



**LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL
TERRITORY**

STANDING COMMITTEE ON PUBLIC ACCOUNTS

(Reference: Annual and financial reports 2008-09)

Members:

**MS C LE COUTEUR (The Chair)
MR B SMYTH (The Deputy Chair)
MR J HARGREAVES**

TRANSCRIPT OF EVIDENCE

CANBERRA

THURSDAY, 18 FEBRUARY 2010

**Secretary to the committee:
Mr G Ryall (Ph: 6205 0142)**

By authority of the Legislative Assembly for the Australian Capital Territory

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

APPEARANCES

| | |
|------------------------|-----|
| Actew Corporation..... | 231 |
|------------------------|-----|

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Amended 21 January 2009

The committee met at 10.31 am.

Appearances:

Gallagher, Ms Katy, Deputy Chief Minister, Treasurer, Minister for Health and Minister for Industrial Relations

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

Actew Corporation
Sullivan, Mr Mark, Managing Director

THE CHAIR: Good morning everybody, and welcome to this public hearing of the Standing Committee on Public Accounts inquiry into the 2008-2009 annual and financial reports. I confidently assume that everyone is already familiar with the contents of the privilege card and you do not wish me to read it. You all know about and understand the implications.

Before we go to the formal part of the meeting, I would like to talk about timing in terms of supplementary questions from MLAs, given the lateness of this hearing. The deadline for supplementary questions from MLAs is tomorrow. So we would appreciate it if answers from ministers came back on Tuesday, 2 March. Hopefully, that will give you enough time and also give us enough time to finish off the report.

I understand that Mr Hargreaves would like to make a statement.

MR HARGREAVES: Yes, Madam Chair. It is my understanding that predominantly the discussion this morning will be around the process of the provision of the extension of Cotter Dam, and possibly also other water supply issues. I do not wish to have a perception of a conflict of interest. I was part of the cabinet at the time I received the briefing. So, for the purposes of *Hansard*, I will be excusing myself from the hearing.

THE CHAIR: Thank you, Mr Hargreaves. Is there an opening statement?

Ms Gallagher: I was in the cabinet, too.

THE CHAIR: Yes, but that is your role here, Ms Gallagher. Good try! Does either minister have an opening statement?

Mr Corbell: No, thank you, Madam Chair.

THE CHAIR: I will start with a quick review of some things I am not totally clear on from last year—the difference between tolerance and contingencies. At the last hearing we talked about a 30 per cent tolerance margin for things which were unexpected versus a 20 per cent contingency for price increases which was sort of expected in known materials. I would like to talk a bit more about that. With respect to owner's costs, you say you did not think they were included in the 30 per cent tolerance. Can I clarify that? Would the tolerance take into account things which

might come up later in the design process, such as the bigger dam wall? Is 30 per cent a conservative estimate for the tolerance, given the scale of increases that seem to have occurred?

Mr Sullivan: I think we are talking here about the 145 estimate. A tolerance—this is going to be very difficult—is for unknowns. It is basically allowing prices within the estimate to expand. Contingencies are probably more known than tolerance, but they basically allow for the fact that things could move. The important thing is that both of those relate to what was in the estimate. Owners' costs were not in the estimate. So it does not account for those elements which were not in the 145. It reflects the fact that the 145 was an estimate without a design. It reflects the fact that it was recognised by the prices and by the reviewers of the 145 estimate—the two reviewers of the estimate—that there was a significant degree of uncertainty about the elements in it.

It is not two ways of saying the same thing, but the difference between tolerance and contingency is reasonably subtle. I am hoping that is helpful, while knowing fully that it is probably not that helpful.

THE CHAIR: Do you still think that 30 per cent was an appropriate amount? Given all that has happened, it seems a very conservative estimate.

Mr Sullivan: If I sit in hindsight, the 145 was not right; the 30 per cent was not right; the tolerance levels were not right in terms of a full commercial estimate. At the time, of course, the 145, with those tolerances and contingencies, was reviewed formerly by two parties and referred then to the ICRC. For what it was, it was accepted by all parties as being reasonable in its nature.

So yes, in hindsight, no. When you say that here is an estimate and now we know in some detail what the construction and commercial estimate of this dam is, no, it was not reasonable. At the time it went through significant review and it was felt to be reasonable. The key point—and it is one that I think that we have discussed regularly—is that clearly the 145 was suitable in terms of the job that it formerly did, and that is, a comparator between projects. Where the 145 went wrong was that it was adopted in good faith, I think, by government and others to be the price of the dam. It had significant omissions as a price of the dam. It should only have been viewed as a comparator between projects to determine the best project, which is what was principally done with it. What never happened was that no-one, including Actew, just called a halt to it being referred to as the price of the dam, and it was adopted as the price of the dam. That, in hindsight, is a bad flaw in process.

MR SMYTH: Mr Sullivan, while we are talking about contingencies, will the recent rain that we have had cause a delay? The diggers are in and the hole has grown.

Mr Sullivan: The recent rain has caused a problem in terms of a construction site with that much rain. It did result in a small environmental incident in that the basins that we had built on the dam site to hold back water, understandably in what is about a one in 10 or 15-year event, overflowed, but they have been contained. We are working with the EPA to ensure that does not cause a problem. We took precautions in respect of moving equipment from the basin of the dam floor to higher ground. We took contingencies in respect to the Cotter Dam itself. We installed boards—we call

them boards; they are steel—on the dam to ensure that if there was a slight overcresting that we would contain it. That was a very prudent measure because it went over the crest and we had the unusual sight of a dam being 101 per cent full. It was contained. I think it was a good proving of some of the work that was done in case of a rain event like this, but this is not a rain event which would be outside of our expectation. It has followed what has been a significant period of dry weather. The dam is certainly on schedule. It is moving ahead to our great satisfaction at this time.

MR SMYTH: If it is on schedule, how deep is the cut?

Mr Sullivan: On schedule at this stage is basically site preparation. We will start serious excavation next month or the month after. We have drained the spilling pond. We have drained the section of the river between the old dam wall and the new construction site. We have constructed the shed for the construction plant and we have constructed the site office. We are constructing the workshop. Preliminary work has started on one of the saddle dams. There is a lot of activity. The abutment clearing of loose materials has occurred. The diversion channels are under construction and under work, but we are not at the point yet where we are cutting the abutment. That will not occur for a little while yet, and it is not scheduled to either.

MRS DUNNE: I would like to look for a little while at the Murrumbidgee to Googong bulk transfer. Mr Sullivan, did the decision paper dated 6 May to the Actew Corporation board state that the TOC had been approved by the BWI Alliance project management team and the alliance leadership group?

Mr Sullivan: Yes, it did.

MRS DUNNE: Does the paper advise the board that the committee's total project cost, comprising the approved TOC and the owner's costs, is \$149.793 million, including provisional sums of \$7 million for the mini-hydro and \$2.3 million for approvals?

Mr Sullivan: Yes, that sounds right to me.

MRS DUNNE: Does the paper further state the costs are "in line with the forecasts by Actew to the ACT government in December 2008"?

Mr Sullivan: Yes.

MRS DUNNE: After that, the board resolved on 13 May to approve a total budget of \$149.8 million for the project, inclusive of the quality pool, and it delegated and authorised you, as the managing director, to approve expenditure to that upper limit of \$149.8 million for the implementation of the project. Is that right?

Mr Sullivan: I do not have the documents but I have no doubt that it certainly sounds right, as you report them.

MRS DUNNE: Madam Chair, for your information, could I give you those documents that I have just referred to?

THE CHAIR: Do you want to table them?

MRS DUNNE: Just for the information of the committee. It does not need to be circulated. On 18 May, after the committee met on 13 May, you told the estimates committee—and I quote from the *Hansard* at page 172:

The Murrumbidgee to Googong pipeline is currently under consideration by the board. While we have got a draft TOC, it has got some process to go through before it is an agreed TOC.

And later on that day, you said, at page 175 of the *Hansard*:

In the report to government, we said that we expected that the final price would come in within about 30 per cent of that.

That was \$96 million; the ICRC figure. You continued:

I think I have said before here that I expected it to be up on the 96, and that is the number we are now moving towards.

Madam Chair, I note for interest that 30 per cent on top of 96 is \$124.8 million. Mr Sullivan, why did you tell the committee that the TOC was only in final form when only three days before it had been approved, the board had recognised that it had been approved and it had authorised you to spend that money?

Mr Sullivan: Largely because we had not revealed the TOC and we were using it. There were still some negotiations with the Bulk Water Alliance in respect of the TOC for the dam versus the TOC for the Googong to Murrumbidgee transfer. So we decided there would be no release of the fact of the TOC on the Murrumbidgee to Googong transfer until we had resolved the full TOC issues between the water security projects.

MRS DUNNE: Would it then have been more truthful to say to the committee, “We have resolved the TOC but it is subject to negotiations and I’m not at liberty to tell you what it is”?

Mr Sullivan: Having listened to your report of what I said, yes, it would probably have been more prudent to have used less direct language than I used.

MRS DUNNE: Thank you for that. You wrote to the shareholders, Minister Gallagher and Mr Stanhope, on 22 May and told them that you had been authorised to spend \$149 million and that the TOC was \$149.8 million. Minister, at any stage did you or your colleagues consider that the information provided to the estimates committee was inaccurate? Seeing that the estimates committee was still sitting at that time, did you consider correcting the record?

Ms Gallagher: No, I did not. You have drawn it to our attention now. I will have a look at it, but no. With respect to the letter to us, and I think the letter as advised by us, and the language used by Mr Sullivan, if I have listened to the dates correctly—estimates sat on the 18th, was it?

MRS DUNNE: Yes. You and Mr Sullivan were here on the 18th.

Ms Gallagher: From the government's point of view, Mr Sullivan's evidence is correct. The government was advised after that hearing. I will have to review the letter that we got on 22 May—I do not have it with me—just to check the exact language.

MR SESELJA: Minister, are you saying that that statement on 18 May, that while we have got a draft TOC it has got some process to go through before it is an agreed TOC—

Ms Gallagher: Including speaking to the shareholders. That is probably in line with—

MR SESELJA: Was that a correct statement at the time then or not?

Ms Gallagher: Well, Mr Seselja, I think Mr Sullivan has spoken and answered Mrs Dunne's question. I think it is fair to say there were processes that were still continuing at that time, including looking at all of the major water security projects. I think it is fair to say there were processes that were still continuing; that the board had considered it and the government was advised of the board's consideration on 22 May.

MR SESELJA: But with respect to that statement that there was a draft TOC and that it was not an agreed TOC, are you comfortable that that statement was factually correct at that time?

Ms Gallagher: Mr Seselja, I will have a look. I will want to look at the *Hansard* and I will want to look at the information given to the government—the letter written on 22 May. I think that is entirely appropriate.

MRS DUNNE: After you have done that, minister, and Mr Sullivan, would you come back to the committee and advise the committee of the accuracy or otherwise of the statements that were made at that time?

Ms Gallagher: I am very happy to, Mrs Dunne.

MRS DUNNE: Thank you.

MR RATTENBURY: Mr Sullivan, at our last hearing on 2 December—and you touched on this earlier in today's evidence in relation to the \$145 million cost estimate—you made reference that you probably should have corrected the use of language. Whose responsibility do you think it was to correct the record, so to speak?

Mr Sullivan: That is a difficult question. The reports in their entirety were in the hands of many groups, including, and I can only talk about my organisation, Actew, and I can only talk about it on the basis that I was not there at the time. I am not trying to skip that. I think scrutiny of that report so far in terms of the Deloitte's review of it—of course, we have got the ICRC now reviewing it—has shown, as I said, it to be deficient in terms of being a cost estimate. I think I have said that Actew certainly had a role as being one of the parties who should have stood up and said: "Look, this is not a total price estimate. This is a construction estimate and its purpose is for

comparative purposes and the board has to take the next step before we understand a price.” I think there was certainly a role for Actew in that. I do not want to comment on who else’s responsibilities were involved.

MR RATTENBURY: Ministers, what is your understanding of why that cost estimate was not corrected in the public discourse?

Ms Gallagher: When I reflect back on the enlarged Cotter Dam project—and you do reflect on these things; government reflects on them—I think that a misunderstanding around what was included, or a public misunderstanding about what was included in that \$145 million price, has led to a lot of the issues that we are sitting here considering, and a lot of reviews and a lot of analysing. Again, I think it is difficult for me; I think we all probably had some responsibility, at the end of the day, to be clearer around what that price was talking about and that it did not include all of the total costs, as outlined in that \$363 million final figure, which is the first and final time that the government made a decision to proceed.

All of the other points where it came to cabinet or where decisions were made were really decisions to continue with the planning, the design, the exploring of a whole range of water security major projects. It was really once that final figure was determined that cabinet gave the go-ahead for that project to commence. I think it predates my time as Treasurer, the starting of this project, so it is a little difficult for me to go back and analyse the things that the previous Treasurer had said around this project. But I think it is fair to say that we should have been clearer about what the \$145 million was and that the dam would get the green light once the total and final cost had been determined, and that was done in July 2009. Perhaps we should never have used any figure at all. Maybe that would have been a better way to manage this from the beginning. Maybe the first time a figure should have been put out was once that final TOC 2 had been determined.

MR RATTENBURY: So the sum of those answers is that both Actew and the government failed to correct the public record?

Ms Gallagher: I do not think it is about correcting. The \$145 million figure—and this is my understanding; Mark can jump in if I am going down the wrong path—should not have been used, I do not think, to describe the total final cost of the enlarged Cotter Dam. It was a figure that was given about elements of the dam project. Mark, you might need to assist here, having regard to my language. It was not all of the components that fit the \$363 million.

Mr Sullivan: The only comment I would make, Mr Rattenbury, is that when I have described my view of the 145 and the view that it was inadvertently picked up as a price estimate rather than what it was and that there should have been someone saying, “You shouldn’t do that,” that is in hindsight; that is now. I am convinced there are a lot of people, including people in Actew, who probably did not see that it was not a price estimate. There is no evidence in the reviews of the price estimate that any one of the reviewers came out and said—if you read the reviews you can find it now; you can find qualifiers, particularly in the GHD review. You can find significant qualifiers in the independent estimator’s review. It went through a lot of process and no-one said, “Hey, be very careful here. This is not a price. This is something else.” I would draw

the distinction that in an examination post-event I can conclude that I think someone should have realised that the 145 was being used inadvertently, but I do not see any evidence at the time of any deliberateness about saying, “This is good. We won’t rock this cart; 145 is a good number to have out there. Use it as you like.”

I hope you understand that distinction in terms of looking backwards. As a new person coming in and looking backwards I can identify and say, with help—I took the Deloitte report’s help and some other things to properly see what had happened—that once you properly see what has happened you must accept that there was a role for someone to have corrected it. At the time I do not believe—you would have to talk to people who were there at the time—there was a direct view that this was a number that should not be used. When it came out as the announcement I do not think anyone said, “Gee, we shouldn’t let them use that.” I think it was basically, “Yes, that’s what it is.”

MRS DUNNE: So how was it that the ICRC’s accounting adviser, whose name escapes me at the moment, said that that figure was a robust figure?

Mr Sullivan: I think their adviser, which was an organisation called Halcrow, believed—I think this is where we got the issue. I think that the reviewers were reviewing it for what it was. The only purpose the 145 ever had formerly, which the Treasurer has mentioned, was the fact that it was to make an in principle decision as to which projects to proceed with and which projects not to proceed with. That gave the number. I think the reviewers, if you read the ICRC, make it very clear that they think it will go up, even beyond the number. They review it on the basis of, “That is what you used it for and that is why it was robust and good.” For what it was used for it was robust and good. It was an excellent piece of comparative data to compare projects, but it was not a price. If you like, the elephant in the room was seen by no-one as being, “Don’t use a surprise. It’s a comparator.”

MR SMYTH: Perhaps the question is for the Treasurer. Did Treasury officials not advise you that the number was being used incorrectly?

Ms Gallagher: I can certainly speak from when I became Treasurer, which was in November 2008. This goes back, I think, to July 2007. As to the advice from Treasury to me at the point I got involved—and indeed I was involved as a shareholder prior to that—in my formal role as Treasurer I was being briefed on the dam later in the process and it was around the fact that the price of the dam was escalating and there was some work being commissioned to review the costs.

MR SMYTH: As a shareholder, did you understand that 145 was not the price?

Ms Gallagher: I understood that 145 was not the final number for the enlarged Cotter Dam project. I understand it to be a figure that had been presented to government, along with a range of other water security projects, and that the government had considered that submission and made a decision to proceed with a number of water security major projects, including asking that detailed planning, design and costing work be done prior to the government making a final decision, which it did when that information became clear.

MR SMYTH: What role did Treasury play in that number, the 145? Did they play any role?

Ms Gallagher: I will have to take that on notice. It predates my time.

MR SMYTH: As a shareholder, when 145 appeared as a public number for the cost of the project, were you not concerned?

Ms Gallagher: At the time, no. That has been the figure that was presented to government—

MR SMYTH: So you thought 145 was the price—

Ms Gallagher: With caveats around it, with caveats saying, “This is on the early advice and our studies. This is the figure, along with the other figures that were given from the other projects.” The question being put at that point in time was: should we do further work; does the government consider that we should do further work against any of these projects to get to a point where the government can make a decision? So at that point in time, no, we did not have any concern because it was the figure that had been given and we asked that further work be done to finalise that.

MR SMYTH: It appeared in the reports—for instance in the *Canberra Times*—that that was the cost of the dam. Were you not concerned that that false impression had been given?

Ms Gallagher: I think in the public narrative—again, I was not the one involved in the public narrative at this time—

MR SMYTH: But you were a shareholder.

Ms Gallagher: Yes, I was.

MR SMYTH: One of two.

Ms Gallagher: Thank you. My recollection of it was there were always very strong caveats around that number, around it being an estimate, at a point in time—that is my understanding—and that a final figure would be determined later. But I sit here with Mark and say that with the benefit of hindsight we could all have avoided sitting here this morning and sitting here in December if nobody had ever used a figure. But I can tell you people would have been asking for one.

MRS DUNNE: On the subject of the figure, there was an information paper that went to the board meeting March of Actew Corporation in March. I think it said that the cost of the dam may exceed \$250 million. However, the construction methodology was under review and various other things were under review. It said that the cost escalation was under review in the present economic climate. Mr Sullivan, do you recall that information paper?

Mr Sullivan: Yes, I do.

MRS DUNNE: Minister Gallagher, as a shareholder, did you see that information paper or the record of that information paper when you received the minutes of the March meeting?

Ms Gallagher: I imagine I did. I have a figure here that says that costs may exceed 250 million next to that time, not 300.

MRS DUNNE: I am sorry, I said 250 million.

Ms Gallagher: All right.

MRS DUNNE: Notwithstanding that, Mr Sullivan, you said in estimates on 18 May, at page 176 of the *Hansard*:

In early 2008, the ICRC accepted an estimated cost of 145. We are working on an estimate of costs that we warned in that report could be 30 per cent higher than that again.

Madam Chair, that is \$188.5 million. Why did you tell the estimates that you were working on an estimate of \$188 million when you had told the board in March, Mr Sullivan, and through the board, the government, that the costs would exceed \$250 million?

Mr Sullivan: No, I did not tell them the costs would exceed 250 million.

Ms Gallagher: No, he didn't.

Mr Sullivan: I tell the board at almost every board meeting a number of "mays". My risk register has in it issues around all of the projects that Actew works on. One of the risks recognised in respect of the Cotter Dam was that the price of it may go above 250 million. The follow-on was "however, we are working hard at making sure it does not". At that time—

MRS DUNNE: That worked, didn't it?

Mr Sullivan: I thought this was going to be a calm meeting, Chairman, and I would like to keep it calm. At that time I think what I said to the board was a very appropriate thing. It was basically raising a risk and explaining to the board what processes we had in place. Even in terms of the government report, where I said to the government that I was working now on a range of 50 to 80 per cent above the 145 estimate, if you read—

MRS DUNNE: Where did the 80 come from? I have never seen the 80—

Mr Sullivan: Or the 70, whatever it was, I am sorry. If you read the next three sentences of that, it was clearly advice to the government—as I was clearly advising everyone—that we were still in the process of developing the total overrun costs and that would be when we understood the full price of the dam. I was worried when Mr Rattenbury first raised this issue of what I said at that board meeting, but when I reviewed it and reflected on it I had no worries. I raise a number of issues properly at

board meetings in terms of risks that I am managing where if you said, “What is your expectation?” my expectation would be that this risk will not eventuate into reality.

When I talked to the board at that stage it was basically to say, “One of the risks I am grappling with is the price may exceed \$250 million. I have got a range of strategies—to roll forward to July.” I had moved in terms of my understanding of the risk of the dam to the point where I felt it necessary to formally alert the shareholders and the board that the cost of the Cotter Dam was well beyond the estimate that we had released. I then commissioned the Deloitte’s report and we proceeded from there. So in terms of the management of the risk of the estimate of the dam, I think I am very satisfied with what I informed the board of and what I informed estimates.

MRS DUNNE: Mr Sullivan, the discussion paper for the Actew board of 1 July says that the preliminary TOC for the construction of the extended Cotter Dam is significantly over the expectations and that the Bulk Water Alliance is now challenging its design and cost to bring the project within \$300 million. At the same time, on 30 June, Actew finalised a report to shareholders which was actually sent to the shareholders on 9 July. I cannot see anything in that report that alerts the government, the shareholders, to costs coming in at around the \$300 million mark. In fact, it says in that report that there was a delay in submitting the TOC to Actew board and that it would happen in August rather than July. This was attributed to “resolving the design and quality and construction methodologies involved”. Can you point in that report, Mr Sullivan, to where you alerted the government to the \$300 million figure?

Mr Sullivan: I alerted the government in mid-July. I never alerted the government—and this is important: in all of my talking to the board and to the shareholders, I never quoted a new price. I alerted the government in mid-July through the shareholders that the estimate of the Cotter Dam was going to be significantly above our previous estimates. By this stage I was convinced of that. That caused me to talk to the board and to alert the shareholders to the fact that the current estimate was above previously revealed estimates, that I was commissioning Deloitte’s and that the Deloitte’s report would operate in tandem with the final completion of the total out-turn cost, and that the total out-turn cost timetable would be deferred until such time as I had the Deloitte’s report and to allow the outcomes of the various challenge workshops in terms of design and construction to proceed. I do not have the time line but I think 14 July was when I first advised the shareholders of the fact that—

MRS DUNNE: How did you notify the shareholders in mid-July?

Mr Sullivan: I contacted their offices and sought a meeting and I met with the chiefs of staff of both the Treasurer and the Chief Minister.

MRS DUNNE: Do you have a record of those meetings?

Mr Sullivan: No.

MRS DUNNE: Minister, do you have a record? Does your staff?

Ms Gallagher: I have not seen one but I will check my office records.

MRS DUNNE: To assist the committee and other members, could any records of those meetings, if they exist, be provided to the committee?

Ms Gallagher: I have to say that I do not want to set some unhealthy precedent where meeting notes from every meeting in my office is now provided to members. It would be interesting; I could ask you the same thing. If you have got meetings going on in your office that your staff take notes of, could I have a copy of all of those as well?

MR SESELJA: You are responsible for the building of the dam, so it is a little bit different.

MRS DUNNE: I am not responsible for capital works.

Ms Gallagher: Yes, I understand that. The relevant information here is that Mr Sullivan approached the shareholders and spoke to them about the process that was being undertaken to finalise the final target out-turn cost.

MRS DUNNE: Well, how was it that the Chief Minister was surprised at the figure on 3 September, if his office knew on 14 July?

Ms Gallagher: No, they did not know, and if you had listened to Mark, again, Mrs Dunne, he approached the shareholders, as appropriate, when it became clear to him. He had advised the board that the final cost was higher than expected and that he was doing some work, had commissioned some work, to run the ruler over those costs to make sure that those costs were rigorous, and that he would advise government and the shareholders when that work was complete. I think it is entirely appropriate that that happened.

I do not know that there is anything further that I can expand on. Contact was made; information was relayed; processes were undertaken to assure shareholders. I think it was probably, rather than an information call, a call from Mr Sullivan to let us know that, yes, costs were growing but that they were having a very close look at that. Indeed, Treasury had been advised and were speaking with Actew at around that time, because I remember being briefed by Treasury in our verbal briefings—I do not think I got a formal written brief about it, but in verbal briefings—around the work that Deloitte's was going to undertake. That work, when completed, went to the board and it went to the government. It came to the shareholders and the shareholders asked that it be presented to the cabinet, and that was done.

MR SESELJA: Will you table now the notes from those meetings and what those—

Ms Gallagher: No, Mr Seselja.

MR SESELJA: Why not?

Ms Gallagher: I will go back to my office, as I have undertaken, and ask my chief of staff whether there are notes from that meeting—

MR SESELJA: You would expect that there would be notes for such a significant

meeting.

Ms Gallagher: and if there are, I will have a look at them. Then I will decide whether it provides any further information for the committee.

MR SESELJA: What is the big secrecy around the meeting?

Ms Gallagher: I don't think there is any secrecy. I have told you—

MR SESELJA: Well then, why not just table the notes?

Ms Gallagher: contact was made, information was relayed, the information was that “costs are higher than previously expected and work is being undertaken to review those costs, and when that work is complete, we will brief the shareholders formally, and the government”. There is no secret there—nothing.

MR RATTENBURY: In the spirit of getting things right, Mr Sullivan, I table for the committee's benefit a printout from Actew's website just this morning on the enlarging Cotter Dam fact sheet, which still lists the price for the enlarged Cotter Dam at \$145 million. You may have some people that would like to see to that at some point.

Mr Sullivan: Thank you, Mr Rattenbury.

MR RATTENBURY: According to Actew—

MR SMYTH: Sorry, it actually does say “giving a total cost of approximately \$145 million”. Is Actew not actually saying that the price—

Mr Sullivan: No, we are not. If you go to the same website, you will see press release after press release advising the cost of the Cotter Dam. Yes, it is a poor slip-up, and thank you for raising it at a public hearing like this. It is appreciated.

MR RATTENBURY: We have just been searching this morning and were surprised. According to Actew, briefings were provided to the government on 14 and 17 July 2009 that the cost of the Cotter Dam project had increased significantly. Mrs Dunne has touched on that. Ministers, what actions did the government undertake at this time in response to this information?

Ms Gallagher: The information, again, was that “costs are increasing; however, Actew has commissioned some work to run the ruler over those costs to make sure that those costs are rigorous, and you will be advised”. I certainly can say that, as Treasurer, I spoke with Treasury. I meet with them every week, and I believe that at around that time we probably discussed it at every week's briefing. I asked Treasury their view of this and they said that they were working with Actew and they were very happy that Actew had commissioned the Deloitte's work to run the ruler over the numbers and that when that work was complete, I would be briefed.

Mr Sullivan: I think it is important to say, in the context of this, when I understood that the price of this dam was certainly going to go well beyond our expectation of

estimate, that I was then working on two possible events. One event was that the board of Actew would decline the TOC, that we would not build the dam and that we would draw a line and we would not proceed. The other was that the board would accept that the cost base was robust, that the business case remained robust and that we would proceed. This is why, when I spoke to the shareholders and to the heads of both Treasury and the Chief Minister's Department, it was important for me not to say "This is a price," because I did not have one; I just knew it was going to be a lot more, and that we had engaged in an even more energised round of challenge to design and to remove as many of what are termed plug-in estimates as possible from the calculation, because a plug-in estimate, by its nature, means that if you are not sure, you take the top estimate you can think of and put it into your system and say, "There's your estimate."

At the time of the advice, what I got from the heads of Treasury and what I got from the chiefs of staff of both ministers' offices, was a view that my decision to engage an independent review of the process, incorporating an independent engineering review of where we had got to, was sound and that they understood that the TOC would not be delivered until some time in late August or early September.

MR RATTENBURY: It is my understanding, ministers, that on 24 August 2009 cabinet discussed the increases in the project cost. Are you able to confirm that and give us an overview of what cabinet discussed at that stage?

Ms Gallagher: I would have to go back and have a look at the minutes of the cabinet meeting. I am very happy to do so. I understand from our own records that that is the case. We have discussed the enlarged Cotter Dam a number of times in cabinet over the last few years. As to the specific nature of that discussion, I will have to review the cabinet minutes. Again, it being 24 August, I imagine it would have been a discussion focused on cost.

MR RATTENBURY: I am interested in the fact that just two days later Minister Barr called in the Cotter Dam. Would cabinet have taken a decision for Minister Barr to call that project in before it became public—the new cost figure?

Ms Gallagher: I would say no to that, definitely. The call-in is a completely separate matter and was not part of the cabinet's consideration around costs. It just was not.

Mr Corbell: The call-in of any project is the exercise of the minister's statutory powers under the act. They must be exercised independent of any cabinet process, and they always are.

MR RATTENBURY: Mr Barr would have been at that cabinet discussion on the 24th, I presume?

Ms Gallagher: Again, we will have to check. He usually attends cabinet meetings.

MRS DUNNE: Could I ask you, ministers, to check and get back to the committee on whether the Chief Executives Water Group was alerted to the information that came to the government around 14 July and whether any activities were undertaken by the Chief Executives Water Group as a result of that?

Mr Corbell: We will have to check that. The Chief Executives Water Group generally deals with broader water policy matters rather than the implementation of specific projects. So the Chief Executives Water Group, which is now convened by the chief executive of my department, looks at progress against the overall policy—think water, act water—but does not necessarily go to the detail of each individual project occurring, because there are a whole range of projects being delivered, not just by Actew but by other government agencies, to deliver the objectives of think water, act water—in particular, demand management, the work that we have been doing on retrofitting, the wetlands, irrigation and so on.

MRS DUNNE: Some of the minutes that I have seen do show that they have discussed it in the past.

Mr Corbell: As I say, we are very happy to check the record, but I am just trying to give some context around what the role of the Chief Executives Water Group is.

MR RATTENBURY: Mr Corbell, last November in the Assembly at question time you were asked by Ms Hunter about the economic benefits of the Angle Crossing and Tantangara transfer. That was the general nature of the question. You made the observation that the water transfer from Angle Crossing to Googong with water being purchased from Tantangara was not sufficient in and of itself to deliver the water security we need for the ACT. Can you elaborate on that point and take us through why that is not sufficient?

Mr Corbell: Mr Sullivan may be able to help me with some of the figures, but in general terms the government has set a target in terms of reduced use of potable water in the territory. That is the underpinning principle, if you like. We have got to achieve a 25 per cent reduction in the amount of potable water that is consumed in the territory. That drives a whole series of measures around demand management and also augmentation with non-potable supply. Out of that comes the need to determine how much potable water we then need. Against that, Actew have looked at a variety of projects necessary to achieve that volume. It is quite clear that Angle Crossing on its own does not deliver that. Murrumbidgee to Googong, including the Tantangara transfer, is not sufficient to achieve the level of potable supply required, based on that 25 per cent reduction in potable use.

MR RATTENBURY: When we discussed this last year—I think it was in our briefing at Actew House—we talked about the limits on the Tantangara transfer. I seem to recall Actew saying that there was a 10-gigalitre cap on transferring water from Tantangara. Can you go through why that is, or have I misunderstood it?

Mr Sullivan: Our recommendation to government was that we felt 10 gigalitres was the extent of the transfer capability. Partly linked to that is the capability of the pipeline. It was partly to do with storage requirements at Tantangara and the commercial arrangements around release that we basically came to a view that 10 gigalitres was about the optimum level of water that we could commercially release from Tantangara and achieve transfer.

We have to achieve transfer. It would be lovely for the river system but not too

commercial if we did not achieve transfer of the water. It is our decision. I think the minister has summed it up very well. I can give you more material on this. We have consistently said to government that you really need a combination of Cotter, Murrumbidgee to Googong and an external source—and two external sources advised to government earlier were water purification or Tantangara. We recommended later that Tantangara was progressing and appeared to us to be a better proposal on economic and other grounds than water purification as the external source.

Therefore, we have defined the three arms of the water security as being the dam, the Murrumbidgee to Googong transfer and Tantangara. We do not believe that we can achieve water security against the criteria that we have taken from the government, which includes its demand reduction goals, a variety of population scenarios—which we have been asked to look at—and the CSIRO climate change predictions, amongst other things, without all three. That is why we have always argued that they have to be seen as a suite. We only have one at the moment which is being implemented, with full approvals. If we lose any of them we will have to rethink our advice to government about how to achieve water security.

MR RATTENBURY: What is the capacity of the M2G?

Mr Sullivan: I will take that on notice. The capacity of M2G is not the size of the pipelines. There is a reasonable capacity of the M2G. Clearly, in terms of our negotiations with three authorities in respect of the environmental impact of the M2G, we recognise and they recognise that a very careful adapted management program will have to be put in place for releases. In the end, that will probably determine capacity, and I do not know what that is. I can give you a pumping capacity and a pipeline capacity, but it will not be a realistic capacity for the transfer because, as I say, in the end the agreed adapted management practice of releasing water through the pipeline will determine the capacity of that system.

MR RATTENBURY: My understanding is that it has the capacity of 100 gigalitres. I do not know whether that is pumping or piping. It seems to be quite a larger number than a 10-gigalitre extraction. Perhaps your clarification could help me with that point.

Mr Sullivan: I think the 100-gigalitre calculation was by someone who looked at the capacity of the pumps and the width of the pipe and said, “Pump all you can.”

Mr Corbell: There’s no way you would be able to pump that amount of water out.

Mr Sullivan: You cannot take it out of the river and you cannot disgorge it into Burra Creek. That would be a calculation which said, “If you’ve got that size of pump and a metre wide pipe and you just go for it, you could get it.” Without getting hares running at the moment, probably our 10-gigalitre transfer is on the high side of what will turn out to be the capacity. We are quite comfortable as long as we can get towards that 10 gigalitres and manage the environment around it. The environmental impact is the critical issue around this project. We take it seriously. There are a lot of people out there taking it very seriously. I think it will be this adapted management strategy which is the determinant of our capacity. It will be nowhere near 100.

Mr Corbell: It would be nice if it was.

Mr Sullivan: It will be significantly less. Our economics of the pipeline suggest that it is still a net positive business case at quite an insignificant transfer level. There is a good business case around transferring it and justifying the very significant capital expenditure at fairly moderate transfer rates. We are confident we will exceed those moderate transfer rates and we will make this a very good process. But we have to get through three levels of environmental assessment which are underway at the moment.

MR SMYTH: What is the timetable for the approval of Murrumbidgee to Googong?

Mr Sullivan: The commonwealth have now decided to reject our recommendation that the Murrumbidgee to Googong transfer not be a controlled action under the commonwealth's legislation. We are now engaged in a full PER process. We would be expecting a result from both the ACT and New South Wales governments in respect of the EIS processes in the next month or so. We would not expect an answer from the commonwealth before August, and potentially later. We will not be in a position to commence work before the commonwealth's determination.

MR SMYTH: So if the commonwealth approves it in August then you go to tender, or whatever you do?

Mr Sullivan: No. It is a Bulk Water Alliance project—

MRS DUNNE: It is Bulk Water Alliance, \$149.8 million.

Mr Sullivan: The construction is tied up, and it is in the 149—

MR SMYTH: Just to go back to something you mentioned earlier, you spoke of the risk register that you maintain and that you update the board on. What other items are on the risk register?

Mr Sullivan: A corporation must have—

MR SMYTH: In relation to Bulk Water, what items are on the register?

Mr Sullivan: They range from risk to our reputation, if we get things like our community information wrong or our engagement processes wrong, to risk if corporations go bust, risk if we find a fatal flaw in design or risk that we have flooding, a huge flood. It is basically a process whereby we attempt to identify, as any good organisation does, any potential risk to a project. That is how it operates.

Generally, as a risk register goes, you need to satisfy yourself. You look at risk in terms of consequence if it occurred—and often the consequence of a risk occurring can be catastrophic—and the chances of that risk occurring. Hopefully it is not high and you have not got a catastrophic consequence with a high chance. Then basically you look at your mitigation strategies as to how you are assuring yourself that you are maintaining that risk at an acceptable level. That is the challenge for the organisation. We run over our risk register with a view to being satisfied that we are managing these risks appropriately.

MR SMYTH: Can the committee have a list of things on the register—

Mr Sullivan: No.

MR SMYTH: pertaining to Bulk Water?

Mr Sullivan: No.

MR SMYTH: Why not?

Mr Sullivan: No corporation would hand a risk register to anyone. It is without understanding what it is and fully using it as it should be. It is a corporate document and it is not going to be released to anyone.

MR SMYTH: One of the risks you mentioned was risk to reputation. Given that you had advised the board that the cost of the Cotter may exceed \$250 million, why was that not in the discussion of estimates, something that you informed the estimates committee of?

Mr Sullivan: Because I had not concluded that it would happen. I had not concluded—

MR SMYTH: But it was enough of a concern that it was on the risk register and you informed the board it might occur.

Mr Sullivan: No. I had informed the board it may occur.

MR SMYTH: I used the word “might”.

Mr Sullivan: Our report to government in December was my first view and attempt to get to both the government and the community generally that our estimate of 145 was not going to be met.

MRS DUNNE: I think you did not know that document existed for months.

Mr Sullivan: It was released in March.

MRS DUNNE: Even well after March the community was not aware of the existence of that document.

Mr Sullivan: It was on the website. It is out there. I can do no more than say that on publication of that document there was a story in the *Canberra Times* which said that the price of the dam was going to be \$250 million. It was picked up there before it was picked up probably in most places. That was an effort to make sure that we were keeping the community engaged in terms of “this price is not holding”. As I say—

MR SMYTH: But in keeping the community engaged would it not have been practical to use the estimates committee process to explain where it was going and the potential risks?

Mr Sullivan: The estimates committee is a useful way of keeping the community involved. It is jumping to a conclusion which I did not reach at that time. At that time, as to the advice that I was getting—and it was reinforced as late as early April when I met with the TOC team—the head of the TOC team told me then that my view that the dam price would be within the range reported to government was not an unreal expectation at that time.

MR SMYTH: Just remind me: when did you come to the view that it was to be more than \$250 million?

Mr Sullivan: July and in April I was, certainly. While I was engaged and I certainly knew, and there were numbers running around of all sorts, I did not come to a conclusion in respect of the price and the vicinity of where it would settle until July.

MRS DUNNE: Just going back to the Murrumbidgee to Googong transfer and Mr Rattenbury's questions about not the pumping capacity but the desirable amount of water to pump, would it be possible to share with the committee the cost-benefit analysis of that project?

Mr Sullivan: I will take that on notice. I think we have provided it, but if we can provide some more—

MRS DUNNE: You were saying that—

Mr Sullivan: I think we have provided the modelling on it and the price of water, with its assumptions.

MRS DUNNE: I suppose my question is this—and I do not want us to have an argument about it—is there an assumption where you would say it is not economically worth spending \$148 million?

Mr Sullivan: Yes, there is an assumption that would make it not economical.

MRS DUNNE: What amount of water uptake annually are we looking at, in general terms?

Mr Sullivan: I will take it on notice. I believe it is almost less than three gigalitres. It is quite a small number, which is why we remain confident in the economics. As I say, the issue I have—and I will provide what material I can—is that I expect there will be a reasonably intense negotiation with New South Wales, to a lesser degree the ACT, and the commonwealth around what this adapted management plan will look like and, therefore, it will in the end determine our maximum. I expect that if that number is threateningly low we will have to reassess the project.

MRS DUNNE: You will not really know until the final commonwealth approval.

Mr Sullivan: What we would be looking for then is to get New South Wales, ACT and commonwealth approval with the conditions on that approval. It will be the conditions that determine the adaptive management practices. That is when we will know as to whether or not we can realistically meet those conditions and for it to still

remain economic.

THE CHAIR: You were talking about the modelling you have done about security of supply. You mentioned population. What populations are you assuming for the security of supply and for how long do you think Canberra will have security of supply if the projects you are talking about all go ahead?

Mr Sullivan: Again, I will take this on notice, but basically we are not a determiner of population.

THE CHAIR: No, I appreciate that.

Mr Sullivan: Basically, we are using the Bureau of Statistics population—I forget what form the study was in.

Mr Corbell: The territory relies on the analysis conducted by the ABS. From my recollection, there are three growth scenarios. There is a low, a medium and a high growth scenario. They are factored in over a period of somewhere between 25 and 50 years, and you make some assumptions around that. The ABS has that data; the Chief Minister's Department also does a range of demographic work, supported by Treasury, to refine that. So there are some assumptions around population growth. I am happy to provide those to you. I do not have those immediately to hand but we can provide those to you.

THE CHAIR: And you are going to provide to the committee—

Mr Sullivan: Yes. I think the minister has got it right. In our planning processes, we attempt to accommodate in our water security modelling the top estimates. Off the top of my head, it is something like 550,000 in 2030 or 2035.

MRS DUNNE: In relation to the Murrumbidgee to Googong transfer, seeing that we are waiting for approvals from three jurisdictions, Mr Sullivan, where are we at with negotiations in relation to easements with the pipelines?

Mr Sullivan: We are pursuing easements across people's land through two processes. One is that we continue to negotiate with landholders in respect of voluntary agreements to easements.

MRS DUNNE: How many landholders in total are there?

Mr Sullivan: In total, there are 17 landholders. We have voluntary agreements with eight of them and we are in negotiation, which we hope will result in voluntary agreement, with about another three, four or five. Separately, we have applied to the Minister for Water in New South Wales to commence on our behalf compulsory acquisition processes and that would be with all of those who we do not have voluntary agreements with, including those who we are continuing to negotiate with. So with some people we are on two tracks: we are on a voluntary negotiation track as well as a compulsory acquisition track; on some we are clearly out of voluntary negotiation and we are on a compulsory acquisition track.

MR SMYTH: The minister has got a strong interest in compulsory acquisition. There are a lot of them going around.

MRS DUNNE: Mr Sullivan, have any landholders been told by Actew that their easement may be wider than the originally touted 15 metres?

Mr Sullivan: Not that I am aware of.

MRS DUNNE: Can you check?

Mr Sullivan: Do you have a specific incident? That makes it easier to check. You can tell me privately, if you like, but if there is a specific incident—

MRS DUNNE: I would like a general answer but—

Mr Sullivan: I will get a general answer but if you could tell me privately, if there is a particular incident, that makes it simpler. No, we have not altered our view on the size of easement required.

MRS DUNNE: What is the nature of compensation for people who voluntarily agree? Are you purchasing the land or are you purchasing the right of way or a licence to use the land?

Mr Sullivan: The compensation is to compensate for the fact that we are putting an installation across a property which will result in an easement. That easement shall have conditions upon it which generally allow you to pursue your normal activities on that land but restrict you in respect of buildings and other things being across that easement. It is a very similar condition to what many of us have on our homes in respect of Actew easements—that is, there is a pipe underneath and because there is a pipe under there you shall not build certain things above that pipe in case we need to access it. So it is not a land acquisition; it is basically a recognition that there will be an easement. That easement shall have conditions put upon it.

MRS DUNNE: In addition to the fairly obvious limitation on building on top of the easement, are there conditions that would prohibit the movement of equipment across the easement?

Mr Sullivan: Most equipment that is used on a farm would not be limited. Tractors and things like that are not limited in moving across the easement. You are talking about very heavy equipment. I am quite happy to get a generic list of easement requirements for you.

MRS DUNNE: Thank you.

Mr Sullivan: It has been put to me that this will prevent someone from taking their tractor across the easement, and it does not prevent them from taking their tractor across the easement. They would not be able to take an army tank—an army tank would probably be all right; Brendan Smyth would probably know more about that than me. They could not take a very, very heavy machine across that easement, but it would have to be of a very heavy weight. If a concrete mixer is entering the property,

that is fine; if a tractor is being used on the property, that is fine.

MR SMYTH: On a different tack, with the alliance that is delivering the projects, what are their procurement guidelines? Is a set of procurement guidelines being issued? Do they use government procurement guidelines?

Mr Sullivan: No, they do not use government procurement. They either direct service or they use tender processes. Generally, for all of the major elements of the project, we tender for services—the alliance tenders.

MR SMYTH: At what price would you go to tender? Is there a threshold where it goes to tender?

Mr Sullivan: No, it depends on the capability of what Abigroup and John Holland can deliver themselves or can hire in themselves to do. For instance, in respect of the crushing operation, which is a very large element of the dam, a tender process is used. In terms of the Casuarina Sands upgrade, a tender process was used. Sometimes there are quite low thresholds because it is just not activity which they have the capability themselves to do, and sometimes it is just to get competitive tension into the process for major areas.

MR SMYTH: Is there a preference for using local providers?

Mr Sullivan: Yes, there is some preference in respect of local provision of services and local labour.

MR SMYTH: As part of working in a steep-sided valley, abseiling rope access is important. A number of local firms were interested in providing that service but it has gone to a Sydney firm, and at least one of the local firms has said to me that they spoke to the alliance and never got a response. They in fact were not even able to put in a tender. How does this work? How would a local firm get access to these contracts?

Mr Sullivan: A local firm is encouraged to register itself with the alliance, and many have. It does not guarantee work. But we have seen local firms utilised quite heavily in respect of the alliance processes. If you go and look generally at the cranes and the earthmoving equipment. Hewatt engineering is a large provider of material. There are several others. In terms of the abseiling work, I would need to check, but I think it is the sort of work where the constructors certainly had a view as to who they wanted to use and who they were familiar with, and they used them.

MR SMYTH: That would be the case. I am not casting any aspersions on the Sydney firm; I understand they are very good at what they do. But a local firm that believes they have similar capability did not even get a response from the alliance as to how they might tender for the work. What do I tell my constituent as to how this process—

Mr Sullivan: They should talk to the alliance.

MR SMYTH: Go and talk to the alliance?

Mr Sullivan: Yes, register with the alliance. If there is work, the alliance will go through—

MR SMYTH: That is the point we are making. They have approached the alliance but they have heard nothing back and the contract has gone to somebody else.

Mr Sullivan: So they have not succeeded in terms of the alliance taking an interest in what they are offering.

MR SMYTH: But they were not even requested to put in a tender.

Mr Sullivan: Clearly—and I will check this—it was a piece of work for which the constructor just says, “When we do this, we use X.” And there are pieces of that work where the constructor basically says, “For this bit of work, we use X.” And they direct source it.

MR SMYTH: Is that acceptable, Treasurer? Surely, part of the objective of all this would be to keep as much of this money in the ACT as possible.

Ms Gallagher: As you have heard from Mr Sullivan, where local workers and local companies can be used, they will be encouraged to be used. But the government is not going to, and should not, under a commercial arrangement get involved and start picking and choosing. There are established processes under the alliance model. I trust that Actew, as a good corporate citizen, is following all of those processes.

Mr Sullivan: We will be reporting to government and we will be reporting to the industry associations in terms of local content levels in the dam process. We have a KPI in terms of the dam which is around local inputs. We also liaise very closely with the MBA and other industry groups because the one thing we do not want to see happen is for the dam to unnecessarily distort the construction market in Canberra. So we have to be careful of that because the dam has the potential; it is a project which is very large and the drivers are very clear. If that project, for instance, decided that it would up labour rates or up rates for various subcontracting processes above what the city is used to, it would have a capacity to suck dry this city’s construction capacity. So we work very closely with the industry associations to make sure that we are watching that balance. Every indication to me, not from an individual contractor who clearly would have liked to have got some work there, is that they believe the balance is good at the moment.

MR SESELJA: This is to either minister: there was an answer to a question taken on notice given by the Treasurer regarding question I asked at an earlier hearing, around the nature of briefings held with Minister Corbell on the water security major projects. The answer is not particularly enlightening.

Ms Gallagher: That is a shame. We do try very hard to make—

MR SESELJA: There was another cute answer, and there have been a lot on this issue. It just says: “I am advised that scheduled and unscheduled meetings and telephone discussions were held.” It does not go to the time frame; it does not go to how many; it does not go to anything that came from those. Minister Corbell, could

you give us a more detailed answer to that question?

Mr Corbell: The issues around briefings provided to me by Actew are that these are briefings which are provided to me generally in the form of verbal updates from the chief executive of Actew. He does so in his capacity as the deliverer of a major element of water security for the territory. Obviously, that has significant implications for me in terms of my responsibilities for water policy in the territory, of which water security projects are a significant component. So the nature of the briefings that have been provided to me has been generally verbal. They have generally been an update on progress and an opportunity for me to keep abreast of those developments in relation to various projects which I have a legitimate interest in.

Perhaps the question that is really being asked here is whether or not I was aware of any particular change in figures and whether or not I was advised of a specific figure around the increase in cost of the Cotter Dam project. So the answer to that is no, I was not. I was not advised of a specific figure in relation to increased costs of this project until the matter was reported to cabinet. I was not at that cabinet meeting; I was overseas at that time on other business, but that was the first time the government was informed of those matters.

MR SESELJA: So you were not told about the cost blow-out but you were briefed in an ongoing way—

Mr Corbell: As Minister Gallagher and Mr Sullivan have already indicated to you, the government was advised that there was clear potential for escalation in costs. The costs were increasing. But we were not advised of a specific—

MR SESELJA: When were you advised that there was clear potential for escalation in costs?

Mr Corbell: That advice would have been on a number of occasions in the lead-up to the final advice coming to cabinet last year.

MR SESELJA: Could you provide the committee with a time line of the advice you received, the briefings you received, on the dam project and water security projects?

Mr Corbell: As I have indicated, this was an iterative process. Many of these briefings were verbal in nature. If there is a record of those, I am happy to check those records and see if I can provide you with any further advice.

THE CHAIR: If there are no further questions, thank you, ministers and Mr Sullivan, for your attendance. I remind you of the time lines—

MRS DUNNE: When you finish talking about the time lines, I want to go back to the papers I gave at the beginning, to make sure they are tabled and published.

THE CHAIR: Okay. Do you want to do that now?

MRS DUNNE: I just want to make it clear that I tabled those papers for the committee to accept and publish, if they so agree, so that they will become part of the

record of the meeting.

THE CHAIR: Okay, I appreciate the statement. I remind members that the deadline for supplementary questions is tomorrow, with answers to come back by 2 March. Thank you all very much for your attendance. The hearing is now adjourned.

The committee adjourned at 11.54 am.