting Deputy Chief Executive, Operations  
Stenlake, Dr Nicole, Executive Director, Special Project—WorkSafe  
Grayson, Ms Carolyn, Acting Executive Director, Governance and Executive Services  
Ryan, Mr Paul, Manager, CIT Solutions

Education and Training Directorate  
Joseph, Ms Diane, Director-General  
Cover, Ms Leanne, Deputy Director-General  
Stewart, Ms Tracy, Director, Planning and Performance  
Whybrow, Mr Mark, Executive Director, Corporate Services  
Goleby, Ms Ann, Director, Training and Tertiary Education

Community Services Directorate  
Howson, Ms Natalie, Director-General  
Overton-Clarke, Ms Bronwen, Executive Director, Policy and Organisational Services  
Sheehan, Ms Maureen, Executive Director, Housing and Community Services  
Manikis, Mr Nic, Director, Office of Multicultural, Aboriginal and Torres Strait Islander Affairs  
Fanning, Ms Katrina, Director, Aboriginal and Torres Strait Islander Services, Office for Children, Youth and Family Support

**THE CHAIR:** Thank you, Minister Bourke, for joining the committee this afternoon. Welcome to this afternoon's session of the sixth public hearing of the Select Committee on Estimates 2012-2013.

The Legislative Assembly has referred to the committee for examination the expenditure proposals in the Appropriation Bill 2012-2013 and the revenue estimates in the 2011-12 budget. The committee is due to report to the Assembly on 14 August 2012.

The committee has resolved that all questions on notice will be lodged with the Committee Office within three business days of receipt of the uncorrected proof transcript, with day one being the first business day after the transcript is received. Answers to questions on notice will be lodged with the Committee Office within five business days of receiving the questions, with day one being the first business day

after the transcript is received. Answers to questions taken on notice will be returned five business days after the hearing in which it was taken, with day one being the first business day after the question was taken.

On behalf of the committee, I would like to welcome Dr Bourke, the Minister for Education and Training and youth affairs, and directorate officials. This afternoon the committee will deal with the following outputs in the Education and Training portfolio—output class 1, Canberra Institute of Technology, 1.1, provision of vocational education and training, CIT solutions, output class 3, vocational education and training, planning and coordination of vocational education and training and services and the ACT Building and Construction Industry Training Fund Authority. In addition, the committee will also deal with the following portfolios for which Dr Bourke has responsibility—from the Community Service Directorate, output class 3, community development and policy, 3.2, community affairs, and Aboriginal and Torres Strait Islander affairs.

You are probably all very familiar with the privilege statement on the blue card in front of you, but I will just draw your attention to that so you are aware of it. Just so that everyone is aware, the proceedings are being broadcast. Before we go to questions from the committee, Dr Bourke, I would like to invite you to make an opening statement, if you wish.

**Dr Bourke:** Thank you, chair, and I shall. I thank the committee for providing me with the opportunity to discuss budget measures pertaining to the Canberra Institute of Technology. As you know, CIT is the largest RTO and public provider of vocational education and training in the ACT and region and offers over 400 courses ranging from certificates, traineeships and apprenticeships through to degrees and diplomas. In 2011, CIT trained 22,981 people from 86 countries, with a team of just over 1,000 staff.

A well-educated community is the basis of Canberra's social and economic prosperity. The government is committed to the public provision of VET and provides CIT close to \$70 million annually for the agreed outputs as detailed in the statement of intent. The provision of VET through CIT is a central element in the ACT government's commitment to provide the opportunity for Canberrans, regardless of their background, to gain the skills and knowledge to join the workforce and take part in our growing local economy.

CIT contributes to the public good by providing job ready graduates to join the Canberra workforce. CIT also partners with the ACT government to address skills shortages in a range of programs and provides additional support to equity groups in the community through its year 12 program and support to people with a disability. This is reflected in this year's budget, with an additional \$3.2 million over four years to fund the CIT year 12 program and students with a disability—two areas that the government believes strongly in.

CIT is a significant contributor to the gains in the ACT's performance over time in vocational education and training. This improvement includes the number of higher qualification completions, which have increased by 22 per cent between 2008 and 2009. As you can see from the budget papers, CIT performs well on its output targets.

Students' employment outcomes are a priority for CIT and are used to measure the success of CIT. The strategic objective outlined in budget paper 4, page 478, cites 2011 figures published by the national centre for vocational education. Its research shows that 92 per cent of CIT graduates were employed or in further study after training, compared with 87 per cent nationally. CIT graduates also exceed the national benchmark on all other measures.

The national partnership on the skills reform implementation plan currently being finalised will fund increases to skill and qualification levels in the ACT. Through this reform, the government will deliver a new VET system that stresses quality through enhanced validation of RTO funding and assessment, transparency for consumers and policy makers through better information sharing, a more effective public system through structural support for CIT and better access for equity groups by building on the ACT government's own entitlement measures with a national entitlement. Obviously, as Canberra's public VET provider, the CIT will be front and centre of these reforms.

CIT continues to maintain a strong relationship with the University of Canberra to maximise opportunities for students. The CIT teaching and learning plan includes specific strategies for strengthening the relationship between CIT and UC to meet the sixth pillar of CIT's mission—that is, to have a connected ACT tertiary system. CIT and the UC are currently negotiating a new contemporary memorandum of understanding which will focus on formal arrangements for articulating students between the two institutions.

Finally, I would like to say a few words about workplace bullying. The ACT government promotes a positive work environment for staff across all directorates free from discrimination, harassment and bullying. If work bullying does occur, it needs to be recognised and appropriately responded to. The ACT WorkSafe report and the findings of the WorkSafe ACT regulator, Mr Mark McCabe, have been embraced by CIT.

CIT has accepted responsibility for the improvement notice, has responded to my direction under the CIT Act and has reported to me weekly since 18 April. I understand that CIT has made significant progress towards meeting the requirements of the improvement notice and has implemented a number of changes to its policies and practices in relation to handling complaints.

I thank you for the opportunity to be here today and I look forward to your questions.

**THE CHAIR:** Thank you, Dr Bourke. My first question is in relation to the bullying, which you just mentioned, and particularly employee expenses in relation to this. As a result of the workplace issues that have arisen at CIT, I was wondering whether you are able to advise how many complainants have lodged workers compensation claims. I appreciate you said there has been an improvement notice, but what will be occurring to ensure that current and former employees are aware of their rights under the Safety, Rehabilitation and Compensation Act? What steps are you taking to ensure that any workers that have been impacted on or injured through this have access to assistance, whether it be medical or other assistance?

**Dr Bourke:** This is an issue which has had a significant public airing in the media and in the Assembly. I would feel reasonably certain that most people who are involved in this issue would be aware of that and would have been aware now of the avenues for making complaints, either through the CIT or directly to the commissioner for the public service—the Commissioner for Public Administration. I might get Mr Marron to go into some detail.

**THE CHAIR:** It not about the complaints; it is actually about, now that there has been this issue, if there have been any workers compensation claims, the ongoing expenses that will come with that, whether it be medical, counselling or other things like that, and making sure that people are aware they can access those under the act.

**Mr Marron:** I may ask one of my colleagues to comment in a second on that, and they will confirm the number. I think there are five workers compensation claims at the moment. Is that correct, Carolyn? While Carolyn comes to the table, I can advise that there are a number of things that are ongoing at CIT. As the minister has advised, we have got a very intensive program on the WorkSafe report. Our focus is on addressing those things that were the subject of an improvement notice. The Commissioner for Public Administration is committed to an examination of all the matters that are before him from the complainants, and that will be ongoing. In doing that, I am certain that all rights and obligations are being communicated with the individuals.

**THE CHAIR:** I take your point, but in terms of the people, it is going to be ongoing. There will be expenses associated with this.

**Mr Marron:** There will be.

**THE CHAIR:** Do you have any idea what that will be in terms of what people will need to access if there has been an injury associated with the bullying that has occurred?

**Ms Grayson:** The matters that are currently listed as complaints are being dealt with and overseen by the commissioner's office. There are a number of complaints that are listed there. As of 23 April, a team of CIT staff—one of them being me—have been working closely with the commissioner's office and we have been cooperating fully with their requests for information. All of those requests for information have been dealt with. At this point in time it would be appropriate for the commissioner's office to deal with specific issues that have been in place for those compensation claims.

**THE CHAIR:** Any requests, whether they be counselling or any other expenses, will be made through the commissioner; is that right?

**Ms Grayson:** That is correct.

**Mr Marron:** I think the answer to your question is that there will be expenses. Until all the matters are dealt with—whether they are examination matters or compensation matters—it will be difficult to put a figure on what the ultimate expense will be. We would need to talk to our insurers.

**THE CHAIR:** Just a further issue on that: are you able to advise what the estimated costs of improving culture, redesigning the staff survey and any other actions following the improvement notice will be and whether there have been any extra resources put towards this, or any existing resources?

**Dr Bourke:** These would be the normal costs of doing business, to bring CIT's WorkSafe policies and procedures up to the 21st century.

**THE CHAIR:** I understand that. I am trying to get at whether there are any estimated costs around that. The redesigned staff survey has been put forward as one of the means that are going to be implemented.

**MS HUNTER:** There were also changes to policy and procedures. You have mentioned that your complaints procedure has had an overhaul. Have you had to reallocate resources? Have you got extra resources?

**Mr Marron:** I will just address that. The answer to that is yes. There have been extra resources applied, quite correctly. Things happen in the normal course of an organisation which are, to a degree, exogenous or you have to have a contingency within your resources to be able to deal with them. Part of the expense that we will incur in doing the work to get beyond the improvement notice—because we are determined not to do the minimum but to do the maximum here to get to the end of that period—is an extra cost. Part of it will be things we had in the plan in any event.

Policy review is an ongoing policy review. Perhaps some of the cost of that is an opportunity cost and another policy may not be reviewed in that period because the resources are going there. There are some specific extra costs that we will incur. If the result is a policy and procedures that are an example to the rest of the ACT government, that is a good outcome and it will be money well spent.

**THE CHAIR:** One last question on that: Dr Bourke, in relation to the KMR Consulting report—and correct me if I get this wrong—you were reported as saying in the media something like it should have rung alarm bells. Something to that effect was said, I understand.

**Dr Bourke:** No, I did not say that at all.

**THE CHAIR:** All right. That is what I had seen reported in the media so I stand corrected on that. But, regardless of that, I would like to know what arrangements exist between CIT and the government to communicate problems identified so that the minister for education is actually aware of this specifically.

**Dr Bourke:** I have a weekly briefing with CIT senior management.

**THE CHAIR:** Was the KMR Consulting report brought to the attention of the minister at any stage, because there were obviously some alarming issues that came up in that? How was that communicated?

**Mr Marron:** I need to check what we did after the KMR report. Can I just make a

couple of points about the KMR report? Firstly, it was not an investigation into specific issues, which I think the newspaper portrayed it as. That was not the case. It did use a unique methodology and it did come up with a raft of issues. The response from us was a plan. In the report there were a number of issues that needed to be dealt with but it was not the kind of report that said “this happened to this person by this person” in any way that we could have taken forward, but we did recognise there were issues to deal with. That plan was furnished later on to WorkSafe and it forms part of the WorkSafe improvement notice. At the time I am certain we would have briefed the minister at one of our weekly meetings that we had had this report and that this was our plan.

**THE CHAIR:** So you had it. You said earlier you would have to check. So you did actually brief the minister—

**Mr Marron:** I said that at the time I am sure that we briefed the minister.

**THE CHAIR:** Is it possible to get confirmation of that?

**Mr Marron:** Yes, absolutely.

**MS HUNTER:** Mr Marron, you have outlined the action and the minister has outlined the action that has taken place. Are you confident that right across your senior management team and then the next level of management there is buy-in to this process?

**Dr Bourke:** I am very confident that there is, because one of the things I have done recently is to go and talk to the management at CIT to emphasise that this a process that I am completely strong on and that CIT needs to—must—comply with the improvement notice and must bring its work health and safety practices into the 21st century.

**MS HUNTER:** Mr Marron, did you have anything further to say, since you are on the ground day today?

**Mr Marron:** I just underline that I do believe that everybody has bought into this very seriously. Of course you might say, “Well, he would say that.” But I do think with the volume of work that we are doing, the support that we are getting and the comprehensive nature of it—the 10 points in the WorkSafe notice have been distilled into four major pieces of work—that is going ahead at a very fast pace. We cannot do it without people buying in. We have a consultation group with the trade unions involved that meets every fortnight.

I have been around every centre—bar one and I will finish that off next week—talking to the centre managers and the centre staff. I am having open forums; the first one starts on Monday. You can see all the notices that we have put out, under my name, saying: “This is the most important thing that we have got to get right; this is our priority. It can’t work without your buy-in.” Dr Stenlake, who has been taken off line—Carolyn is backfilling her normal position—is dedicated to this task and has done a really powerful piece of work. She has engaged with, I think, every centre.

I am certain that we have got buy-in from our executive and from our management group. It is my job to keep that buy-in going until all of our objectives have been achieved. So the work that I have outlined to you is a circle; it keeps on going. We are coming up to the term break, but next term it will continue because we will have more things to do, more things to get people engaged in. We have got online training up this week. We have got consultation out there in an eLearn chat room, which is use of new technology and a good investment by the government earlier on.

All of that is really serious and is being engaged with. I have people talking to me all the time and I know that my other staff have. That does not mean that there are not other things to be kept up to speed with, because we are a multifaceted organisation, but it is a priority. We are also about to implement part 2 of our staff survey, which is a perception mapping exercise and that is also something that will help us to gauge where the effort needs to be directed if it needs to be directed.

**MR SMYTH:** What went wrong? Without going back to taws, I appreciate all the activity, but that is like stirring up an ants' nest sometimes: lots of people running everywhere doing lots of things. What went wrong at the start that it got this bad and then what have you done to correct that, because if the attitude has not changed—engaged in activity is great, but if the core issue has not been addressed this is just all wallpaper.

**Mr Marron:** I would agree with you if the core issue had not been addressed. I think we have been doing an awful lot of work over the last 18 months, particularly to move people along and to take responsibility for their own behaviour. Your question really is: what went wrong? That is very difficult for me to comment on when the Commissioner for Public Administration has a commitment to examine all the matters that are before him.

**MS HUNTER:** That is Mr Kefford who is doing that?

**Mr Marron:** That is correct.

**MR SMYTH:** Yes, but beyond the specifics of investigating them—there are 30, 40 claims now?

**Mr Marron:** No. That is not quite true. Carolyn, how many matters are there?

**Ms Grayson:** There are 39 matters. However, some are relating specifically to complaints and others are provision of information to inquiries.

**MR SMYTH:** What was wrong? Apparently none of this was taken seriously. The government were asked but they did not seem to be taking it seriously. How does it get to a situation like that? At the heart of it—again I will just go back to it—what went wrong? People were not listening? People did not care? People did not change? What happened?

**Dr Bourke:** It was taken seriously and that is why the Work Safety Commissioner launched an investigation that led to the WorkSafe report.

**MR SMYTH:** Was there anything about bullying in your incoming minister's brief?

**Dr Bourke:** I was aware that there was a work safety investigation being undertaken by the Work Safety Commissioner. It is not my role as minister to interfere with what the Work Safety Commissioner is doing, is it?

**MR SMYTH:** You have a responsibility through your portfolios to ensure—

**Dr Bourke:** I was awaiting the report.

**MR SMYTH:** You made quite a deal about what a great working culture and working environment was going on. To both gentlemen: what went wrong?

**MS HUNTER:** Because this was not a new thing; it had been going on for quite some time—

**MR SMYTH:** Yes, it has been going on for ages.

**MS HUNTER:** some years—some maybe before your time but it has been going on for quite some years is my understanding.

**Mr Marron:** Most of the complaints are of some vintage.

**MR SMYTH:** And they do predate Mr Marron.

**Mr Marron:** I do not want to sound like I am making excuses, but this is the fact; this is what happened. The complainants took the workers compensation option as their first point of call; therefore it bypassed the internal systems of CIT. We accept now, after the WorkSafe report, that that was a lack. But that is what happened. As to what went wrong to provoke the complaints—

**Dr Bourke:** That is clearly detailed in the Work Safety Commissioner's report. He goes into the detail of what was wrong with the process and procedure handling at the CIT and set out a series of 10 means by which those processes and procedures could be brought into the 21st century.

**MR SMYTH:** But how did that which is described occur? How did you get to a situation where people had no faith in the system so they went straight for the compo instead of trying to fix it? My reading of it is that there seems to be an attitude almost of "if we simply ignore it, it will go away, or they will just get compo and they will leave".

**Mr Marron:** I really do not think that was the case. You are asking me about something that happened before I got there with regard to the people who chose the workers compensation; those cases were well advanced by that time. Workers compensation does not divorce it from the institute. There are processes within the institute.

**MR SMYTH:** But you did just say that they bypassed the internal processes and went straight to workers—

**Mr Marron:** That is a fact. That is what people did.

**MR SMYTH:** You are never going to address a problem unless you address the root cause of the problem. Compensation just treats a symptom; it does not fix the problem.

**Mr Marron:** It is a no fault system anyway. As to why people chose that, there might be a number of reasons but certainly, in hindsight, they did not have enough faith in the process to do that might be one of the reasons. I cannot speak with any truth about that because I did not make those decisions; those people did. Presumably through the examination that the commissioner is holding some of that rationale will come out.

**MR DOSZPOT:** Mr Marron, last November in your appearance before the education committee's annual reports hearing you said that in the last couple of years CIT had very few cases of bullying. Given the evidence to WorkSafe ACT about the many cases that CIT had failed to address, and the adverse findings of the WorkSafe ACT report which led to the education minister's subsequent intervention, do you wish to revisit those comments?

**Mr Marron:** I am happy to revisit any comments that—

**Dr Bourke:** Chair, this about budget estimates. I think we are off the track of the budget.

**THE CHAIR:** Dr Bourke, members are able to ask any questions they wish to when they come down here.

**MR SMYTH:** Just on the comment, the minister's address told us how well they were doing at improving this. We want to scrutinise what he says he has done—

**THE CHAIR:** And, as I just said, Mr Smyth, members can ask any questions they choose. Mr Doszpot, continue.

**MR SMYTH:** Exactly.

**MR DOSZPOT:** I have asked the question. I am waiting for Mr Marron to answer it.

**THE CHAIR:** Do you want to ask it again? I think there was some confusion there.

**MR DOSZPOT:** Okay. Do you want the whole question again?

**THE CHAIR:** No, that is okay.

**Mr Marron:** I have got the question. You asked me whether I want to revisit that statement. I would need to look at the statement in its context, but my intent is to be truthful when I am talking here and, as much as I recollect, that would have been true at the time, because many of the cases that are being referred to happened before that period. You said a couple of years—the past two years.

**MR DOSZPOT:** I was talking about your comments last November.

**Mr Marron:** Yes, but can you just repeat the comment?

**MR DOSZPOT:** Certainly. Given the evidence to WorkSafe ACT about the many cases that CIT have failed to address and the adverse findings of the WorkSafe ACT report which led to the education minister's subsequent intervention, do you wish to revisit these comments? Sorry; I will take it back to the first sentence.

**Mr Marron:** Yes, it is the first bit.

**MR DOSZPOT:** You said that in the last couple of years—this is last November—CIT had very few cases of bullying.

**Mr Marron:** I would not retract that, because in 2010 and 2011 we did not have many reported cases of bullying. That is the truth.

**MR DOSZPOT:** Can I quote this next bit then. This report is a damning indictment of management at CIT—and I address the fact that it is including well before your time so this is not just aimed at you—over a number of years, including up to the present time. Mr McCabe says, *inter alia*:

... CIT continues to defend its action right up to the ... writing of this report, and ... has taken little action to rectify this situation.

Elsewhere he says:

WorkSafe can see no evidence that this situation has changed substantially since 1 January 2012 ... While the CIT acknowledges some aspects of WorkSafe's concerns, most are denied.

Is that still the attitude?

**Mr Marron:** No. When we were dealing with WorkSafe, we had a view. As the institute we had a view; it is our responsibility to have a view. We did not know what was in the WorkSafe report when we were expressing our view. We set out to do things benevolently. WorkSafe had a different view. We have accepted the WorkSafe view and are working extremely hard to put their recommendations into place.

**MR DOSZPOT:** Minister, turning to you on this same matter, Mr Smyth asked a question regarding your briefing from the previous minister on this topic. When was the first time that you were briefed about the CIT bullying issues by the previous minister?

**Dr Bourke:** It is not part of the ministerial handover to have a briefing from the previous minister.

**MR DOSZPOT:** It is not part—

**Dr Bourke:** You have a briefing from your directorate or your department.

**MR DOSZPOT:** It is not part of ministerial protocol to have a briefing to you as the

incoming minister? Should it be? Is there anything that you followed?

**Dr Bourke:** If you want to make recommendations for good governance in the ACT, it is your problem.

**MR DOSZPOT:** I am asking if you have concerns. Is there something that you have brought up with Mr Barr since that point?

**Dr Bourke:** The briefings provided to me by the directorates and the CIT, which I am the minister for, were detailed.

**MR HARGREAVES:** I have a question.

**THE CHAIR:** Yes. I will come back to you.

**MR DOSZPOT:** I will come back.

**MR HARGREAVES:** I draw your attention to some good news at BP4, page 478, the strategic objectives and indicators, strategic objective No 1. Look particularly at the graph there. It tells a really nice story. All of those outcomes on that graph are better than the national figures. If you have a look at it, you will see that it is a lot better for employed after training. Not employed before training—bigger amount there. But then employed or in further study after training—again bigger. Enrolled in further study—bigger. It is quite clear, for the people that cannot read, that this graph actually tells a really nice story of achievement for CIT and VET. Bless you.

I am interested to know what factors you would like to put it down to around this high level of performance. I do not know, minister, whether you have had time to actually be briefed on this sort question, but how do we compare—how does the ACT compare—with private training organisations? Is this CIT specific? How do we rate against, say, other jurisdictions that have got TAFE institutions around the country?

**Dr Bourke:** The CIT is one of Australia's leading deliverers of vocational education and training. I do not think that view should be diminished or lost with the discussion we have just been having here. It is very important for us to remember that the CIT is a significant organisation which delivers excellent outcomes. As I said during my speech, it has got over 22,000 students and over 1,000 staff. It is the largest tertiary institution in Canberra. It is very important and it does its job very well. I will get Mr Marron to go into some more detail about that.

**Mr Marron:** I may ask Caroline, who is responsible for this area, to say a few words about the surveys which are conducted by the NCVER.

**Ms Grayson:** Thank you. The NCVER collects data—

**MR HARGREAVES:** Do you want to give us the details of the acronym, for Hansard?

**Mr Marron:** National Centre for Vocational Education Research.

**Ms Grayson:** The NCVER collects data as statistical information from every TAFE institute nationally. They perform surveys nationally where they contact students and ask for their comments regarding how they felt about their training. And they collect data on the module completion rate. So each state is surveyed and data is collected across the state. The graph that you see in front of you is indicative of the CIT responses versus the national. Within the NCVER full report, the statistics are broken down per state.

**MR HARGREAVES:** This is a pretty good achievement. If you have a look at that graph, anybody with 20-20 can spot that. But what do you put the achievement down to? Is it the fact that we happen to be the brightest students in the country and it is really a genetic thing that people in Canberra are brighter than anyone else in the country? What do you reckon it is?

**Mr Marron:** I certainly would not be so presumptuous as to say that. I do think the environment perhaps is a contributing factor. We do have some very good facilities. People in my position always say we have never got enough, but we do have some very good facilities. We have an excellent teaching cohort of highly trained and very expert teachers. I think that for the students at CIT—you can see this if you go to graduation or if you go to any of the awards nights. Last night was the trade skills awards night at the Hellenic Club. Four hundred people turned up, and that was just for the Fyshwick skills centre. Afterwards there were the FAT awards at Southside, the film and television awards. Again, it was packed. You feel the vibrancy, the exuberance and the sense of belonging that the students have, and you think, “That’s got to be part of it as well.”

I do think that, in terms of servicing our students, we have a particular advantage. We have got some very sophisticated learning technology through the learning centres. The eLearn ability that we have gives people much more accessible avenues to training and education. And we do have the pathways; we offer pathways.

Also, it is a city or a town where, if you have a qualification, your prospects of getting employment are very good. Canberra has not yet been subject to the fluctuations in employment levels that other places have. I think all of that contributes.

**MR HARGREAVES:** One of the things I noticed in here is “employed after training”. This is a pretty significant achievement when you are talking about percentages nationally. It seems to be around about the 77 or 78 per cent mark, but locally you are talking about 87 or 88 per cent, somewhere like that. But they have got to have jobs to go to. They are actually achieving them, so you must be doing something pretty right. I was interested, too, to see how you are performing against, say, some of the private training organisations. Do you know how they are tracking?

**Mr Marron:** Not quite as well. It is a difficult comparison as well, with respect, because we are not always comparing apples with apples. The private training organisations often are only doing one thing, or a small range of things, whereas we are a very broad-based organisation. And the funding regimes would be different also. So I could not answer specifically. I think that we do pretty well. The statistics would be hard to beat.

**MR HARGREAVES:** That is fair enough.

**MR COE:** Is the national data broken down to regional and metropolitan?

**Mr Marron:** Is it, Caroline?

**Ms Grayson:** The data that is reported is actually by state.

**MR COE:** Within the state, there is no breakdown more than that?

**Ms Grayson:** Not that is reported at this stage.

**Mr Marron:** Having worked in Adelaide and Victoria—within the states it is, but it is not published as part of the national gathering, no.

**MR COE:** Do you know how CIT rates compared to other metropolitan training institutes?

**Ms Grayson:** The comparisons are not provided in that way.

**MR COE:** I understand they are not, but do you know?

**Mr Marron:** Anecdotally, sort of emotionally, we do. We think we compare very well. We are regarded around the country as one of the top providers.

**Dr Bourke:** Actually, chair, that information will probably be reported on the MySkills website, which the commonwealth government is supporting and developing. When will that be coming out?

**Ms Grayson:** There is currently some work taking place to look at how data from the employer satisfaction and the learner engagement survey can actually be reported within that space. That project is taking place now in regard to a time line.

**MR COE:** When is that likely to be online?

**Dr Bourke:** It is a commonwealth government program.

**MR COE:** Yes, I know.

**Mr Marron:** The target is September for the MySkills website to be up.

**THE CHAIR:** One final thing.

**MR HARGREAVES:** My last question on this subject is this. Mr Marron, you said that it is difficult to compare some of the RTOs around town because it is apples and pears, or apples and oranges or grapefruit or whatever. When we get this comparison with the state jurisdictions, clearly the ones we are interested in are the ones on the eastern seaboard. Are they apples and apples?

**Mr Marron:** Yes.

**MR HARGREAVES:** So if we get the comparison information Ms Grayson was talking about—have you got it there? Could we have a copy of that, do you reckon?

**Ms Grayson:** Yes.

**MR HARGREAVES:** Sensational. Then we are comparing it.

**THE CHAIR:** That will be provided to the committee.

**MR HARGREAVES:** Thank you. That is all from me.

**MS HUNTER:** I wanted to go to page 2 and page 13 of the statement of intent. On page 2 there is reference to the 2012-13 priorities. One of those priorities is to expand and diversify the institute's revenue base by increasing training in contestable markets, developing partnerships with industry and increasing business in international and other contestable areas. Looking at the institute's operating statement, which is on page 13 of the statement of intent for the budget year and the three forward estimate years, the total revenue in each year is increasing at a rate of less than two per cent a year. Could you explain how you are going to go about expanding and diversifying your revenue base when the year-on-year revenue is really probably only increasing by CPI at this stage?

**Mr Marron:** Yes. One of the things that we are doing at the moment, and we will continue to do into the second half of this year, is look at a number of key areas for the institute. Now that we have got some clarity about the CIT and its future with the national partnership agreement coming on stream beginning in 2013 and changing the landscape—the CIT will be the CIT—we are looking at some of the key areas. One of those areas is the way that we deal with commercial and contestable activity. We know that more funding—this is not necessarily territory government funding—is going to be contestable.

Yesterday was the establishment of the Workforce Development Agency, the successor to Skills Australia. That is going to be a channel for significant government funding, something like \$900 million over a couple of years. They have gone from being an advisory agency to federal government agency. They are doing that but also they will be policy implementers and a funding agency, which is a considerable difference.

**MS HUNTER:** This is all to do with the changes at the federal level around the—

**Mr Marron:** That is all to do with the changes at the federal level, yes.

**MS HUNTER:** extra money that we have been alerted to.

**Mr Marron:** Yes. That is going to put into place some contestable funding that has not been there before in different forms. We have got an early jump on that because we got involved in one of the first trials on this, which was a critical skills fund. We are part of a consortium—in fact, we are the lead agent of a consortium—that includes the Industry Skills Council and providers in other parts of the country. It is all about

spatial skills, surveying and so forth. We have got a considerable contract with the federal government over three years to deliver as part of this consortium. There will be more of that happening. It is about embedding and selling the benefits of CIT—the worth and the capability of CIT—to those that are potential partners.

One of the things we learned from the last couple of years has been that collaboration and partnership are the foundation of how we are going forward. That affects not just our articulation with other educational institutions, schools or universities; it also affects how we connect with the contestable and commercial markets.

We do that very effectively through the company, SITSOL. It is very effective with its relationships and its repeat work, particularly with the federal government, but also outside the federal government. That is all entirely commercial. With contestable income, we are hoping, and we would not be alone in the sector in hoping, that there will be—there are indications there will be—some alleviation in the second half of this year in the visa systems.

The visa systems have certainly had an impact on our international activity and, therefore, our international aim to increase our earnings. SITSOL, who manage it for us, were telling me that, although our numbers are down in the first semester this year, we have 79 applicants who are waiting for visas who have been rejected in the first round of visas.

**MS HUNTER:** So that slump you feel is turning around, the bit as far as international students are concerned?

**Mr Marron:** The visa system changed since the last time I spoke about this in the estimates. If that had not happened, we might well have been back to a recovery point. We are not far away but we have got 79 applicants who have applied to CIT but who cannot get in. We are hopeful they will get in in the second semester through the visa system but it is a very tough system for VET providers. That is another area.

We are also engaging in a number of what we call transnational activities. One is something we have been doing for a while in Abu Dhabi with the Abu Dhabi police through the forensic centre. We are also involved with training Pakistani police with the AFP. What came with the Customs Institute at UC is an opportunity to develop and to expand a bit of business that they have got in Sri Lanka.

**MS HUNTER:** You would provide part of it and they would provide part of it?

**Mr Marron:** That is right. It is all about collaboration partnership. That is the keynote of going forward. It is also looking about how we are structured and how we change—how we tweak our structure to make us a better place for commercial income but not at the expense of making us a better place as an educational establishment. It is constantly balancing those two.

**Dr Bourke:** And we did have the Iraqi police as well.

**Mr Marron:** And we did have the Iraqi police for the last year too.

**MS HUNTER:** Do you feel that you are pretty well placed, considering all of these reforms are on their way—contestability is on its way and so forth—to enter into it?

**Mr Marron:** I think we have got work to do. I will be frank. We have got work to do. Our systems and processes are geared to the current system. We have to improve, rearrange and perhaps adapt new systems to meet new challenges.

**MS HUNTER:** Do you have the resources to do that?

**Mr Marron:** Yes, I think so.

**MS HUNTER:** How will you make the \$9 million savings?

**Mr Marron:** \$9 million?

**Dr Bourke:** That is something that CIT will be working on as part of their strategy to be more efficient, which is the obligation of every public servant—to be able to use community resources in a more effective and efficient way to deliver the outcomes that the community wants. But they will talk about that specifically.

**Mr Marron:** You are talking about this coming year and the outyears?

**MS HUNTER:** The outyears, that is right. This year and the three following years, yes.

**Mr Marron:** Clearly, we are looking at the lines that were in the budget in terms of travel and accommodation. We do anticipate that we will be able to reduce our staffing, which is part of the target too in terms—

**MS HUNTER:** How many staff are you looking at—how many FTEs?

**Mr Marron:** We have not arrived at a final figure yet but we do think that there are some project positions that we have which will run out and we will not replace to reach our target. We are also hoping, and we have seen some progress in this, that the technology that we have invested in will help us particularly with things like paper printing. I am not sure if it is a good or a bad thing but we have a contract with Fuji Xerox. It is a very, very good arrangement. They run a print shop for us. It is another collaboration, if you like. They are complaining that the amount of printing is going down. So they are upset but we are perhaps not so upset.

**MS HUNTER:** So you are using it less and you are double-siding printing?

**Mr Marron:** Using technology; we need to do more of that. There will be other things. We hope to improve beyond CPI in terms of our earnings. That is why we are embarking on these changes.

**MS HUNTER:** You did a lot of energy efficiency at Bruce campus. You did a lot of that. Has that been spread out over a number of campuses?

**Dr Bourke:** I was just going to talk about that.

**Mr Marron:** Yes. If you want to speak, minister, and then—

**Dr Bourke:** Yes, I was actually out there yesterday having a look at their new six-star rated building, a fantastic facility both for training and for teaching in. Also, they have a gas-fired electricity hot-water generation plant, which I understand is about to be linked up to the CIT at Bruce so that they can actually start to generate some of their own power there using natural gas. This is going to reduce carbon outputs as well as reduce their costs. It will have an impact on the bottom line.

**MR COE:** How much do you expect it will save?

**Mr Marron:** Shane, would you like to comment?

**Mr Kay:** Yes, certainly. In terms of the savings, when the actual building opens I could not say 100 per cent what savings will come out of that. What I could probably talk about is the savings over the last couple of years in terms of what we have done on environmental functions.

**MR COE:** Is the project that the minister just outlined likely to reap any operational rewards?

**Mr Kay:** Yes, certainly. There is electricity that has been generated. We are reusing the water and it has energy efficient heating and all that sort of—

**MS HUNTER:** So it is a tri-gen plant?

**Mr Kay:** Yes.

**Mr Marron:** The tri-gen plant and the solar plant.

**MS HUNTER:** Could you provide for us on notice information about what have been the savings over the last few years—they have been quite significant—and what you are expecting from this tri-gen plant?

**THE CHAIR:** That has been taken on notice.

**MR SMYTH:** My question is supplementary to Mr Hargreaves's question. At first glance, it appears from the chart on page 478 of budget paper 4 that we are above all the national averages, which is a great thing. How does that compare with last year, though? What is the change in percentages and the difference between the national average and our outcome?

**Ms Grayson:** We were just looking at that before we walked in. I cannot actually say specifically what changes may have occurred but it is comparable to last year. We cannot say that we have decreased at all or increased. These ratings would be comparable over the last couple of years.

**MR SMYTH:** I have the same chart from the previous budget year. If you go on the gap between each of the qualifications, it would appear that in 2010 for “employed

after training” we were probably about 12 per cent better than the rest of Australia. It seems to have dipped to a gap of about 10 per cent. For “not employed before training” it was about 25 per cent. It is down to about 23 per cent. For “employed or in further study after training” the gap last year was about seven per cent. It is about five per cent this year. The “enrolled in further study” percentage stays about same and the “achieved main reason for training” gap was three per cent last year. It is about one per cent on the current document.

It is very hard to tell because of the scale. Keith, can you actually take it on notice and give us what the raw numbers are in each of those cases for the comparison? If there is a couple of percentage points decline in the year, of course, whilst the picture looks good it actually shows a decline—

**Dr Bourke:** Not really.

**Mr Marron:** Only if the others have not done better.

**MR SMYTH:** But that is the point. You cannot tell. The gap seems to be closing. I would suggest, just reading from the chart—it is hard because of the scale—that all the categories in the 2011 year do not appear to be as good as 2010. The Australian outcomes for 2010 are bettered in, I think, four of the five cases in 2011. For accuracy’s sake, could we have the raw numbers?

**Dr Bourke:** I think you are drawing a long bow to criticise on that one, to say that other people are catching up but we are still leading.

**MR COE:** The thing is you cannot discriminate.

**MR SMYTH:** The point is that you cannot tell. It is nice to get praise from Mr Hargreaves for a chart that is unclear, although I am not sure about praise from Mr Hargreaves, full stop. But I think on any look at 2010 versus 2011 it has actually declined across all of the parameters. If we could have the accurate numbers, that would be good.

**THE CHAIR:** That has that been taken on notice.

**MR HARGREAVES:** I would like to think that the glass is half full, actually.

**MR SMYTH:** I would like to think that things are getting better.

**MR HARGREAVES:** You are just going to the trouble—

**MR SMYTH:** I would like to think that we are getting a better outcome. I have a new question that follows on from a previous question. Since the investigation and the WorkSafe report has been made public, have any new instances of bullying been brought to your attention?

**Mr Marron:** I will just pass that to Carolyn, if you do not mind. She is managing that.

**Ms Grayson:** In regard to new number of—just checking.

**Mr Marron:** The question was: since the publication of the WorkSafe report, have any new incidents been reported? Are you asking whether they have been reported or having occurred post the—

**Ms Grayson:** In regard to whether the instances may have occurred before—during the report or whether they have actually come through—the list of complaints that the commissioner is overseeing is actually sitting in that area. The number of complaints that CIT is currently looking at is seven complaints, and one of those complaints has actually made reference to bullying as a comment within that. But the majority of complaints are being dealt with by the commissioner's office; so they would need to comment on that.

**MR SMYTH:** Sorry, that is unclear. There are seven new complaints?

**Ms Grayson:** Sorry, out of the list of complaints that the commissioner's office is dealing with—

**MR SMYTH:** The 39?

**Ms Grayson:** The 39 matters that were listed there, seven of those have been referred to CIT to process and out of that seven there is one of those that has a reference to bullying.

**MR SMYTH:** Did that occur before the WorkSafe report or since?

**Ms Grayson:** I would need to check when the—I do not believe it is referenced to the WorkSafe report.

**THE CHAIR:** But you will just confirm that?

**Ms Grayson:** But I would need to confirm that.

**THE CHAIR:** That is taken on notice.

**MR DOSZPOT:** I come back to Mr Smyth's point. Minister, the members of the CRT improvement consultation group and the CIT improvement action group include senior staff of the CIT. These senior staff are presumably part of the same management that Commissioner McCabe suggested do not believe that they have done anything wrong and continue to deny any allegations of wrongdoing. Do you have confidence, therefore, that these two committees are able to make the changes that are required?

**Dr Bourke:** Yes.

**MR DOSZPOT:** What do you base that assumption on? Are you saying that none of the people on these—

**Dr Bourke:** Let me answer your question, Mr Doszpot.

**MR DOSZPOT:** Please. It will be a change.

**Dr Bourke:** I base that statement, firstly, on the response of CIT at its senior management since the publication of the WorkSafe report—in particular, the statement by the chief executive on the day acknowledging and apologising. For me, these indicate a significant admission and acknowledgement of the past and I think it is very important that an apology was given.

CIT has also received a directive, as you will know, from me to comply with the WorkSafe commissioner's 10-point plan. I receive a weekly briefing, a weekly report, on their progress, which I have been satisfied with. But do not forget that under the new work, health and safety legislation, which I brought in last year, public organisations can be prosecuted under that act if they do not comply with a WorkSafe commissioner's direction, the improvement direction. If CIT does not comply, there can be prosecutions. If you do not think that that focuses their minds, then I am not sure what you think about it.

**THE CHAIR:** Mr Hargreaves, you had a follow-up question?

**MR HARGREAVES:** Yes, I had a follow up on this—

**MR DOSZPOT:** Sorry, I have not finished.

**THE CHAIR:** No, there was a supplementary and then I will come back to you.

**MR HARGREAVES:** It is a supplementary on the same subject.

**THE CHAIR:** I will come back to you.

**MR DOSZPOT:** That is fine.

**MR HARGREAVES:** Thanks, Mr Doszpot. What I am a bit concerned about is that there seems to be a pervading view that this is an organic issue right across the whole of the CIT campuses. I would like to know how many different schools and enterprises exist within the CIT operation. How widespread was this particular issue in the context of that organisational structure?

**Mr Marron:** There were three centres that were the focus of the complaints in the main.

**MR HARGREAVES:** Out of?

**Mr Marron:** Out of 15.

**MR HARGREAVES:** Fifteen?

**Mr Marron:** Yes, centres, and that is the—that is not an excuse for it. There is work to be done and we absolutely accept it.

**MR HARGREAVES:** How many cases were there? I did not get the work safety

commissioner's report.

**Mr Marron:** The work safety commissioner's report included comments, some of which Mr Doszpot has read out. But it was a report into the way that complaints and bullying and harassments were handled, and the policy and procedures. The actual matters, the cases, are with the Commissioner for Public Administration and he will be dealing with those.

**MR HARGREAVES:** That is the 39 you are referring to, seven of which have been referred to the CIT, one of which has bullying in it.

**Mr Marron:** Correct.

**MR HARGREAVES:** Out of, did you say, 20,000 students?

**Mr Marron:** There are 23,000 students.

**THE CHAIR:** It is not students, it is staff. It is staff, not students.

**Mr Marron:** There are 1,000 staff.

**MR HARGREAVES:** One thousand staff. How many students, did you say?

**Mr Marron:** There are 23,000.

**MR HARGREAVES:** Has that increased over the last couple of years?

**Mr Marron:** Students?

**MR HARGREAVES:** Yes.

**Mr Marron:** That has been pretty steady over the last couple of years.

**MR HARGREAVES:** Okay. So the relativity is one out of 39 out of 23,000 students and 1,000 staff.

**THE CHAIR:** Actually, no, it was actually staff.

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

**MR DOSZPOT:** It just shows Mr Hargreaves's knowledge of this. We are talking about teachers. We are talking about teachers, not students. Minister, coming back to your comments on my question, are you comfortable that there are people who have lost their positions, who have been put through emotional and medical trauma? They have lost their positions but, presumably, the people who were the ones responsible for the bullying that has supposedly taken place, they have not lost their positions. We are asking. The presumption is that people who were in fact the bullies are sitting on committees at the moment looking into the very thing that they are meant to be addressing. That is what we are asking you, minister. That is what we want some clarification on.

**Dr Bourke:** That is an outrageous allegation, Mr Doszpot, which you have no evidence to support. You have no evidence to support that allegation.

**MR DOSZPOT:** How did people lose their positions, minister? How did people lose their positions?

**Dr Bourke:** You have no evidence to support the allegation that you have just made that people who have been bullying other people are sitting on the workplace improvement committee.

**MR DOSZPOT:** I am asking you: are you comfortable that there are no people in that category sitting on that committee? That is what I am asking you.

**Dr Bourke:** Yes.

**MR DOSZPOT:** And what do you base that on?

**Dr Bourke:** On the advice that I have received.

**THE CHAIR:** Thank you.

**Dr Bourke:** And I will have Mr Marron say something as well, thank you.

**MR DOSZPOT:** Thank you.

**Mr Marron:** That advice would come primarily from me. I am comfortable, in answer to your question, that it is not the case. The other evidence that I put forward to the minister—sorry to be repetitive—is the absolute seriousness and vigour and rigour with which we have embraced the recommendations of the WorkSafe report. That is driven through the action group. The progress has been substantial to date and it will, as I have said before, go beyond the minimum that might be suggested by the WorkSafe report. So it is the actions as well as the assurance that ought to give the minister some comfort.

**Dr Bourke:** Plus the fact that this process is being overseen by the Commissioner for Public Administration. Are you suggesting that he is colluding in something as well?

**THE CHAIR:** I do not think that was suggested. I have actually got a question in relation to—

**MR DOSZPOT:** Sorry, Madam Chair; I have got one more question on that.

**THE CHAIR:** One more question.

**MR DOSZPOT:** Mr Marron, further to your last comment there, you are required under one of WorkSafe ACT report directions to take active steps to build staff confidence in policies and procedures. Can you tell us what are the active steps you have currently taken now that you are two months into the six-month compliance period?

**Mr Marron:** Sure. As I mentioned, we are doing the staff survey, part 2, which is the perception analysis because the first thing to do is to find out just what that confidence is so that we can rectify it. We have got teams working on the rewriting of the policies. We are working through a consultation process. It is quite diverse and quite comprehensive to do that, including, as I have mentioned earlier, the consultation with the trade unions, with which we meet every fortnight. We are using our HSRs, our health and safety reps, as part of that.

We are expanding the workplace consultation process. I have been going around each centre. I have been sending out messages. I have been answering questions and standing in front of people taking their views and reiterating our commitment. I certainly have a sense that that confidence is building and I certainly have a sense that people appreciate the work that we are doing. But I absolutely accept that we have got to keep going with it and it goes beyond just the period that has been defined by the WorkSafe recommendations.

**MR DOSZPOT:** Are you surprised at the number of allegations that have come to light over the last few months, I guess, since the WorkSafe commissioner's report has come out? Are you surprised at the number and the fact that it has taken the public revelations to come into the public arena before people actually felt confident enough to come forward?

**Dr Bourke:** It really is a vote of confidence in the procedures and policies that we now have in place that people feel free and capable of coming forward. These are very sad occurrences. It is regrettable. But they are coming forward because they now feel confident in the processes that we have set in place.

**MR DOSZPOT:** Because somebody is listening to them, minister—not you, but somebody else is listening to them.

**THE CHAIR:** We are going to have to finish soon, because we have got to get to CIT Solutions and we have another couple of things this afternoon. I will go to Ms Hunter for a quick question.

**MS HUNTER:** I want to ask about the decrease in asset revaluation. Is there somebody who could go into the detail of that?

**Mr Marron:** Yes. I will ask Mr Kay, in a second, to go into that. I would suggest that if you have done accounting in your past history you might reach out into your reserves and get that out because it is a technical item. But it is about the revaluation that was done in 2008, which valued our assets at a certain figure. As per the accounting standard, we did a revaluation last year, which we are required to do. That came up with a different figure; hence the difference in the balance sheet of CIT. For the detail, Mr Kay.

**MR HARGREAVES:** I did accounting 1 at CIT in 1972, you might want to know.

**MS HUNTER:** I have a question for Mr Kay. We have a decrease of just over \$152 million. What you have got in your notes, in your statement of intent, is that it is

mainly due to asset revaluation processes, as Mr Marron just said. It is resulting in the value of land decreasing by \$186.8 million and buildings increasing by \$35.9 million. Could you particularly explain land decreasing in value, because that is a strange thing in the territory, is it not?

**Mr Kay:** I do not know about that, but certainly I can attempt to answer your question as best I can.

**MS HUNTER:** Thank you.

**Mr Kay:** Under the accounting standards, you are supposed to revalue your assets every three years, which we do. Treasury has a set of uniform model documents you put out to the market or to a panel of valuers to come and value your assets. In 2008 we went out and did that, and at that time the accounting treatment on revaluing your assets had a really marked change. It went from a cost basis. Our land used to be carried at about \$6 million in our books and then the accounting changed to the market value.

At that time, this was pre-GFC, the whole town was booming and everything was going really great. We knew our land values were not \$6 million on our five campuses. So when the values came back from a registered valuer, they came back at a value we thought was pretty accurate at the time. I thought the Reid campus was worth about \$100 million, the land there. And if you think about, if you sell it off, what would you do with it? We thought that was pretty accurate. We went through that audit process. The Auditor-General ticked off our values. We had the registered valuer's figures in our financial statements. All was good.

In 2011, we had another valuation done, because it was a three-year cycle. The values actually came in significantly less. What came to pass was, from my point of view, an interpretation of the accounting standards. Market value is market value in a private market but there are also covenants or restrictions under crown leases on things you can do and things you cannot do with your land. As an institution, we are basically custodians of our assets on behalf of the ACT government. The values that we have had done recently basically said that you have got to take into account all those crown leases and all those restrictions on the property and what you can do.

**MS HUNTER:** And that lowered the value?

**Mr Kay:** And that lowered the value. I can see that point of view but I can also see another point of view that says that if we are holding the assets on behalf of the government, then the government can probably do it at once with the assets, regardless of what we say. They are only in our books.

Anyway, regardless of all that, we went through the audit. We all agreed that the asset value should go down; so they went through the books. Land went down by \$186 million, buildings went up by the difference, \$30 million. That is basically the quick answer.

**THE CHAIR:** We will have to move on to CIT Solutions. We will not have enough time.

**MR SMYTH:** We will. CIT Solutions does not take as long.

**THE CHAIR:** I am aware of that, Mr Smyth. Thank you for your advice.

**MR SMYTH:** You mentioned that enrolments were flat. The outcome for 2010-11 was 19,500 students. The estimated outcome for 2011-12 is 17,886 enrolments, which is down nine per cent. I would not describe nine per cent as flat, or is there some change in the numbers?

**Mr Marron:** What page are you on?

**MR SMYTH:** Sorry, page 479 of budget paper 4 and page 443 of budget paper 4 last year.

**Mr Marron:** And you are looking at program enrolments?

**MR SMYTH:** Yes.

**Mr Marron:** Jenny, would you like to make a comment?

**Ms Dodd:** Yes. We are in a period of some change in the way our performance will be recorded in terms of the differences that are coming at the national level. Note 1 identifies that many of the training packages, which are the national standards and the national programs we deliver against, have more nominal hours in them than in previous years. What happens there is that we end up with fewer enrolments to deliver the actual quantum of training that is required.

**MR SMYTH:** But in terms of individuals, you have got fewer individuals trained?

**Ms Dodd:** Yes, that will ultimately be the case. That is correct.

**Mr Marron:** Are these program enrolments publicly funded enrolments or total enrolments?

**Ms Dodd:** These are profile enrolments. They are the government-subsidised places.

**Mr Marron:** So the other enrolments would be the non-government, subsidised places? This is in relation to CIT in regard to what the public funding is.

**MR SMYTH:** That is okay. Irrespective of whether they are publicly or privately funded—

**Mr Marron:** My point is that we have shifted some programs from public funding into commercial, fee for service.

**Ms Dodd:** Yes.

**MR SMYTH:** Therefore these are only the government-funded places?

**Mr Marron:** I understand that.

**MR SMYTH:** What is the total number of program enrolments for both government funded and non-government funded and what are those numbers for 2010-11, 2011-12 and the 2012-13 outcome?

**MS HUNTER:** While you are looking through that, is it possible to get a copy of that valuer's report?

**Mr Marron:** Yes.

**THE CHAIR:** Do you need to provide that on notice or do you have that information there?

**Mr Kay:** For those three different periods, yes. We have got calendar year figures but they will not be exactly what was asked for.

**THE CHAIR:** Do you need to take that on notice then?

**MR SMYTH:** Is this figure a calendar year period? It is very unclear what is the key output of program enrolments.

**Mr Kay:** The ones in the budget papers are the financial year July to June.

**Ms Dodd:** But to give you an indication, the total enrolments between May 2011 and May 2012 will be approximately 1,000 more and that will be mainly felt in commercial enrolments.

**MR SMYTH:** If we could have it, perhaps, by calendar year for the last two years and the coming year and by financial years for 2010-11, 2011-12 and 2012-13?

**Mr Marron:** We will take that on notice.

**THE CHAIR:** So that is taken on notice.

**MR SMYTH:** Commercial—

**Mr Marron:** Government funding and non-government funding.

**MS SMYTH:** And the totals, yes, thank you.

**THE CHAIR:** That is clear? You will take that on notice.

**MR SMYTH:** If you look at that, it would appear it is declining quite significantly. So you have got a deceptive indicator.

**Mr Marron:** And it is to do with public funding, it is to do with training packages, yes.

**MS HUNTER:** Could you also take on notice the market rent for the Bruce CIT

facilities that are currently being used by the Raiders and how much you actually charge them?

**THE CHAIR:** We will need to move on to CIT Solutions.

**MR SMYTH:** How much time are we apportioning to CIT Solutions?

**THE CHAIR:** I have now got 15 minutes for them because we have gone over. We have got a break and then we have got vocational education and training and the Building and Construction Industry Training Fund Authority and we have to finish at 4.30. I am keeping track of the time.

**MR SMYTH:** We have got 45 minutes for that?

**THE CHAIR:** No, we have got 45 minutes for those two in total. I am keeping track of the time, thank you.

**MR SMYTH:** They have not, in the past, taken that long.

**THE CHAIR:** I am chairing now, thank you.

**MR COE:** Are we going to be able to come back to this later if there is time?

**THE CHAIR:** We have to finish at 4.30.

**MR COE:** I know that but if we were to finish the other two by 4.15 would—

**THE CHAIR:** Yes.

**MR SMYTH:** But that means everybody has got to hang around now, which is dumb.

**THE CHAIR:** Ms Hunter, a question on CIT Solutions.

**MS HUNTER:** What I want to start with is priority that you had around doing some skills analysis and so forth. What kind of skills analysis has been requested in recent times and what sorts of trends are you noticing?

**Mr Ryan:** I am pretty sure the area of work you are referring to is delivered by our special projects unit which delivers consultancies and, as per all of CIT Solutions business, are done on a full fee, profit-based arrangement. The vast majority—I do not have the exact breakdown but I do not think it was part of your question—about 90 per cent of that would be for the defence department, in particular for the four RTOs. Defence itself is an RTO; all three services currently are separate RTOs. However, we have expanded and diversified our revenue and currently we are doing a lot of work for CASA. The ATO is another one that we have been doing this year. The general trend of that work is to go in, do a training needs analysis for them, a typical consultancy report, which then can often lead into a delivery outcome, which conveniently we are able to provide for them as well.

**MR HARGREAVES:** I cannot help noticing in CIT Solutions' opening statement at

page 489 of BP 4 “providing individualised training in more than 80 languages”—one of my pet subjects, by the way.

**Mr Ryan:** We do. It is one of our not only strongest business lines but also a very good profit-generating business line. We started in 2003 with only one contract and only a handful of languages. We now have about six significant clients, three or four significant contracts, some of these up to five years in duration. We believe we are the largest provider of one on one language training in the country. We are the sole provider for the Department of Foreign Affairs and Trade and we have other significant contracts with AFP, AusAID, the Attorney-General’s and the defence department.

**MR HARGREAVES:** I have a couple of questions on it then. It is really encouraging; I am really thrilled to pieces to see it. Is it more popular than the older courses you used to run at the CIT? You used to be able to go and do German for insomniacs or something like that?

**Mr Ryan:** Specifically languages?

**MR HARGREAVES:** Yes.

**Mr Ryan:** Currently CIT and CIT Solutions run loosely three categories of language training. Our adult and community education programs are probably more what you are referring to. They are still very popular—generally only six weeks in duration—and they might be Spanish for tourists, French for tourists; popular short courses for people wanting to have just basic proficiency. Then the CIT has a suite of accredited programs which are generally semester and year based. But our core business is one-on-one training to commonwealth public servants. It is not group classes. It is 40 weeks, five days a week, one on one, learning a language.

**MR HARGREAVES:** Total immersion almost.

**Mr Ryan:** We do full immersion courses as well, where we invite diplomats to come and give some culture into the classes, but the one-on-one language training is to get them up to a significant proficiency. They are either diplomats who get deployed or defence personnel.

**MS HUNTER:** It is a very different market to the market that CIT has around languages where in fact language courses have been cut and the reason given is poor completion rates and so forth.

**Mr Ryan:** Completely different, from two bases. One is it is 100 per cent employer funded, as opposed to CIT’s business, which is student self-funded. The other significant part is that approximately 95 per cent plus does not lead to a qualification in our business, because the person paying the bill is looking for the increase in proficiency, not an extra qualification for the staff member. However, some of our clients want us to issue a qualification, but in the main it is the proficiency attainment.

**MR HARGREAVES:** So you are talking about these people who come and spend 40 weeks in what is almost immersion. You are doing not only the structural language

training; you are also doing the connection between the culture and the language so that people can go and embed themselves rather quickly, which is fantastic. If I had an employer I would get them to do that. Do you have any connection with some of the multicultural groups in Canberra so as to get that cultural aspect?

**Mr Ryan:** Yes.

**MR HARGREAVES:** What sort of connections do you have with that?

**Mr Ryan:** Two mainly. The most prominent one is the tutors. To deliver those languages we have a pool of about 140 tutors. We deliver in a few other states—we do have some delivery in Melbourne, Sydney, Perth, Adelaide—but the vast majority is delivered here in Canberra and therefore the vast majority of those tutors are from Canberra's multicultural community. On the Friday of training they will bring you their national food. They will cook with the students. There are very strong links, personally, because that is where the tutors come from.

But when we run our weekly immersion courses we do access the embassies. Often the ambassador, if not one of the cultural attaches, will come and talk about the latest happenings in the country and what someone who is going to get posted there might expect. Any religious events we incorporate into the training. We also have a very good online module which the students can then access outside of the formal training and that has the culture, the religion, geography, finance, politics, so they immerse themselves in the entire culture. It is a very extensive program.

**MR HARGREAVES:** Brilliant.

**MR SMYTH:** The relationship between CIT and CIT Solutions—

**Mr Ryan:** CIT Solutions is a private company and CIT is the single shareholder.

**MR SMYTH:** Yes. The dividend that you pay; what will it be in the coming year?

**Mr Ryan:** Both the institute and the company operate on a calendar year financial basis. So to translate it into the financial year, over the last few calendar years, last year it was \$1.3 million; this year it is \$500,000, which is a reflection of our downturn in profitability last year. This year our budget is for a significant profit and revenue upgrade. Typically our board will decide at its first meeting of each calendar year what any donation to the institute will be, based on prior year results. Generally that is the first week of March. So that decision has already been made this year, a couple of months ago, and that was \$500,000. It will not be until March 2013 that the board will determine what is an appropriate amount out of the 2013 trading year that does not end until the end of December.

**MR SMYTH:** But the CIT statement shows they are expecting \$800,000. Is that indicative? Is that what you want? Is that what you may or may not give?

**Mr Ryan:** I guess there is a small difference between what the owner is planning—I think that \$800,000 is on the financial year basis and yet the figures I quoted you were a calendar year basis, so—

**Mr Marron:** Our cash flow statement anticipates \$500,000. Shane, was there any reason why—

**Mr Kay:** I think it is just a timing issue.

**Mr Ryan:** I guess if it was \$1.3 million last year, plus \$500,000—but they are the calendar years and you have to shift by six months to make financial years.

**MS HUNTER:** Could you just go into that? What happened last year when it dropped?

**Mr Ryan:** We have about eight operational income earning arms. Across the board last year there was a softening of quite a few of them. The international market was one of those. The financial relationship between the institute and the companies is that the company gets paid a commission for doing the marketing, advertising, enrolment and all of the ESOS obligations for international students. Just like the institutes saw a decline in revenue, we saw a decline in our commission. However—

**MS HUNTER:** Because there was a drop in the international students, you were not recruiting and—

**Mr Ryan:** We did not have a reduction in costs because we were still trying to build up the revenue.

**MS HUNTER:** You did not have your fee and you had fewer students.

**Mr Marron:** Internationally, it is a double whammy. It hits us in terms of tuition revenue and it hits the company because they do not get paid their commission for finding the students.

**Mr Ryan:** We also had a little bit of a softening in our recreational and ACE market. Some 7,000 Canberrans a year do our short programs. Last year we saw a small softening in that. We are happy to report that in the five months to date we are up on budget in that business line. There was a bit of a lack of disposable spending in the economy in the previous 12 months, and that has slightly improved. There is always the challenge that a lot of our clients are very large commonwealth departments and when they have efficiency dividends often training is a target there.

**MS HUNTER:** Is that something you are worried about? The contraction in spending in the ACT by the commonwealth is going to start hitting your bottom line?

**Mr Ryan:** It is something we are working very hard on, versus sitting back and being worried about. We have got very close client relationships with our key clients. We would have proportionally a very small part of their total training spend. So working on getting a larger part of that is more important than trying to get varied clients or worry about the fall in overall spend.

**Mr Marron:** We also have a couple contracts that stretch beyond the next 12 months.

**Mr Ryan:** The ACT government has four panels for their training. We are the only organisation on all four panels. We are also on 19 panels within the commonwealth and there are some significant one-on-one contracts. We do have forward guaranteed work but, in saying that, we still have to win each quote as it comes up. We are seeing some very good trading at the moment. A couple of commonwealth departments are trying to spend money this month. We are working very hard with our clients.

We were successful in winning a lot of the PPP places, along with the institute. That is income for the next six to 12 months that we will be delivering on to make sure that those people go through their training and complete their qualifications. We are fortunate that the company has gone from what it was a long time ago, an \$8 million or \$9 million turnover, to a \$20-odd million turnover now. We have diversified our revenue base enough so that we are able to see off the international student decline, build up the ACE business and win the defence contracts. Diversification is our best protection on any dip in any one market.

**MR COE:** I understand why CIT might go on a calendar year. Why does CIT Solutions go on a calendar year? As a company, you have got to make normal company returns, don't you?

**Mr Ryan:** Yes.

**MR COE:** You are a proprietary limited company.

**Mr Ryan:** Correct.

**MR COE:** So you are not limited by government guarantee or anything, are you?

**Mr Ryan:** No.

**MR COE:** You also have to pay tax; is that correct?

**Mr Ryan:** How long have you got? There are definitions under the commonwealth taxation act around the definition of a not-for-profit. Our primary purpose is to produce revenue for public training, because generally the vast majority of any profit we make is returned to the institute, so we are defined as not having to pay what traditionally you think is company tax. But you would be happy to know that we pay our ACT taxes. We pay a lot of payroll tax. Obviously, we pay fringe benefits tax and all of the other business tax, but not profit or company tax because of our definition under the tax act.

**MR COE:** Yes, and why a calendar year?

**Mr Ryan:** The answer to your first question?

**MR COE:** Yes.

**Mr Ryan:** Because our parent does. Our monthly management accounting reports are incorporated into CIT, both financially and educationally, because we deliver accredited training under CIT's RTO status. We manage their international business

and we manage the accommodation on behalf of CIT. Under the accounting standards you are meant to have an accounting period that reflects your activity and to be out of sync 100 per cent with our parent does not make sense. That is the reason.

**MR SMYTH:** Could we have a reconciliation of those payments? Shane, you said you thought it was just a timing issue. Could we have a reconciliation of what is paid and when? They do not seem to marry up between the cash flow and the balance sheet.

**Mr Kay:** If you look at the cash flow on page 494 compared to 485, they match up perfectly.

**MR SMYTH:** I am sorry?

**Mr Kay:** If you look at the cash flow statement on page 494, which is CIT Solutions' cash flow statement—

**MR SMYTH:** Yes.

**Mr Kay:** Probably two-thirds of the way down the page there are payments called “dividends to government”. Those figures in the financial years match up perfectly back to page 485, which is our cash flow statement—cash and dividends up the top of the page.

**THE CHAIR:** Thank you.

### **Meeting adjourned from 3.31 to 3.49 pm.**

**THE CHAIR:** We are moving to vocational education and training. We have new people at the table here. You are probably all very familiar with the privilege statement, which is on the blue card in front of you; you are aware of that.

**Dr Bourke:** An opening statement?

**THE CHAIR:** Sorry, minister—as short an opening statement as possible. We do not have much time.

**Dr Bourke:** I will speak quickly. In vocational education and training, the ACT consistently outperforms the nation on a range of economic and education indicators. We have got Australia's highest average incomes and the most skilled and educated workforce. On the key vocational education and training indicators the ACT is consistently the best performing jurisdiction for the proportion of 20 to 64-year-olds with a formal qualification of cert III level or above, and the ACT's proportion was the highest in the nation for each of the three years 2009 to 2011. We have got the highest proportion in the nation of VET course completions at cert III or higher. We are the best performing jurisdiction for VET graduates employed after training over the last three years, 2009 to 2011. We also have the highest percentage in the nation of VET graduates reporting improved employment status after completing their training.

The ACT government is committed to long-term strategies for ensuring a sustainable

workforce and for providing lifelong learning opportunities for all Canberrans. We supported workers to increase their productivity and supported people seeking to lift their participation in the workforce. We have supported increased productivity by increasing the skill levels within our current workforce by finding training that matches the needs of employers and employees and increasing the numbers of workers engaged in formal training. We supported people to increase their participation in the workforce by targeting funding to support unemployed, underemployed and disadvantaged people undertaking VET training, funding VET training with sound mechanisms for increasing participants' potential for securing employment and supporting students' transitions from school to work and further training.

The government recognises that in the current environment we must continue to boost overall productivity and participation in the ACT's economy. This is critical for positioning the ACT to meet the challenges of an ageing but growing population and cross-border competition for skilled workers.

Some \$28 million has already been secured from the commonwealth for an additional 4,000 vocational education and training opportunities over the next five years. It will also create opportunities for further reform of the ACT VET sector. These skill reforms will build on the ACT government's considerable investment in the ACT VET sector. They will ensure that Canberrans continue to have access to a high quality, innovative training system which is responsive to the needs of our economy.

Improving the information available to students and employers about VET remains a top priority for the government. The changes will see greater transparency for users, assisting individuals and employers to make informed choices about their skills and training needs. Transparency is vital. The changes will also see better information being made available to students to allow them to track their training history. This reform will support smoother transitions for students between the school, VET and higher education sectors. Our VET system has served Canberra well. These reforms will ensure that it is able to continue to deliver the high quality training needed to meet the skills demands of ACT industries in the future.

**THE CHAIR:** Thank you, Dr Bourke.

**MS HUNTER:** I want to go to the priority support program. I am wondering what auditing has been done of this program in terms of student satisfaction, the quality of the RTOs and employment outcome figures.

**Ms Cover:** The priority support program is one of the two key programs that the directorate administers funds on on a contestable basis. There is an overarching contract that the ACT Education and Training Directorate has with RTOs in the administration of those funds. The requirements for the particular RTOs in meeting the administration of those funds are in those guidelines. Specifically, in terms of auditing, are you asking about the auditing of the RTOs that are part of that?

**MS HUNTER:** Yes. How do you ensure that students are satisfied with what they are getting, that the quality of training that has been provided is high?

**Ms Cover:** As you would be aware, the ACT government signed up to the national regulator, the Australian skills quality agency, in June last year. The roles and responsibilities of auditing RTOs have transferred to that national regulator. We work very closely with them in terms of any information that we have. For instance, if we did get information from students that they were not happy with a particular qualification and outcome, and we thought there was an issue there, we would be making a referral to the Australian skills quality agency. Our role in terms of student satisfaction—the student satisfaction data is done at a national level, through the National Centre for Vocational Education Research. That is done every two years. That is an ACT sample; it is not on a specific program.

**MS HUNTER:** Have there been any issues where you have had to refer complaints or information to that national body?

**Ms Cover:** There have been. Obviously we would not be talking about specific companies today, but yes, there have been some occasions where, in our auditing of the program requirements, we do find some anomalies that we want to have a look at to make sure. We are making sure that our funds are going to the right RTOs and that all of the dots are being joined up in terms of employer satisfaction and student satisfaction and what we are actually paying for those outcomes. We have made some referrals to the skills quality agency.

**MS HUNTER:** And have you been satisfied with the outcome?

**Ms Cover:** We have been really satisfied. Ms Goleby might talk a bit more about the relationship which we have forged with the national regulator. We are fortunate that they are actually located here in Canberra, but we have a very good network and good relationship with them. We have been really pleased. Ann, you might make some comment about that relationship.

**Ms Goleby:** We began that relationship when we wanted to audit a company—not in the priority support program, but in another funded program—and suggested to them, though they were very new, that our relationship should immediately begin with doing an integrated audit, to which they agreed. That was a really successful opportunity to ensure that we did not disrupt the RTO more than we needed to, that we learned from each other and that the outcomes could actually be addressed in a coordinated way.

We are yet to have a formal memorandum of understanding with ASQA, but that is in train. We have drafts going backwards and forwards. The reason we are in draft is that we really do want to maximise our relationship. There is a real commitment from both sides to make sure that we have the most efficient use of our joint resources to get the most effective outcome.

**MS HUNTER:** Who looks at the employment outcome figures? Are they collected by a national body?

**Ms Cover:** They are also done through the national body; the NCVET undertakes those surveys as well.

**MS HUNTER:** And you keep a close eye on all of this, I would think. Are you

satisfied with those outcome figures?

**Ms Cover:** We do, and we are satisfied with those figures, keeping in mind that our funds go directly to the RTOs. There are only so many levers that we can pull directly when it comes to funding the RTOs, but we do keep a close eye. Obviously, we are very interested in making sure that the ACT system is right up there in terms of satisfaction across those key indicators.

**MR SMYTH:** Could we go to page 405 for the accountability indicators. Apart from c, which we will get to in a minute, the others are all static. Is there no need or desire to improve any of our outcomes?

**Ms Cover:** You are right in that, in terms of those targets, they are what I would call fairly stable or steady.

**MR SMYTH:** Static.

**Ms Cover:** Static. Partly that is due to the time of actually setting the targets. You will recall that the productivity places program is part of these targets. Upon setting those targets there, we are still to see what the impact of those productivity places programs is on those Australian apprenticeship hours which are part of a. Item a is made up of Australian apprenticeships and also priority support program hours. That is one of the reasons we have not really been able to predict out into the future what that trend data might look like, as the productivity places program came in in late 2009 and will keep rolling out and being paid for by the ACT government through to 2014.

**MR SMYTH:** Could you please explain c—why it goes down in such a dramatic fashion?

**Ms Goleby:** The way that the allocations have been made, in line with the obligations under the national partnership, is to allocate places. But it takes time for those places to be realised. So although the commonwealth funds have now ceased and there is one more year of ACT government funds, the places have been allocated, but it is going to take until the middle of 2014 for all of those training places to be complete in their training. So whilst we have actually allocated to the target, we have got to allow time to realise those. That number is in line with the agreement in the national partnership as we are tapering off, and there will be a similar number that you will see next year as we realise the end point of the partnership.

**MR SMYTH:** What is the value of that indicated in?

**Ms Goleby:** Overall?

**MR SMYTH:** Yes.

**Ms Goleby:** It was a \$31 million budget, of which just over nine million came from the territory budget.

**Mr Whybrow:** The productivity placement program that has been identified here was a national partnership with a finite life. The 2009-10 budget provided the funding

details for that program. In BP4 there I think it is around the 370 mark. That is the appropriation table that identifies the three-year program of funding for that. As has been mentioned, there is a process over time around the funding arrangements. The ACT government had a matching component in relation to that partnership. That was provided in the 2010-11 budget. Again, that is identifiable through that appropriation table in BP4, clearly again identifying a time frame of that three-year period. They are staggered. So within the existing year, 2012-13, there remains in the order of \$2.3 million of funding from that original 2010-11 allocation. It is the nature that people are employed and completion happens over a number of years.

**MR SMYTH:** If we just go back over the table as a whole, the 2010-11 target was 1.8 mill and the outcome was 1.8 mill. The 2011-12 target was 1.8 mill and the outcome was 1.8 mill. The 2012-13 target is 1.8 million. They are remarkably accurate numbers; they are just unchanging for three or four years. Does the market not grow? Are there not more kids or people seeking training coming into the ACT facilities that we fund? How can it be totally static for three years?

**Ms Cover:** We do see some fluctuations within the training market, particularly in Australian apprenticeships and support programs in terms of those areas that increase or decrease from year to year depending on what is happening in the ACT economy and what apprenticeship programs may be taken on to support the work that is required in the ACT economy. So we do see fluctuations across sectors. Overall in the Australian apprenticeships program we have seen some decline in Australian apprenticeships. There are a multiple number of reasons for that, which include the fact that unemployment is so low here in the ACT, the competition from the government sector in terms of higher wages that compete against Australian apprenticeships, and the drag away from some of those jobs to higher paid actual positions.

We also see cross-border competition, particularly with the growth in apprenticeships that is required in states like Western Australia and Queensland, with their resource skill shortage. So keeping apprentices in the ACT is often a challenge, and a growing challenge. The other area that you will be aware of is that the Australian government did some work last year looking at Australian apprenticeships completion and satisfaction in terms of the importance of making sure that students are well supported in the workplace. The minister talked about the new reform agenda. One of the key pillars of the new reform agenda is looking at Australian apprenticeship harmonisation and trying to get harmonisation across the various jurisdictions around apprenticeship outcomes—to assist there. And there are some funds being set aside by the commonwealth government around mentoring and on-the-job support for apprentices. Something that states and territories across the nation do want to address is that fluctuation of apprenticeship numbers.

**MR SMYTH:** Again I accept what you say but if you go then to the 2010 target and outcome were 6,800; the 2011-12 target was 6,800 and the outcome was 6,800. The numbers just cannot be real. You cannot tell me that exactly 6,800 commencements happened three years in a row and were completed—the target actually happened three years in a row. The numbers cannot possibly be real.

**Ms Stewart:** The numbers that you are referring to, the 1.8 million and the 6,800,

have in fact been our targets over the last few years but not in fact our actual outcomes.

**MR SMYTH:** Sorry. It is reported as the outcome.

**Dr Bourke:** Estimated outcome cast out over the entire budget.

**Ms Stewart:** Sorry. I have got a couple of people talking at once. Could you repeat the question?

**MR SMYTH:** What were the outcomes then for 2010-11 and 2011-12?

**Ms Stewart:** For last year the outcome was 6,880 in terms of the number of training commencements. That is under accountability indicator b. In the previous year the outcome was 6,617 training commencements. In the year before that it was 6,565 and in the year before that it was 7,238. So the number has varied over the last few years.

This data is collected in respect of the financial year; so we do not yet have the data available for 2011-12. At the moment we can only provide an estimate that we think we are coming on target; that is the best we can do at the moment until the financial year is completed and we can actually get to process the data and better estimate what the outcome will be. So the previous years have not been exactly in terms of the target. They have been slightly above or below for each of those indicators but at this stage we believe that we are tracking to come in on target for those numbers.

**MR HARGREAVES:** Do the accurate ones appear in the annual reports?

**Ms Stewart:** They do, yes.

**MR SMYTH:** And so the hours are the same? It is a calendar year rather than a—

**Ms Stewart:** It is a financial year, yes, and so—

**MR SMYTH:** So the hours are for a financial year but the commencements are for a calendar year?

**Ms Stewart:** No, the commencements are financial year data as well.

**MS HUNTER:** I just want to pick up on the issue about the harmonisation. You just spoke about that. We can have a situation where a worker is employed by a Queanbeyan business but mainly lives and works in the ACT and so forth. How is that harmonisation work going?

**Ms Goleby:** There is a national working group and a really strong commitment to that. There are a number of principles that actually went through the standing committee recently and each of them is actually set as priorities to work towards. I think the ones that might be of interest are, for example, a variation in terminology across the jurisdictions, and that leads to nuances that are not real. To give an example to explain that one, a student might be studying to be a commercial chef. Maybe he started the apprenticeship with an employer in fast food and then moved from that employer to

work in catering and moved from that employer to work in fine dining and then graduated. As far that apprentice is concerned, “I started and I finished.”

As far as definition is concerned, we have two failures to finish and one completion. And there is, as you can picture, a robust debate across the jurisdictions on how that should be handled. We all agree that it is a nuance and an incorrect one that there would be two failures to finish in that case because that student has simply taken a very strategic approach to their career development. That is down at the nitty-gritty end of definition. We have a very strong view on that, all of us, and that can lead to different, strong outcomes from the channelled outcome. But there is very robust—what is the word?—commitment to actually achieving something in that space.

One of the other vital ones is what we call competency completion, which means that when an apprentice has reached the end point of having competencies achieved and getting them ticked off—back to my chef; there is a series of competencies—that chef has demonstrated to the employer and the registered training organisation that they are competent in those areas. That can occur before their time ends. So the time that the person signed up for, the history, is four years and at the end of four years you are allowed to be a qualified chef. So there is a real drive to determine that those things go away and that when an apprentice is deemed to be competent they are signed off regardless of how much time they have actually served.

**MS HUNTER:** And how is the user choice program going in terms of uptake by apprentices and employees? Have there been any problems in that area?

**Ms Goleby:** I am sorry; I do not exactly understand the question.

**MS HUNTER:** You have got your user choice programs. If you go to page 402, the third paragraph down talks about:

All aspects of apprenticeship training are managed by the Directorate through user choice arrangements as well as support provided for equity groups ...

**Ms Cover:** I can answer that, if you like. In terms of how it is going this year, we have seen some increases in some particular areas and some decreases in other areas. For instance, the certificate III in hospitality is doing particularly well this year. So are the certificate III in children’s services and the certificate III in carpentry. That was for 2012. That is when you compare them to 2011. You see growth in those areas. And in terms of any fall away, probably in some of those smaller training packages embedded into larger fields, we are seeing some moves away.

We know that, for instance, in the ASBA programs, which are part of the Australian apprenticeships program—ASBA of course are the apprenticeships done in schools—in the Indigenous outcomes we are seeing a move from some sport recreation and community recreation into some of the business qualifications, which is an interesting shift. As I said before, depending on what is happening in the economy, both in the ACT and across the border, we will see fluctuations between industry sectors on an annual basis.

**MS HUNTER:** And do you follow through with, say, the cert III in childcare, which

may also be popular because it has got some fee waiver on that particular course? Are you following through to see whether they do end up in the childcare industry? Whose job is that?

**Ms Cover:** We do not have a role in actually identifying or tagging students as they go through in terms of what employment outcome they have at the end of the actual qualification. Again NCVET do some related activity in that field around whether people end up in their particular qualification. What we do is look at our statistics in terms of what we are funding in the Australian apprenticeships space and what, say, CIT is offering in programs that are either pathways to those programs or related to those programs. We also have a keen interest of course in what programs the higher education sector is running in those fields as well that might complement the training. So we are trying to get that picture about what is happening at schools, what is happening at vocational education and training post school and then what is happening in higher education as well and sectors like that.

**MS HUNTER:** It is an interesting one for government, around funding places and then ensuring they are actually getting the outcome they want, which is more people in childcare, whereas what I am hearing on the ground is that a lot of people are using that as a way to then funnel through to early childhood education, where we are not getting that flow through to the workforce where we need it.

**Dr Bourke:** Indeed, another national objective is to build pathways between vocational education and training and university education. And here is a group of people actually working it. So I do not think you could really criticise it.

**MS HUNTER:** The thing is that you do not have childcare workers out there on the ground; that is the issue.

**MR COE:** That is right, and that also works on the premise that working in a school or in early childhood is better than working in childcare, working through a system, and that is not necessarily—

**Dr Bourke:** No. I am just talking about what is actually happening.

**THE CHAIR:** Mr Coe is making a point on that. We will need to move on to the construction industry training fund very soon.

**MR COE:** In terms of the number of apprentices in Canberra and just vocational education in general, is the cost of housing affecting the number of people taking up apprenticeships?

**Ms Cover:** Anecdotally we know that there is pressure on students regardless of whether they are in apprenticeships or in non-apprenticeships training. We know that the cost of living at that age is difficult for students. It is something that we do not have a direct control over in terms of funding registered training organisations, but we do have a role in working with training providers. If, for instance, there was a fund available from either the ACT government or from a commonwealth fund around skill centres or accommodation being provided in conjunction with an RTO that they might fund, we would have a role in helping support that bid or that application for that

funding. So we do not have a role. I could not tell you exactly what those pressures were. Individual providers could provide some of that data. And obviously CIT, being a major provider of vocational education and training, would be able to provide some of those statistics or the impact of that.

**MR COE:** Have you heard of any other education providers or employers that are providing almost boarding house accommodation to support their staff?

**Ms Cover:** Sorry? Accommodation for the students or for the actual RTOs that are delivering the training?

**MR COE:** No, for the apprentices, the actual students.

**Ms Cover:** I am not aware of that.

**MR COE:** Do you think there is a need for boarding house or hostel accommodation? Would that assist?

**Dr Bourke:** It really depends where they are coming from. If they already live in Canberra, presumably they have already got somewhere to live. If they are coming from outside Canberra, they will presumably, if they are within a reasonable distance, commute backwards and forwards. What you are really interested in is the number of people who live a significant distance away from Canberra, from their homes, and then come to Canberra to do their apprenticeship or their course.

**MR COE:** But it is also an issue for people who live here, because often when you go into any form of training you are on a considerably reduced income and therefore your current living arrangements may not be sustainable. It is not just for people who are living a long way from home; it is also for people who are based in Canberra.

**Ms Cover:** I am aware that a number of institutions, including the University of Canberra and CIT, actually have accommodation available. I do know that it is not always restricted just to their institution. They collaborate across the sectors to provide accommodation—the higher education sector providing opportunities for the vocational sector, for example. So I do know they collaborate to alleviate those pressures.

**THE CHAIR:** I think the issue that Mr Coe just raised came up in the housing inquiry. Often with the apprenticeships they might be of a younger age and it is more difficult for them to get accommodation for that reason. I can see that it is a relevant question.

**MR DOSZPOT:** Ms Cover, you mentioned a number of successes in the certification III area where particular areas were doing well. Are there some areas that you are concerned about where more attention is required?

**MR HARGREAVES:** You've got to find some negative stories in there somewhere.

**Ms Goleby:** I am aware that one of the RTOs has actually mentioned to us the decline in hairdressing apprentices. It is not that there is no employment for these apprentices;

they just do not seem to have a demand. They cannot attract people to a hairdressing apprenticeship. That is the only one, and it is anecdotal in looking at the numbers. They have declined this year in hairdressing

**MR DOSZPOT:** There are a number of sole practitioners in that area as well. I guess it is the regulation of those that would impact on that as well. Am I right?

**Ms Goleby:** Yes, I think it is possibly that there are other attractive options in the tight employment market and that people are taking up those options rather than going into the hairdressing option. That again is just sort of anecdotal from discussion with those RTOs that provide that.

**MR DOSZPOT:** Just another quick one on the discussions going on between CIT and UC on the proposed merger. What sort of impact would that have had on vocational education, from your point of view, had that gone ahead?

**Ms Cover:** As you would be aware, there are a lot of established pathways between the University of Canberra and CIT in terms of making sure that students who study higher end vocational education and training, for instance, at CIT can articulate smoothly and with the maximum amount of articulation as possible into higher education courses. I would have seen that that would have continued and that they would keep building on that articulation. I am well aware that the two institutions have a strong memorandum of understanding to make sure those articulations occur now.

**Dr Bourke:** Which they are in the process of working out, because the current memorandum of understanding is about to expire. They are negotiating to develop a new memorandum of understanding. We have already heard about the articulations between early childhood care and education into early childhood teaching. There are other links around forensic science and also within nursing.

**MR DOSZPOT:** Thanks.

**THE CHAIR:** Thank you, officials from the department. We will now very briefly go to the ACT Building and Construction Industry Training Fund Authority. Thank you, Mr Service and Mr Guy, for appearing. We usually only get you in very briefly, but we do have some questions for you. With regard to the privilege statement, which will be on a blue card in front of you, I am sure you are aware of the implications in that. Mr Hargreaves, did you have a question?

**MR HARGREAVES:** These guys do such a competent job I have got nothing to ask them.

**THE CHAIR:** Excellent. Ms Hunter, I will go straight to you then.

**MS HUNTER:** I wanted to go to page 5 of your statement of intent. It is around your KPIs and conducting 16 audits to ensure that people are doing the right thing. Could you give us a bit of information? Have you conducted these audits? How are they going? What are you finding?

**Mr Guy:** Very good. We employ the industry training council to undertake these audits on our behalf. They do between 16 and 20 each year. We have been getting 20 done most of the time. In our performance statement we say that we will do 16, but we always try and go for a better market if we can.

**MS HUNTER:** What has been the outcome?

**Mr Guy:** Very good outcomes. All the RTOs are providing excellent information. The major thing we look for is that they are charging the individual the additional fee from what we give them. If the cost of a course is \$300 and we are putting \$150 towards it, the thing we look for is that the individual is paying his \$150 and that they are not getting all the money out of our side. That is one of the major things we look for, plus the quality of the training that has been undertaken, the quality of the trainers that are providing the training and the facilities—all of those things.

**MS HUNTER:** And you are quite satisfied that the quality has been good?

**Mr Guy:** The quality has been very good up until this stage, yes; excellent. We have a number of new RTOs coming in each year. We go to those new RTOs and check those out as well.

**MS HUNTER:** What sort of follow-up do you do, say, with those students or those who are engaged in the training?

**Mr Guy:** We do not do a lot of follow-up with the students, because in a sense it is not our role. That is the RTO role.

**MS HUNTER:** You want to gauge that you are getting value for your money.

**Mr Guy:** Yes. The RTOs provide a sheet at the end of the course and ask the students what their trainers were like, what the facilities were like, whether the training was applicable to what they were after, whether the training was to the standard they required and whether the qualifications they were getting in the end were appropriate to the training they have undertaken there. There is a sheet there that each individual fills out for them. We can ask for that from the RTOs. The industry training council would check those things when they do the audits as well.

**MR SMYTH:** Thank you for attending, Mr Service.

**Mr Service:** It is a pleasure, Mr Smyth.

**MR DOSZPOT:** It is good to see you again, gentlemen. Just as a bit of background, what ways are you currently actively promoting the building and construction industry as a rewarding career choice? What sort of involvement have you got there?

**Mr Service:** We do a range of things. Our promotion tends to be through the RTOs because we rely on the industry to tell us what they need. We do some support work through a number of the organisations both in their awards areas and in extra training. We provide, where asked, funding for research and development and we provide a range of other incentives, training incentives, in various trades where skills shortages

are identified by the industry and by the industry training council for us to then support additional training in certain areas. At the moment, Gary, I think we are supporting five or six skills shortage programs?

**Mr Guy:** Yes. We funded a program that was completed at CIT yesterday, an Indigenous program. It was very successful. Of 13 students who went through it, three have already got apprenticeship jobs. Another five have positions but not actually apprenticeships in the construction industry at this point in time. Of the three of them, two got carpentry apprenticeships and one got an electrical apprenticeship. One boy went back to Leeton where he came from. He is now working in Leeton but not in this industry at the moment. The outcome is very, very good for the program.

**Dr Bourke:** That was a coordinated program which was conducted in conjunction with CIT as well as Habitat Personnel. They all got cert IIs, which was an excellent outcome.

**Mr Service:** I think the other thing to add to that is that we still do quite a lot of work for the schools program in years 11 and 12 to promote the building and construction industry as an alternative to IT or law or the other glamorous sorts of professions. That has been quite successful. We have done that in conjunction with the MBA. We also fund for a number of the RTOs field officers who actually go out and find opportunities and also oversee some of the training that is being done.

**MR DOSZPOT:** You mentioned research and development. How do you conduct research and development?

**Mr Service:** We do not conduct it ourselves. We fund research and development projects as they are brought to us. It is on an as-requested basis. We have undertaken one or two things. The last one was probably about three or four years ago, I think. We fund where asked. It is not part of our core business, if you like, to actually do the research and development, because it may not be applicable to what various RTOs and the industry are looking for. We rely on their advice and their requests.

**MS HUNTER:** I note that one of your programs, program 5, is access and equity and ensuring that the authority continues to address and support persons who have special training needs. Could you give us a bit more information about that?

**Mr Service:** There is a range of things. I can give you one very live example. We are currently funding a disabled student at CITEA. That student, I think, has a sight disability. Is that correct, Gary?

**Mr Guy:** I understand so, yes.

**Mr Service:** Our women in trades program has been part of the access and equity. The Indigenous program also is about access and equity. It is really focusing, again where the need arises or where the opportunity arises, on programs such as that. Again we are reactive to things that people see and the industry see that we can be supportive of.

**MS HUNTER:** How many people a year would be supported? Who would come in

under this category?

**Mr Guy:** 2011-12 was a very good year for us in access and equity. Normally it is a hard program for us to fund because there are not a lot of applications, but this year we have probably funded about three or four different programs, plus the young boy that is working at CITEA. We funded a joint venture on access and equity at entry level. That was the one that we did yesterday with the Indigenous. We also did another one with the chamber of commerce for students at risk in years 10 and 11. We put them through a training program where they ended up with a cert II in the construction sector. We also do some training in a particular trade. This year it was horticulture, landscaping and greenkeeping. We went to a couple of schools and got students who were interested. We then took them to four different sites over a day so they could see exactly what was involved in that particular trade. They got an understanding then. At this point in time I think one of them has picked up an apprenticeship in the greenkeeping area.

**MS HUNTER:** I also note that on page 2 and on pages 5 and 6, particularly on page 2, of your statement of intent, you say that you intend to use benchmarking to operate at least as efficiently as alternative service providers to provide quality, value for money and so forth. I cannot see where the benchmarking activities are covered in the performance measures on pages 5 and 6. Could you advise what you are doing so far as benchmarking activities are concerned? And who are you benchmarking against?

**Mr Guy:** We meet with all the organisations similar to ourselves around Australia three times a year; we see what they are doing, how they are doing it and how they are funding their programs. I must admit that sometimes we are a bit further advanced than they are. They have got a lot more money than we have, so we have got to be a bit more careful about how we spend our money. But a lot of their programs they have picked up off us. The skills shortage program they picked up off us. We only fund a certain amount of dollars per training hour. Western Australia has just picked that up. They are paying a bit more than we pay, but they were paying an average of about \$65 an hour for training and they have knocked it back to \$35 now. So we benchmark against the other industry associations around Australia—Queensland, Western Australia, South Australia and Tasmania. We work on all those.

**Mr Service:** I think it is worth adding that each of those organisations has a slightly different charter from us. Our charter is much narrower than, say, in Western Australia and South Australia. We have really only got two functions we can formally perform under our legislation. So the financial benchmarking is probably the key thing we use. We do not do resourcing benchmarking and administrative cost benchmarking. It is really about funding—the quantum of funding for each program—and where we can best direct our funding or direct individuals into particular programs. When the authority started, now 12 years ago, we built the first model of how to fund the training, in accordance with legislation, around the South Australian model. We have continued to use that because it has been probably the most successful and it was one of the earliest ones. So the benchmarking is really around funding and proportions of funding.

**THE CHAIR:** Are there any further questions?

**MR DOSZPOT:** Yes, I have one question.

**THE CHAIR:** Just one final question.

**MR DOSZPOT:** Are you aware of any particular issues for employees, given asbestos being a particular issue in some building sites this year? Has that cropped up from your point of view?

**Mr Service:** It has cropped up to the extent that we are seeing an increased demand for asbestos safe training. The RTA is developing a number of programs. I think last week at the authorities board meeting we funded up to 800 places for one particular course. So yes, there is clearly a greater awareness. I think the awareness has been there for a long time, just because of the rules, the regulations and the need. That safety interest has grown, so there are a lot more programs around and we are funding them as the demand arises.

**MR DOSZPOT:** So there has been a progressive increase in that sort of interest?

**Mr Service:** There has, yes.

**MR DOSZPOT:** Yes. Do you anticipate that growing or is there any indication as to which direction that is headed?

**Mr Service:** It is a bit like the blue and the green cards, which we fund. The regulations are continually changing around. In a lot of cases the regulations are upgraded and the requirements for the safe removal are upgraded as different instances of asbestos are found. I suspect it will be a continuing requirement. I suppose that if we fund 800 or 1,000 courses a year, that would be not unsurprising.

**Dr Bourke:** And given the degree of asbestos as a common building material in Canberra, as people do knockdowns and rebuilds of houses, offices, schools, churches and everywhere else where asbestos is present within the community, this is going to be an ongoing requirement and need.

**Mr Service:** In housing, it is interesting. It is probably the one that has spent the least amount of time. House demolishers tend to go in and demolish. Their awareness has been less than in the commercial sector. The commercial sector has been driven very strongly via the unions' interest in that—and a good thing that is too. The housing sector is probably the next area we are going to see. We are seeing a much greater impact and increasing needs.

**THE CHAIR:** Thank you, Mr Service and Mr Guy. Dr Bourke, can you stay with us?

We will now move on to output class 3, community development and policy, community affairs and Aboriginal and Torres Strait Islander affairs. I thank officials from Community Services Directorate for output class 3.2, community affairs and Aboriginal and Torres Strait Islander affairs, for attending. I draw your attention to the privilege card which is on the blue card in front of you. Can you all indicate that you are aware of the information and implications of that? Excellent; thank you. You probably know the proceedings are being broadcast. Before we go to questions,

minister, would you like to make an opening statement?

**Dr Bourke:** Love to, chair.

**THE CHAIR:** Excellent. I thought you would.

**Dr Bourke:** The past year has been a successful, inspirational and progressive one for the Aboriginal and Torres Strait Islander community in Canberra. Firstly, I thank the members of the Aboriginal and Torres Strait Islander Elected Body for their advice and their diligence in gathering and passing on to me the views of Aboriginal and Torres Strait Islander people living in the ACT on issues of concern to them.

The purpose of the elected body is to provide representation and advocacy for Aboriginal and Torres Strait Islander Canberrans, to advise the government and to examine the government's performance in Indigenous affairs through the estimates-style hearing process that they run. I appreciate their frank advice. I met with them on Monday to discuss their concerns and their role under the relevant legislation, as part of my regular meetings with them.

The body is very active, conducting forums and consulting with Aboriginal and Torres Strait Islander people living in the ACT. Through their regular meetings with ACT government officials in different directorates and at the hearings I talked about before, the elected body has the opportunity to monitor and report on the effectiveness of those programs. As a result, the body has been active in helping to shape many of those services and programs. Their focus in the last 12 months has been particularly on employment and educational outcomes, which aligns with several ACT government initiatives under the 2012 ACT budget. Amongst these are "Community helping Aboriginal Australians to negotiate choices leading to employment and success", which is a mouthful, which is why it is called Chances, and the Aboriginal and Torres Strait Islander support and capacity-building program.

The chair of the elected body was the co-chair of the steering committee for the design and implementation of the Chances pilot. Because of its evaluated success, the ACT government has funded the Chances pilot program for \$180,000 under the 2012-13 budget. Chances participants will also be able to apply for the early childhood scholarships which have been supported by the Aboriginal and Torres Strait Islander support and capacity-building program. The 2012-13 budget allocated \$100,000 to support up to 10 Aboriginal and Torres Strait Islander people to complete training in childhood services. It will pay for childcare, transport, training resource costs for participants undertaking relevant study and those who have secured a scholarship.

The valuable input of the elected body is complemented by other initiatives in the last 12 months. Some \$60,000 in funding from the inaugural Aboriginal and Torres Strait Islander small grants program was awarded to eight initiatives. This included a one-day workshop on relationships run by a specialist Aboriginal consultant. Another new grants program is the Aboriginal and Torres Strait Islander leadership grants program. It funds both formal and informal leadership training. As with the small grants program, a total of \$60,000 was recently shared amongst nine recipients, including a leadership workshop for young women.

We have also bolstered leadership in our communities through two elders camps. The ACT government invested \$36,000 in the well-attended camps, which focused on reconciling different family groups. The significant ACT genealogy project is nearing completion. It will add to our cultural history and give Canberrans of all backgrounds a better understanding of the role played by Aboriginal families in our region.

The *ACT closing the gap report 2012*, which I recently released, is the consolidation of key programs and initiatives underway in the ACT aimed at closing the gap on Indigenous disadvantage. This disadvantage is reflective of indicators such as homelessness, unemployment, educational attainment, family functioning and health status. Our responses to address this disadvantage included targeted early intervention programs under the youth and family support programs and the establishment of the west Belconnen child and family centre with a focus on Aboriginal and Torres Strait Islander families.

An important change to youth justice practices is the revised case management arrangements to ensure continuity of relationships with young people in the justice system regardless of whether they are in the community or in custody. The 2012 *Closing the gap report* also focuses on the ACT public service employment strategy for Aboriginal and Torres Strait Islander people and the Indigenous economic plan.

In addition to Chances and the early childhood scholarships, we are committed to increasing economic participation opportunities through projects such as the ACT public service Aboriginal and Torres Strait Islander traineeship program.

Another significant initiative is the ACT Indigenous business development program, which assists Aboriginal and Torres Strait Islander people to start and grow their own businesses. Over the next four years a total of \$150,000 will be invested in the program.

The Aboriginal and Torres Strait Islander Elected Body continues to lead the way in its participation in important projects like the Torres Strait Islander residential, alcohol and other drug rehabilitation facility; the youth justice task force; and the development of Aboriginal and Torres Strait Islander aged care. The elected body has developed a draft ACT Aboriginal and Torres Strait Islander community plan which, when finalised, will assist government in decisions to best meet the pressing needs of the local community.

I will continue to ensure that the elected body brings the community voice to bear on the development of government policies affecting the local Aboriginal and Torres Strait Islander community.

**THE CHAIR:** Thank you, Dr Bourke. Just on that, one of the areas you mentioned in your opening statement was around housing. Rod Little and the deputy chair appeared before the committee last Friday. One of the things that they raised was a concern—quite significant concerns—around housing. Billabong housing has just recently, as I understand, handed back some properties. And Lowanna youth refuge for young women have closed recently also. I appreciate that this is a crossover area, with Housing and your office having responsibility for the policy, but you mentioned that you were acting on the concerns coming from the elected body. This is one of the

concerns it had. There has been a significant reduction in specific housing for Aboriginal and Torres Strait Islander people. What sort of role does the office have in terms of making sure that those departments are aware and cognisant of that and putting that into policy?

**Dr Bourke:** It is interesting that you should raise that, chair, because that was a question that I discussed when I met with UNEC the other day—the United Ngunnawal Elders Council. There are a significant number of Aboriginal people housed by Housing ACT. There are a range of programs which provide support within Housing ACT. I will get Mr Manikis to provide some detail.

**Ms Howson:** Minister, we might direct that question to Ms Sheehan, from Housing ACT.

**Ms Sheehan:** It is not the case that there has been any reduction whatsoever in the provision of housing to Aboriginal and Torres Strait Islander people. If I can first of all go to the issue of Billabong, Billabong have decided that the 16 houses which they had leased from Housing ACT will be returned to Housing ACT and they will be returned with the option for tenants to come with the properties and become public housing tenants—all tenants have been contacted by Housing ACT and have been given the option of becoming public housing tenants—or, if they wish to become a community housing tenant, Housing ACT will work with them to approach another community housing provider for that provider to then manage their tenancy. But in all cases the Aboriginal and Torres Strait Islander people living in the properties will continue to live in the properties.

**THE CHAIR:** Will those properties continue to be properties for Aboriginal and Torres Strait Islander people? Will those 16 properties stay?

**Ms Sheehan:** The properties will be tenanted by the tenants who are in the properties. If the question is if an Aboriginal person chose not to be a tenant would that property be designated to be re-tenanted only by an Aboriginal person, the answer would be that it would not be the policy. The more important policy issue is that Housing ACT has a target which it has set itself, which it meets every year, to increase the number of Aboriginal and Torres Strait Islander tenancies by 10 per cent every year.

So there is already a very active program in Housing ACT to increase both the number of Aboriginal and Torres Strait Islander tenancies but in addition—and this is very important—to continue to increase identification of the public housing tenants as Aboriginal and Torres Strait Islander so that they can be provided the appropriate service.

**THE CHAIR:** Okay. This was a concern raised by the elected body. How has that then been fed back into what we see on the ground in terms of services? They raised housing as an issue. I appreciate what you have said, but they have raised it as a concern. Lowanna is a service that does not exist now.

**Mr Manikis:** They would have raised that at the hearings—

**THE CHAIR:** Yes, they did.

**Mr Manikis:** that were conducted last Friday. That would come to the office and we would pass that on to ACT Housing as their concern, for ACT Housing to action, as is the case when we receive concerns from other Aboriginal community groups in the ACT. We do pass that on to the senior level of the functional area in the appropriate ACT government area.

**Dr Bourke:** Just to clarify that information about Billabong, Billabong continue to have some houses which they got under other programs.

**THE CHAIR:** Yes. I am aware of that.

**Dr Bourke:** Good.

**MR SMYTH:** So what assistance has the government given Billabong to retain these houses? You speak of a program to assist Indigenous business. What has the government done to help Billabong stay in this market, except run its vendetta against Billabong for the last three or four years? This issue of Billabong, and support for Indigenous housing, has been raised in this estimates committee in the last three or four years. Billabong has sought clarity and assistance and received nothing from the government, and we have now got the outcome of reduced Indigenous housing as a consequence of your government. Can you outline for the committee what the government did to assist Billabong to remain in this market?

**Dr Bourke:** That is actually not correct.

**MR SMYTH:** Go and read the *Hansard* for the last three years.

**MR HARGREAVES:** There is no vendetta.

**Dr Bourke:** The issue of Billabong is that Billabong is not an Aboriginal organisation.

**MR SMYTH:** Billabong is not an Aboriginal organisation?

**Dr Bourke:** It is not an Aboriginal organisation. However, it has had a program of providing support, or providing Aboriginal housing. It has kept its four houses and the government continues to talk and work with Billabong.

**MR SMYTH:** Do you know the full name of Billabong?

**Dr Bourke:** I think they call themselves Billabong Aboriginal Corporation.

**MR SMYTH:** So it is not an Indigenous organisation?

**Dr Bourke:** No. It is not registered as such.

**MR SMYTH:** So they are frauds. Is that what you are saying? You are accusing Billabong of being frauds?

**Dr Bourke:** I am not saying that at all.

**MR HANSON:** So they are not Aboriginal; they are providing services to Aboriginal—

**Dr Bourke:** I said it is not an Aboriginal organisation in the context that it is not registered as an Aboriginal organisation.

**MR HANSON:** That does not mean they are not an Aboriginal organisation.

**Dr Bourke:** I will get Mr Manikis to provide some more detail for you.

**MR HANSON:** Does that mean that if anyone that is providing services to the Indigenous community is not registered through your bureaucracy it is not actually an Indigenous organisation? Is that what you are saying?

**Dr Bourke:** What I am saying is that they are not an Aboriginal organisation, in the same way as other organisations that provide services to Aboriginal people, such as for instance the Canberra Hospital, are not Aboriginal organisations.

**MR SMYTH:** So who decides whether they are an Aboriginal organisation or not?

**Dr Bourke:** They do—as to how they are registered.

**THE CHAIR:** Mr Manikis, did you have some further information you are able to provide?

**MR HANSON:** What do you think, Mr Manikis? Do you think they are an Aboriginal organisation?

**THE CHAIR:** Why don't we let him answer the question?

**Mr Manikis:** As I understand it, Billabong are not a formal registered Aboriginal organisation and there are procedures for that to occur. I understand they are registered under the associations act, which is something different.

**MS HUNTER:** But, despite the technicality, it has always been seen as an Aboriginal organisation, or an organisation that works in the interests of Aboriginal people and so forth.

**Mr Manikis:** Yes, I agree with that. But the issue here is whether it is formally constituted as a—

**MR HANSON:** That is not the expression the minister used. If the minister had said something like “they are not formally registered as an Aboriginal organisation under certain legislation” that would have been more appropriate language. But to just come out here and say that they are not an Aboriginal organisation is not true. Under certain regulations they may not have registered as an Aboriginal organisation. That does not mean that they are not an Aboriginal organisation providing services to the Aboriginal community.

**MR COE:** Hear, hear!

**Dr Bourke:** So which definition of “Aboriginal organisation” are you using, Mr Hanson?

**MR HANSON:** They have chosen as an Aboriginal group to provide services to the Aboriginal community and they have chosen to recognise themselves as such. I do not think there is necessarily any need to register as an organisation for them to declare themselves as supporting and recognising themselves as an Aboriginal organisation. Under technical legislation you might say they are not registered but I think what you have said is pretty derogatory in terms of what Billabong has done over the years for Aboriginal people.

**MR SMYTH:** Hear, hear! It is just disgraceful.

**Dr Bourke:** Perhaps I can get Ms Howson to describe the support that the government has provided to Billabong.

**Ms Howson:** Thank you, minister. Just back to the point around the support provided to a non-government organisation in the community housing sector, there has been an enormous amount of work done by Housing ACT over the last more than 12 months to ensure that Billabong are able to continue to operate in this sector. Maureen Sheehan has been particularly involved in that, so I will pass to Maureen to outline the nature of that support, because we are definitely committed to the community housing sector and ensuring that they can fill their capacity to be able to provide the services they do.

**MR SMYTH:** But only because it has been too hard to deal with the government, particularly ACT Housing.

**MR HARGREAVES:** That is a comment. Could you also let us know, Ms Sheehan, how long it is that you have been involved in conversations with Billabong?

**Ms Sheehan:** Since the ACT government decided to regulate community housing organisations through passing amendments to the Housing Assistance Act in 2008 it has been a requirement of all community housing organisations, and that includes Billabong, that if they want to continue to have government funding they should become registered. As a result of that decision, under the national affordable housing agreement \$8,000 was allocated to assist every community housing organisation in the ACT to complete its [registration](#) requirements.

The registrar for not-for-profit housing did considerable work over the last three years with Billabong to assist them to complete their [registration](#) forms. In addition to the assistance provided by the registrar, who is within the Community Services Directorate, Housing ACT approached Community Housing Canberra Affordable Housing, which is the largest community housing and affordable housing provider in the ACT and which has undergone its [registration](#), to work with Billabong, which they very willingly did, at our request, and they worked with Billabong for over six months to convince Billabong of the benefits of [registration](#), including government assistance and the ability to operate more easily in the housing sector.

Billabong then took a decision that they would establish a separate housing organisation called Bambara and again the registrar and CHC Affordable Housing, at the request of Housing ACT, worked with Billabong to establish that organisation and then to undergo registration procedures for that organisation. As recently as the start of this year Billabong had intended to proceed to register Bambara as a housing organisation and it was not until May this year that Billabong finally made the decision that it would not register Bambara as a housing organisation and therefore would hand the properties back.

So it would be fair to say that since the legislation was passed in 2008 Housing ACT has worked very closely with Billabong, through the registrar, through its assistance provided to other community housing organisations and through the allocation of funds to assist them to register, to actually continue. They do continue to be a registered corporation. As the minister said, they do continue to have six other properties that they manage the tenancies for.

**MS HUNTER:** I want to go back to the Indigenous elected body. We had Mr Little and Ms Collins in here last Friday. One of the questions I asked was about resourcing for the elected body and the secretariat resources they had available. Mr Little said:

We are informed that we have the support of five people in there, but often, as I said, we find it difficult to get support for us to be able to do our job. Because it is mixed in with multicultural affairs, we cannot get the dedicated support, for whatever reason—other pressing priorities; we do not really know. But we feel that it is not satisfactory to enable us to be more effective.

They then went on to say that they could do better if they had the dedicated resources, that they had raised in the last four years concerns about having a full-time or a part-time share, I guess, in a paid position. That was what was being said there. Could you clarify what resources are made available?

**Dr Bourke:** Firstly, the elected body is remunerated according to the determinations of the ACT Remuneration Tribunal.

**MR COE:** That is not the question.

**Dr Bourke:** The chair is remunerated at \$21,390 per year.

**MR COE:** That is not the question.

**Dr Bourke:** Other members are at \$12,833 per annum. The government has expended \$86,509 as of 30 April on operational expenses outside of remuneration expenses.

**MS HUNTER:** Was that secretariat support?

**Dr Bourke:** That was on operational expenses.

**MS HUNTER:** Could you break that down?

**Dr Bourke:** But obviously if Mr Manikis—

**MS HUNTER:** Mr Manikis, I am wondering whether you could give us an idea, because you do have quite a few things in your office. How do you allocate those resources?

**Mr Manikis:** For a start, the government, when setting up the elected body, appropriated funds for two positions, a SOGC and an ASO4, to be dedicated to the elected body. The value of the 2011-12 budget was \$155,000; \$93,000 for the SOGC and \$61,000 for the ASO4. These are two positions that are dedicated for the elected body.

**MS HUNTER:** Why do you think Mr Little and Ms Collins did not know who those dedicated people were? That seemed to be what they were saying through their evidence.

**Mr Manikis:** I might just go on and put those two positions in the context of the Office of Aboriginal and Torres Strait Islander Affairs just so I can paint the context, because it is important to know that the Office of Multicultural, Aboriginal and Torres Strait Islander Affairs is a business unit. Within that are two very separate units. One is the Office of Aboriginal and Torres Strait Islander Affairs. The other one is the Office of Multicultural Affairs.

In the Office of Aboriginal and Torres Strait Islander Affairs there are six positions, two of which are the ones I have just spoken about. We have many clients—the minister, the community, other executives across the directorates—but the two dedicated positions are focused on the elected body. I must add also to this profile a facilitator. So we spend \$50,000 per year on a three-year contract for a facilitator who provides one on one support to each of the elected body members and to the chair and collectively to the body, who turns up to their meetings, who provides guidance and support around strategic thinking and how best to interact with bureaucracy and others in the community. And that is supposed to be a support. That is a support. That is the cluster, I guess, of support that we provide.

The six officers in the Office of Aboriginal and Torres Strait Islander Affairs, which include the two dedicated ones, are aware from time to time that the other four may need to drop what they are doing to support the elected body. If it is an afternoon where they are setting up for a community engagement obligation, it may be that it is setting up a promotional activity at IATSI or at one of the community events or something that goes on during the year or it is about setting up for the meeting and maybe one or two of the other four support the dedicated—

**MS HUNTER:** To clarify, when you say “two dedicated positions”, it is not spread across the six people?

**Mr Manikis:** No.

**MS HUNTER:** There are two dedicated—

**Mr Manikis:** There are two dedicated positions, a SOGC and an ASO4. The ASO4, like the other four, provides support. Because we are running such a small unit, the

numbers are not great for the span of functions that we are responsible for and the deliverables that we are responsible for. There is a need for the team to work as a team on a day-to-day basis. To my understanding, we have acceded to absolutely everything that the elected body has asked us to do. I applaud the staff. They have worked hard and they have delivered, and I can provide a list of things they have delivered this year for the elected body.

**MS HUNTER:** It is just that it does raise the question about why they were still unclear about who the actual people were.

**Ms Howson:** I have been in conversation with Mr Little on two occasions just over the last week or so and we have agreed that we will get together early next week and I will take him through these issues again so that there is absolute clarity, but I will also talk to him about his objectives so that we can make sure. What Mr Manikis is describing is essentially a flexible approach on the part of the directorate to support the elected body. We very much believe in the value of that structure and what it can offer the Aboriginal and Torres Strait Islander community, and the government for that matter, in terms of effective engagement. So we are doing a number of things across the directorate at the moment to assess and review our effectiveness and engagement with that community, and Mr Little has been part of that process. I can see a level of frustration and misunderstanding. So we are working to address that with Mr Little.

**MS HUNTER:** The evidence was interesting. There were statements that there was some frustration about lack of engagement with some directorates—not all directorates. They found that there was good engagement with some but not across the board, and of course their portfolios and their interests for their community go right across the board. What has been done to promote the elected body and the importance of all directorates engaging with them?

**Ms Howson:** I think it would be fair to say that is something we should revisit, and in the role that I play on the strategic board of the ACT government I am interested to talk to Mr Little about where he has met resistance or feels that he should be getting more support and to assist him in taking up those issues with directors-general through that forum.

**Dr Bourke:** And it is a role for the directorates to engage with the elected body to deliver the consideration of programs and policies that the elected body thinks the directorate should be doing. It is not up to the elected body to do the work. It is up to the directorate to do it.

**MS HUNTER:** That is right. That is what they were saying. They would like to see directorates coming and talking to them.

**MR COE:** Minister, in relation to what was just discussed, are there any other thoughts that you have in response to the evidence given by the elected body?

**Dr Bourke:** They gave several pages of evidence, which I am still in the process of working my way through. Perhaps I could talk about the elected body's role with the Chances program. The elected body chair was also co-chair of the Chances program

which was funded under the priority support program from the ACT Education and Training Directorate through the tertiary education branch to deliver nationally accredited training to members of the ACT Indigenous community. That was a complex partnership program which the elected body's chair-

**MR COE:** What do you think about Mr Little's response to that issue, though?

**Dr Bourke:** He was co-chair of the evaluation committee.

**MR COE:** Mr Little, in the evidence he gave to this committee, said that it was disappointing that there was only funding for a year and there was no certainty.

**Dr Bourke:** It is funded for a year.

**MR COE:** And there is no certainty going forward next year and the year after and it makes it very difficult to plan how they are going to go about their operations if there is no ongoing funding or at least no plan for the future.

**MS HUNTER:** He also gave evidence:

We really would have expected an evaluation of the pilot to build on the merits of the project. The project in its initiation came as a complete surprise. We were disappointed with it, but it was there; we went along. To my great surprise, I was to chair the working group. I was totally surprised. We have maintained, through one of our members, our participation in it.

The initiative is fine ...

But he was surprised that it had come out of the blue and he seemed to indicate that he had not been aware the funding was coming up. He also seemed to indicate in this evidence that he had not been asked to chair the working group. He was told, "You are chairing the working group."

**MR COE:** Minister, did you watch his evidence or read it?

**Dr Bourke:** Can I just come back to answering your question to start with? With regard to provision in the budget, as you know we are funding things for this year. That does not necessarily mean that it will be precluded from being funded next year. This is a program which has a short time frame for turning people through. It runs for a few months—

**MR SMYTH:** But the issue he has raised—

**Dr Bourke:** and therefore the continuity of the provision of services to individuals is not going to be compromised by the short-term—

**MR COE:** My original question was actually: what do you say in response?

**Dr Bourke:** So that is the first answer to your question.

**MR COE:** What do you say in response?

**Dr Bourke:** Then to go to Ms Hunter's regarding evaluation—

**MR SMYTH:** I do not think he has read the evidence.

**MR COE:** Sorry, my question was: what do you say—

**ACTING CHAIR:** Mr Coe, let—

**MR COE:** Excuse me, Mr Hargreaves—

**ACTING CHAIR:** Excuse me, Mr Coe.

**MR COE:** It is not for you to do this, Mr Hargreaves.

**ACTING CHAIR:** Excuse me, I have assumed the chair, Mr Coe. Would you please—

**MR COE:** I am sorry—

**ACTING CHAIR:** I have just assumed the chair. Thank you, Mr Coe. Would you allow the minister to respond to your question, please? Do not talk over him, thanks.

**MR HANSON:** Can I ask a question?

**Dr Bourke:** Well, I have—chair—

**MR HANSON:** Can I ask a question? My apologies. Can I ask a question? Have you looked at the evidence from the Indigenous elected body that was presented the other day? It is extraordinary that you would come—you said that you are just going through it. It is extraordinary that you would come to an estimates hearing appearing before this committee without having prepared yourself by going through the evidence as presented by the organisation which you, your government, set up to provide advice to government. I think it is a remarkable situation how you could not be prepared with that evidence.

**ACTING CHAIR:** Can we have a question, please, Mr Hanson—

**Dr Bourke:** You have certainly remarked on it, Mr Hanson.

**ACTING CHAIR:** Minister! Mr Hanson, just hold the phone, please.

**MR HANSON:** It is extraordinary—extraordinary.

**ACTING CHAIR:** I want to make sure that nobody talks over each other. I do not care what side of the table it is coming from. You have asked a question. Mr Coe asked a question. You did not give him a chance to answer it. Minister, would you please answer Mr Hanson's question?

**Dr Bourke:** I would like to finish off Mr Coe's question, if I may. Then I have

Ms Hunter's question to deal with and then I have got Mr Hanson's question to deal with. So I will get Ms Howson to provide some more detail for Mr Coe's question.

**ACTING CHAIR:** Thank you. Ms Howson.

**MR SMYTH:** But Mr Coe's question was to you.

**Dr Bourke:** I am going to get Ms Howson to provide some more details.

**ACTING CHAIR:** Mr Smyth, I do not need any help, thanks. Minister-

**Dr Bourke:** Ms Howson, I am sorry.

**MR HANSON:** This is farce.

**ACTING CHAIR:** Order! Ms Howson, you have the floor, please.

**Ms Howson:** Yes. In relation to the ongoing issue around funding for Chances, the project is an innovative project. We are certainly using the evaluation from the project to inform a different model, which is a model using private sector as well as non-government organisations around family support with the involvement of the directorate to deliver improvement in employment outcomes for the Aboriginal and Torres Strait Islander community.

The directorate as a whole is actually looking at a range of different models that we can apply that allow us to involve ourselves in earlier intervention and more of what we would describe as integrated support for individuals that are pursuing these sorts of educational initiatives. The question for us as a directorate is to take the learnings from this and see how we might apply to it to our overall and broad approach to support for families—vulnerable families—that are pursuing participation outcomes.

We will use the evaluation to inform further proposals and advice to government on how we either use our current expenditure or current funding or to seek further funding for initiatives such as this and to broaden the target audience to which they apply.

**MS HUNTER:** Could I just pick up on the evaluations? There was an evaluation built into the program. I think that Mr Liddle was raising the evaluation and wanted to see that. So I am pleased to hear that there is an evaluation.

**Ms Howson:** On that particular issue, again, the information that has been provided to Mr Liddle to date is really just general in its nature. In the conversations that I have had with him, again, he is interested in more detail around the nature of that evaluation; so we are providing that to him.

**ACTING CHAIR:** Mr Manikis, did you want to elaborate on that?

**Mr Manikis:** On the evaluation? I can provide some details on the evaluation just to hammer the point home.

**MS HUNTER:** That would be good.

**ACTING CHAIR:** Before you do, Mr Coe, I was going to invite you if you had another supplementary to this after Ms Hunter has concluded. Do you want to prepare for that?

**MR COE:** Sure.

**Mr Manikis:** On the point of the evaluation, it was quite a comprehensive evaluation done by our in-house data people. It was in three parts. We had 17 families—participants with their families—take part in the Chances program. Before they started the evaluation, templates were circulated to the families—to the participants—and some information was put forward. The idea of giving it to people before the program started was so that we could shape this program as we went to the needs of that particular group, and that worked extremely well.

A few days after they started, we also did a part 2 of the evaluation, which compared their expectations for the program, after they had settled in—how they were progressing, how they were feeling and all the rest of it. Then at the end of the survey, after they graduated, we did part 3. That is an evaluation in my books. It is quite comprehensive. There will be a report that comes out.

That survey was also designed in consultation with members of a steering group being co-chaired by the chief executive officer of Northside Community Service and the chair of our elected body who was asked to go on there and who accepted, I might add. He was asked and accepted.

**ACTING CHAIR:** Mr Coe, do you have a supplementary question?

**MR COE:** Yes. The evidence that Mr Liddle and Ms Coles gave was that it did not provide certainty for their work. I understand that there may be benefits for other areas of the directorate but in terms of the actual work of Chances and the elected body, the one-year funding, in effect, did them a disservice because they could not commit to how they could improve in future years with that. Do they develop procedure manuals, do they do all those sorts of things that you would do if you knew you were going to be carrying it on well into the future?

**Ms Howson:** I am not sure if I have understood the question that you are asking as opposed to that being a comment, but—

**MR COE:** I asked the minister for what was his response to that concern.

**Dr Bourke:** As I have previously said, this is funding for 12 months. There is nothing to preclude us from re-funding the program in the next budget so that it is funded for the next 12 months. It is not the responsibility of the elected body to deliver the program or develop training manuals or other issues to deliver this program because it is not delivered by the elected body. That is not their role and, in fact, they were specifically not set up—

**MR COE:** I actually said Chances or the elected body, but it is the same for any

project. If you do not know whether they are going to be going on into the future, why would you invest and use resources for something which you cannot reap rewards from within the 12-month time frame?

**Dr Bourke:** Fifteen people have got jobs as a result of the program. Don't you think that is a good outcome?

**MR COE:** Ah!

**Dr Bourke:** What—you scoff at that, do you?

**MR COE:** That is B-grade spin, minister. The fact is—

**Dr Bourke:** Keep the media comments to yourself.

**ACTING CHAIR:** Minister, Mr Coe!

**MR COE:** You are very professional.

**ACTING CHAIR:** That is enough, thanks, Mr Coe.

**MR COE:** Minister, do you not understand that there would be benefits in providing certainty to all concerned about the future funding of this program?

**Dr Bourke:** This is a good program. We have funded it for the next 12 months and that is what we have done. We will be looking at the outcomes of this program and consider it within the next budget. I mean, what are you saying—that we should not have funded it? Get real!

**MR SMYTH:** No, no—

**MR COE:** You are amateur, minister. You are very amateur.

**MS HUNTER:** With the evaluation, just going back to—

**ACTING CHAIR:** Thank you, very much, Mr Coe. That is enough.

**MS HUNTER:** I just go back to the evaluation. Mr Manikis, you said that that evaluation had been conducted and that you are writing up a report.

**Mr Manikis:** Our data unit—

**MS HUNTER:** Yes. When I say “you” I mean a collective you.

**Mr Manikis:** Yes, thank you.

**MS HUNTER:** That that will be written up. When will that report be finalised?

**Mr Manikis:** I am expecting that report to be finalised very shortly.

**MS HUNTER:** In fact, once that is in and if it is shown to be a program that is worthy of further funding, in fact, minister, is it your intention to come out with a statement about that sooner rather than later and not just wait for a further budget round? What is your thinking about—

**Dr Bourke:** Let us have a look at the evaluation.

**MS HUNTER:** If it comes out saying that this is fantastic and it really has been helpful, is it your intention to come out earlier and not wait until the budget next year?

**Dr Bourke:** I want to have a look at the evaluation. I will consider that and then I will make an appropriate response at that time.

**ACTING CHAIR:** Mr Smyth, do you have a question?

**MR HANSON:** I thought we were going to get to my question, if you recall, Mr Hargreaves.

**ACTING CHAIR:** We are going around the table, Mr Hanson. I have not asked one myself yet.

**MR SMYTH:** Are you aware that community groups raise concerns about the effort they put into running a program for a year without the certainty of ongoing funding?

**Dr Bourke:** Which community groups?

**MR SMYTH:** All right. Are you aware that the elected body has raised a concern about the one-year funding for the Chances program?

**Dr Bourke:** Yes, I am aware of that.

**MR SMYTH:** How do you answer their concerns?

**Dr Bourke:** It is not the elected body's responsibility to run this program.

**MR SMYTH:** They have not said that they will run the program. They are worried about the future of the program and the fact that there are downsides to having a single year of funding.

**Dr Bourke:** I appreciate that there are downsides to single-year funding, but what is your alternative?

**MR SMYTH:** No, we are asking you for your opinion.

**Ms Overton-Clarke:** Can I just interrupt? As Mr Manikis said, we have been working very closely with the organisations that have been involved in the program. They are very happy that the program is being funded for the next financial year.

**MR SMYTH:** Have you read what was said last Friday to this group?

**Ms Overton-Clarke:** Yes, Mr Smyth.

**MR SMYTH:** Have you answered the concerns that are raised there?

**Ms Overton-Clarke:** The organisations involved in the program are very comfortable that the program is being run next financial year.

**Ms Howson:** I think it is reasonable and it is generally common practice that when you initiate a new model you take the learnings out of it. The findings of the evaluation will certainly inform future business cases. If it continues to prove the success that it has, Mr Smyth, I am sure that it will be well regarded in the context of setting priorities for funding in the future.

**ACTING CHAIR:** Mr Hanson, have you got a question?

**MR HANSON:** I thought this was the one that Dr Bourke was going to answer, if you recall. He said he would answer one from Ms Hunter, then from Mr Coe and then mine, which was why he had not reviewed the evidence.

**ACTING CHAIR:** It was quite a long preamble. I invite you, in fact, to perhaps rephrase it and shorten it, and put a question on the end of it.

**MR HANSON:** I just wanted to know why, in preparation for the estimates process, he had not reviewed the evidence from the Indigenous elected body.

**Dr Bourke:** I have looked at the evidence from the Indigenous elected body.

**MR HANSON:** You said that the evidence was here and you were still going through it. That is what you said.

**Dr Bourke:** Going through what to do with the evidence as it is been presented.

**MR HANSON:** Can I move on then to the United Ngunnawal Elders Council. You will recall—this was shortly before you took over, so I assume you were briefed on it—that there was some correspondence from the previous minister to the elders council regarding the election of their members and some of the processes and the way they were operating. I am just wondering what the status is of that. Are you comfortable and confident that the Ngunnawal elders council are operating as an effective body?

**Dr Bourke:** I met the Ngunnawal elders council the other day. There was a reasonable range of representation at that meeting. Not everybody was there. It would have been nice to have seen everybody at that meeting, but they were not. I had a good discussion with them that covered a range of topics. I reinforced my view and the government's view of the role of the United Ngunnawal Elders Council in its provision of cultural heritage advice about Ngunnawal matters to the ACT government, as well as to the elected body.

**MR HANSON:** At one stage there were a number of issues raised between Mr Stanhope and the Ngunnawal elders council. Are you comfortable that those issues

that were raised have been resolved and issues like the electoral process, the standing operating procedures or a constitution for the organisation have been resolved and the operations are now where the government would see that they should be? Obviously there were some issues that were of concern to the government.

**Dr Bourke:** My concern for the United Ngunnawal Elders Council is that it operates in a consensual and respectful manner to deliver good cultural advice about Ngunnawal matters to the ACT government. I will see if Mr Manikis can deal with—

**MR HANSON:** No, I will ask you, minister.

**Dr Bourke:** All right.

**MR HANSON:** Are you comfortable—

**ACTING CHAIR:** Mr Hanson, the minister has the right to refer a question to his officials if he so desires, and he has.

**MR HANSON:** With respect, Mr Acting Chair, my question is: is the minister comfortable that he is operating in accordance with the protocols he has just laid out? It is very difficult for Mr Manikis to answer the question as to whether the minister is comfortable or not.

**ACTING CHAIR:** You also asked a question, Mr Hanson, around the processes of concern and the concern around processes that the Ngunnawal elders council actually came forth with in discussion with the previous minister. It is my understanding that the previous, previous minister—

**Dr Bourke:** The previous, previous minister.

**ACTING CHAIR:** The previous, previous minister—and it is my understanding that the current minister is asking Mr Manikis to address that part of your question. Mr Manikis.

**Mr Manikis:** The United Ngunnawal Elders Council continue to be supported by the government to meet. They are still in the process of sorting out their rules. Over the last six months or so they have participated in a journey to either incorporate or become a registered Aboriginal organisation. They are exploring those avenues where they feel that achieving one of those outcomes may improve governance of the council itself. Where we are today: whilst not all the elders attend; several more than what used to do. It is starting to become a body that has credibility with the other elders as well. It has turned the corner, I believe. In the context of the genealogy study which is just at its final stages and the engagement that has occurred there as well, the minister has met with—

**MR HANSON:** When you say that it is imminent, what does that mean?

**Mr Manikis:** It is imminent in the sense that the minister provided each of the elders attending the—

**MR HANSON:** This is meant to have been published by now.

**ACTING CHAIR:** Allow Mr Manikis to answer, please, Mr Hanson. Have some courtesy, please.

**Mr Manikis:** It is a two-year project. There are family history books involved, as well as family history charts and a report that is due in the next couple of weeks, 30 June, to the minister. All that is on track. The minister gave out the family history charts a few days ago at the elders camp. That was a group of elders that were quite different to the elders that turned up to the United Ngunnawal Elders Council meeting which was on after the elders camp.

**Dr Bourke:** Although there was some crossover.

**Mr Manikis:** There was some crossover, yes, indeed. We had some emotional speeches and what have you in accepting family history charts, such as “this is the first time I have seen my family”. It is very emotional. It is very emotional for the people around them and also for the people receiving them—the family members who have never appreciated it as much and seeing it on a piece of paper.

We have got family history books. There are 29 family reps that are about to get their family history books, which range in size from 200 pages through to 600 pages each. This will be hand-delivered to them in the next week or two. Genealogists have interviewed, as I say, representatives from 29 family groups that claim traditional custodianship. There are 4,000 people involved, something like 30 ancestors that have been identified, way back, and the links from contemporary families through.

We are battling with privacy issues in terms of providing information in relation to the horizontal spread of the family charts. It is a fascinating exercise. We have provided extensive engagement. We have had family groups travel from around the area into the office. Staff have travelled to places around Canberra and beyond. It has been a fascinating project. I think there is an appreciation by elders that they are not on their own; they are not doing this on their own.

Our challenge, of course, in the directorate will be what we do with the information. How do we deal with it afterwards? It is a good news story as far as the elders are concerned for the broader community. It has the potential to educate the community as well as to the place of these people and these families. I think incrementally things are getting better. Whilst I would portray it as a bit of a peak in tension at the time you are talking about, Mr Hanson, I think things have cooled down a bit and people are starting to re-engage. The minister attended the council meeting the other day. There were several elders that turned up that were not there in those heavy days of tension.

**MR HANSON:** Thanks.

**ACTING CHAIR:** Do you have a question, Ms Hunter?

**MS HUNTER:** I did want to follow up on the genealogy study, so thanks for giving that update.

**ACTING CHAIR:** I just have one small, light-hearted question. I noticed in the context of the grants that you issue—multicultural grants et cetera—there are multicultural radio grants. Have we ever had an application from an Indigenous group to have a slot on multicultural radio or ethnic radio?

**Mr Manikis:** I might go to the multicultural grants program. We have provided funds from that program to begin the Indigenous showcase to the NAIDOC Week committee. Certainly, the criteria would allow for that to occur—an Indigenous group to present a Ngunnawal language or any other language program on a multicultural radio station. We would support that; that is not a problem.

**MS HUNTER:** Just on the Ngunnawal language, are we capturing as much as we can of the Ngunnawal language?

**Dr Bourke:** This is a matter that I discussed with you the other day. I am saying that having the capacity to use even a small phrase or a song could be very powerful within education. It is really important that young non-Indigenous Canberrans have an opportunity to connect with country through language.

**MS HUNTER:** And also because we are losing so many Aboriginal languages.

**Dr Bourke:** The truth is that there is not a lot of Ngunnawal language available. AIATSIS, I understand, is working on this, but through the elders camps that we have been sponsoring some of that language is being revealed. This is where it can be quite powerful, when we get people engaging through organisations that work in a format that is respectful and where there is consensus.

**ACTING CHAIR:** The genesis of my question—whilst it may have sounded frivolous, it was not intended to be—is that I can recall on a number of occasions either attending or officiating at citizenship ceremonies and Duncan and his young lad actually played there. It was received by the new citizens incredibly well. He has taught people about the way in which Indigenous music can come together. It seems to me that there is a genesis of a radio program there. I would just invite you to give some thought to maybe a phone call and somebody like Duncan might just pull that off.

**Dr Bourke:** I would like to let you know that I believe Duncan and the Wiradjuri Echoes have been nominated for a NAIDOC award for this year.

**ACTING CHAIR:** Sensational. Any need of support, just let me know. As there are no further questions, I will read the final lesson, the closing statement. It says, as mentioned at the commencement of the hearing today, that there is a time frame of five working days for the return of answers to questions taken on notice at this hearing. On behalf of the committee, I would like to thank Dr Bourke, as Minister for Education and Training and youth affairs, and the directorate and officials for their assistance this afternoon and the officials from the Office of Aboriginal and Torres Strait Islander Affairs. The proceedings will resume at 9 am on Monday, 25 June 2012, commencing with the committee's examination of the Justice and Community Safety portfolio, output class 3 and 4. This will include an examination of the following outputs—emergency services, ACT Policing, courts and tribunals.

**The committee adjourned at 5.28 pm.**