



**LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL
TERRITORY**

**STANDING COMMITTEE ON ECONOMY AND GENDER
AND ECONOMIC EQUALITY**

(Reference: [Inquiry into ACT Budget 2021-22](#))

Members:

**MS L CASTLEY (Chair)
MS S ORR (Deputy Chair)
MR J DAVIS**

TRANSCRIPT OF EVIDENCE

CANBERRA

WEDNESDAY, 27 OCTOBER 2021

**Secretary to the committee:
Dr D Monk (Ph: 620 50129)**

By authority of the Legislative Assembly for the Australian Capital Territory

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

APPEARANCES

**Chief Minister, Treasury and Economic Development Directorate ..130, 145, 157,
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Amended 20 May 2013

The committee met at 2.01 pm.

Appearances:

Barr, Mr Andrew, Chief Minister, Treasurer, Minister for Climate Action, Minister for Economic Development and Minister for Tourism

Chief Minister, Treasury and Economic Development Directorate

Kobus, Mr Jonathan, Executive Branch Manager, VisitCanberra, Economic Development

Triffitt, Mr Ross, Executive Branch Manager, Events ACT, Economic Development

THE CHAIR: Welcome to the fifth public hearing of the Standing Committee on Economy and Gender and Economic Equality for the inquiry into the ACT budget 2021-22. The proceedings today will examine the expenditure proposals and revenue estimates for the Chief Minister, Treasury and Economic Development Directorate.

Before we begin, on behalf of the committee, I acknowledge the traditional custodians of the land that we are meeting on, the Ngunnawal people. The committee wishes to acknowledge and respect their continuing culture and the contribution that they make to the life of the city and this region. We would also like to acknowledge and welcome other Aboriginal and Torres Strait Islander peoples who may be attending today's event.

The proceedings are being recorded and transcribed by Hansard and will be published. We are also being broadcast and webstreamed live. When taking a question on notice, please clearly articulate that. This will help the committee and witnesses confirm the questions that have been taken on notice.

For our first session, we welcome Chief Minister Barr in his capacity as Minister for Tourism, and officials from Chief Minister, Treasury and Economic Development Directorate.

I remind the witnesses of the protections and obligations afforded by parliamentary privilege and draw your attention to the privilege statement. Before speaking for the first time, please confirm for the record that you understand the privilege implications of the statement.

As we are not inviting opening statements, we will proceed to questions. I would like to ask some questions about VisitCanberra. Chief Minister, in September 2020, the ACT government launched its new destination marketing campaign “more than”. How much has been allocated to this campaign in the current budget and in the forward estimates?

Mr Barr: Mr Kobus will respond to that question.

Mr Kobus: I have read and understand the privilege statement.

We launched the “more than” campaign in September 2020. The campaign was

developed as a first-phase response to the early events of 2020, with our first phase of lockdown and also recovering from the bushfires. It was simply a renewal campaign to put a new message out into the marketplace and ensure that we could remain competitive in what would become a really competitive domestic marketplace from a campaign perspective.

In 2020-21, the total budget that we invested across a range of different communication styles—not just paid campaign activity but through our partnership activities, conversion partnerships and other marketing activity—was approximately \$2.6 million. The budget that we have provisionally set aside for activity into 2021-22 is a bit more than that. We are probably looking at around \$3 million for 2021-22 in our destination marketing campaign activity, noting that, as we emerge from the events of this year, we are still in the phases of planning our media buy and how that money will be distributed across various media channels in the lead-up to the end of 2021-22.

THE CHAIR: With regard to VisitCanberra resources, were any resources redeployed during the lockdown and periods of border closure?

Mr Kobus: We had resources redeployed through both phases, in both 2020 and 2021. For obvious reasons, a lot of the activity that we undertook in various markets was ceased during lockdown periods, so we redeployed staff where they could be of most use. That was in quite a diverse range of areas across government.

Through this last period, for example, we had staff that were redeployed to call centres to support the activity of Access Canberra, managing the large number of calls that were coming through to find out about the various restrictions that were in place. We had staff that supported ACT Health with vaccination bookings. We had staff that supported the public information communications centre, the PICC. That especially was where a lot of our marketing expertise could be of good use in developing messaging and supporting the public message. We also had staff, and still do have staff, deployed to supporting the efforts around the business support grants and the programs for the business support grants.

As we emerge from that period, especially from this weekend and from 1 November onwards as more normal travel patterns resume, a lot of those staff are returning to do their more substantive roles and ensure that we are in a position to communicate with the market and start supporting the recovery of the visitor economy and the Canberra businesses that rely on the visitors that come from outside Canberra into Canberra.

MS ORR: I was wanting to know more broadly about the tourism sector. It clearly has been impacted in quite a major way from COVID-19. What initiatives, other than the one raised by Ms Castley, is the government undertaking to rebuild the sector?

Mr Kobus: The next phase of our activity into 2021-22 is quite diverse in terms of the activity that we will be undertaking. It is easy to trend towards how we look at tourism campaign activity and how we deal with media buy and campaign activity through paid advertising. But that is one small part of the breadth of activities that we undertake to ensure that we are getting a message to the marketplace and providing many reasons for people to come here.

Paid advertising and communication of our campaign through different channels is a key part of that. We do that through a mix of social, print media, outdoor and digital advertising—even through smaller buy through television and television-on-demand activity. Equally, we invest in and pay quite a lot of attention to how we leverage PR opportunities. By that, I mean how we pitch ideas to different journalists from around the country to cover stories about Canberra.

By way of example, through the 2020-21 financial year, we hosted around 23 visiting journalists to the city. The average cost of each of those visits was about \$755 per visit for those 23. Those 23 visits enabled coverage in approximately 35 different media outlets, whether that be online, print, social et cetera. The total value is estimated to be about \$1.4 million in coverage. We get a really good return on investment from things like that.

Our social channels are a really important part of the way we communicate through social media. VisitCanberra's Instagram account, for example, now has over 80,000 followers. Sitting alongside that, but of equal importance, is the way we work with a range of different partners. We have paid content partnership activity; we work with different publications to leverage off the audience that they have. For example, in 2020-21, we worked with the publication Concrete Playground to have destination features about Canberra through their publication and visual platforms to communicate with their audience.

Another example of the partnership activity we do with conversion or distribution partners is that we will work with online travel agencies like Expedia. Through Expedia, we can target a quite substantial audience to get a message into the market and provide an immediate reason for people to book and choose Canberra. That results in quite strong conversion.

In a similar way, we will work with the airlines that are flying here. We will work with Qantas, Virgin and, increasingly, airlines like Rex and other smaller partners—Alliance, Link, FlyPelican—to leverage their distribution networks. Particularly with the larger airlines—Qantas, for example—it is a great opportunity to use their distribution systems and the trust the market has in their brand, combined with the Canberra message, to get conversion and get people to come here.

MS ORR: As we work through this recovery of the tourism sector and the initiatives that you are doing, what is your expectation of the recovery? What are you anticipating as we move through it? What can we expect to see at different points?

Mr Kobus: That is a good question. As with many things, there remains uncertainty as to how the market will respond post the events of this year. However, we know that when confidence returns to the market, in general—using the first quarter of this year as an example—the market responds really well and is prepared to travel.

One of the advantages Canberra has in that regard is that it is seen as a safe and secure destination. One of the competitive advantages for us in the months ahead is purely the fact that we have such a high vaccination rate. Our core markets of Victoria and New South Wales are likely to see Canberra as a safe place to travel; our wide open

spaces and the types of experiences we offer are seen by the market as being something that is safe to engage in, particularly for families. Those will be the things that we can leverage.

One of the competitive advantages for this city in the months ahead will be the very strong content that we program through our cultural institutions. A number of world-class cultural exhibitions will be running in Canberra from December right through to the end of the financial year in 2022—right through to the end of June. That will provide many reasons for people to come here and engage with those. We have seen time and again over the years that the strong programming through our cultural institutions is very well supported by our key markets; the total attendance at those exhibitions usually averages well over 60 per cent in terms of interstate visitation.

The other advantage that we have in the months ahead is the diversity of the experiences that Canberra offers, with its proximity to Sydney, as a short break getaway. To book on short lead times and come here is a lot easier to do than for other destinations. It is easier to think about coming to Canberra, booking a weekend here, and knowing that you can do that with a level of certainty, rather than planning longer term to travel further afield, whether that be to other parts of Australia or even internationally as we go ahead.

I think 2022 is bright for this city. We have a body of evidence from the first part of this year to draw on to say that the market does respond strongly when confidence returns.

MS ORR: I have a question about the budget supports for the aviation sector. They are on page 30, from memory. Have you identified any particular priorities for the sector and this funding?

Mr Kobus: Yes. Aviation and the return of the aviation sector are one of the mechanisms that are really important to rebuild the visitor economy for this city. The budget sets aside \$750,000 for specific aviation programs. That is there to support the rebuilding of existing routes, as well as establishing new routes and attracting new airlines.

The application of that fund and having a dedicated aviation program have already returned a lot of benefits to the city. We work really closely with Canberra Airport and in strong cooperation with Canberra Airport in engaging with the aviation sector and ensuring that airlines understand the value of this destination as a place to fly to.

One of Canberra's really strong competitive advantages, from an aviation perspective, is the fact that it has a very strong outbound proposition, as well as an inbound proposition. We can use that to our advantage when we talk to airlines about this city offering a very high yielding customer for airlines to access—to go to other places, whether that be for business, leisure or other activities—as well as the diversity of experience here. That is a strong reason to get airlines to come in.

Over the last 12 months, and I guess it comes back to the previous question about what we see in terms of the way that the market responds post pandemic, the aviation

sector was one of the things that grew very well for the city. In fact, we had direct connections to every capital city in Australia for the first time in quite a number of years, and established routes that we had not had in place for many years previously. For example, Link Airways and Qantas connected Canberra directly to Hobart.

Over 2021, we saw new carriers come in, such as Alliance Airlines connecting Canberra to the Sunshine Coast. Link Airways was—*interrupton in sound recording*—Canberra business; it was great to see them connect Canberra to Newcastle, as well as Hobart. FlyPelican were flying to Ballina as well as Port Macquarie. Obviously, the major carriers, Qantas and Virgin, were re-establishing, but we saw Qantas take on new routes that were servicing Canberra, connecting with the Sunshine Coast, as well as Cairns. Qantas to Darwin started.

And, which is a really positive thing for this city in the months ahead, we have Rex commencing services on 15 November. They will connect daily flights to Melbourne on a jet, as well as having several flights a day to Sydney. The frequency of those flights will increase as the business market comes back.

For the first time, set for approximately 17 December, pending confirmation from the Queensland government about the borders opening, Jetstar will service Canberra. The confidence of Qantas to enable Jetstar to come to this city in December—it was due to happen earlier in the year but was held off because of travel restrictions—is an absolute vote of confidence in this destination. Obviously, the Canberra market will respond to that and want to travel to Queensland, but it is a huge vote of confidence in this city as offering a very strong leisure product. Airlines like Jetstar will not connect to a destination where they cannot make it work in both directions, with strong leisure visitation coming.

Looking ahead to 2021-22, from an aviation perspective, continuing to work with those partners is really important. We have to work with the airlines that have put faith in this destination. We will continue to work with Rex, Qantas, Jetstar, Virgin, Link and Alliance and ensure that those services remain sustainable and rebuild.

Equally, we will look to new opportunities. Ahead of travel restrictions coming into place, we were looking at a number of options for trans-Tasman connectivity. We firmly believe that there is a very strong business case for connecting Canberra directly to New Zealand. That route was proven to be successful when Singapore Airlines were running the route, so we are working hard, and we will work hard in 2022, to realise that opportunity. If that comes to fruition, any connection through New Zealand will provide onward connectivity to North America, which opens new opportunity for the city.

The airline that was first to show confidence in the destination from an international perspective, Singapore Airlines, and the connection to Singapore, will provide a conversation that we want to restart. We want to have a constructive conversation with Singapore Airlines about reintroducing that service back to the city in 2022.

Just to temper everyone's enthusiasm, it is also important to acknowledge that the aviation sector globally has gone through extraordinarily tough times over the last two years. Airlines will rebuild. They will rebuild in a progressive way, and the

opportunity for Canberra will come around, but we have to work with airlines as they try to restart global networks. There is a significant amount of work for those airlines to do to reconnect to any number of places around the world, so a bit of patience will be required. But I think we have the research and the evidence to support that. This city can support direct international services again into the future.

MS ORR: I was going to ask about how the global context for airline rebuilding would impact the ability for them to come to Canberra and what sort of time lines we could be looking at.

MR DAVIS: I want to hark back to a similar conversation we had at estimates this time last year when we spoke about the aviation sector. I want to know what the government strategy is to invest in or support conversations around more sustainable modes of transport. Last year when I asked a similar question, the suggestion was made that I was trying to flight shame people, but I am really interested to see if, as a government, we have a strategy to give people more diverse options to get in and out of our city that are more sustainable than flying.

Mr Barr: We have road and rail; they are the other two ways people can get here. A large part of our domestic tourism market gets here in a car. The transition to zero-emission vehicles will occur over the next 25 years. It will pick up pace in the next five, I imagine. We continue our engagement with the New South Wales government and the commonwealth on the Canberra-Sydney rail corridor. At the moment, though, that is a diesel-powered train that comes to Canberra.

In terms of international, I think people are going to have to fly. It takes a long time on a boat. The cruise market is obviously a big part of international travel now. The port of Eden and Sydney obviously provide some opportunity to tap into foreign visitors who come to Australia on a cruise.

But generally speaking, you are going to fly here. The issue then is really around the emissions intensity and profile for the aviation sector. I think the airlines are cognisant of their responsibilities. They allow you to offset your emissions through an additional fee when you purchase your ticket, and they are looking at a range of alternative fuel types to ensure that aircraft themselves will either be zero or low emissions into the future.

I have heard Alan Joyce talk about this. We will not have battery-powered planes; the batteries are just too heavy. So it has to be another fuel type. I am sure I have read somewhere that they have flown a significant distance on a by-product of mustard seeds or something like that. There are alternative aviation fuels that are being worked on.

MR DAVIS: There are a few angles for a supplementary, Chief Minister, but I will start with domestic travel as the one I am interested in. A lot of Canberrans have bought electric vehicles based on the government's generous policy incentives, but I have heard from a lot of electric car owners that they have range anxiety when it comes to going to and subsequently coming back to Canberra when they are travelling between Canberra and Sydney. Is the government doing any strategic work with New South Wales or regional councils, along that Canberra to Sydney corridor in particular,

for more charging stations?

Mr Barr: Yes, and I think the market is also stepping up, so this does not have to be government led. I think you are going to see this as the replacement for petrol stations. You may in fact see some of the major fuel companies get into the business of having recharging points at petrol stations along the highway so that you would just pull in where you would otherwise and be able to have a fast charge. I think that is the future for major highways and travel around Australia. Increasingly, as the technology improves, the range for EVs is going from 200 kilometres to 600 or 700 kilometres with some of the newer ones now.

MR DAVIS: Back on air travel for one moment, how does the ACT government account for the carbon intensity of the aviation industry that we are promoting in the ACT?

Mr Barr: I guess that would be a scope 3 emission, and our share of it would be less than our population share, given the concentration of aviation activity in other cities.

MS LEE: Going back to international flights, Mr Kobus, you mentioned the hopes for a resumption of flights with Singapore Airlines. Have you had discussions with any other airlines? Qatar was a player in the market for a while, but are there any other international airlines that we have had discussions with?

Mr Barr: Yes; Qatar and Air New Zealand in the last 12 months.

MS LEE: Has there been any work done to look at the impact that opening up direct international flights will have in terms of the benefits to local business?

Mr Barr: It is effectively modelled on the number of visitors, and then there is an economic model that essentially outlines the expected spend from each additional visitor. Mr Kobus might have some information on that.

Mr Kobus: In drawing on the potential value of that, the ambition is to progress back towards a visitor economy of the size that we had in 2019, when it was at its peak. The total value of the visitor economy in 2019 was approximately \$2.8 billion, which was \$1.86 billion in domestic overnight spend and about \$395 million in day trip spend. The international component of that total contribution was around \$565 million. In terms of the value of the international market, the international market has been about 10 per cent of our total visitor numbers, but we had 14 international services per week coming into Canberra through Singapore Airlines and Qatar Airways respectively, providing significant opportunity for growth.

In a domestic market of a certain size, states and territories largely fight it out for market share of the captive domestic market. The international market provides an opportunity for growth, particularly where we can be in places where we can own a bit of the conversation that other places do not. For us, that was one of the big advantages of being in Singapore: that we could have a conversation through Singapore and use Singapore as a base to talk more broadly. Singapore is a smaller market compared to other places around the world; we did have the capacity to be a bit more agile, mobile and visible in Singapore, because we were not in such

competition with other states and territories.

It remains to be seen how the international market will rebound in 2022, but research that Tourism Australia is doing shows that Australia is still seen as a place that has very strong appeal and that people desire to travel to. Even as a destination that is long haul for a lot of the key markets that Tourism Australia is active in, the research is showing that there is still a lot of appetite for that market to connect with Australia.

The value of the international market does not just extend to the opportunity of international visitor travel from a leisure perspective; it opens up a whole range of opportunities for business and for the international student market returning. International education is our strongest export market. All of those flow-on benefits extend from reconnecting Canberra to international markets.

One of the things we noticed when we connected to Singapore and through Qatar to Europe was that direct access and ease of travel make a significant difference when it comes to maximising the value of the international market. For this city, in particular from an outbound perspective, not having to transit through Sydney or Melbourne makes a big difference in terms of people being able to realise opportunity from a business perspective. Likewise, from an inbound perspective, providing the opportunity for a market to fly directly into Canberra rather than transiting or flying to Sydney and choosing to do something else rather than coming to Canberra provides the capacity for us to grow the value of international tourism faster than not having those direct connections.

MS LEE: You mentioned that the goal is to get back to that \$2.8 billion, the 2019 levels. Have you got a time frame in which you want to achieve that? If not, what is the likely modelling that you have done about the numbers and what they will look like next year?

Mr Kobus: Late last year we released a framework for recovery of the visitor economy, which set out the types of things that we would do to rebuild the market. When we released that framework, we set an objective of rebuilding the visitor economy to 2.5 billion by June 2022. However, that framework for recovery was done prior to the current lockdown and the impacts of travel restrictions that are in place. It is unlikely that we are going to reach that target by that date, because of the impacts of recent events.

The immediate priority is to get people travelling back to Canberra and do the work we need to do to start rebuilding hotel occupancies, getting more capacity through our airport and ensuring that the businesses in town start seeing the value of the tourism dollar back here.

One of the commitments we made into 2022 was to develop a 2030 strategy. The year 2030 seems a long way off, but that plan is being done in parallel with, and in consultation with, the commonwealth. The commonwealth are doing a 2030 plan. All states and territories are contributing to the development of the policy and thinking of that 2030 plan. We will look to leverage off the research that is done at a national level that will underpin that national approach to growing the value of the visitor economy and to apply it at a local level and determine what is a fair and reasonable

objective for us to have in terms of growth targets for the visitor economy here locally.

Mr DAVIS: In terms of the two airlines you mentioned that we are developing strategic partnerships with, Air New Zealand and Qatar Airways, I have no issue with Air New Zealand, but Qatar Airways raises an eyebrow, particularly given that Qatar Airways is owned by the Qatari government. According to Forbes, Qatar is the second most dangerous country for LGBTQI travellers, given their pretty devastating historical record on LGBTQ rights. Are we comfortable with the ACT having such a strategic and financial relationship with a business owned by the Qatari government under those circumstances?

Mr Barr: We do not have a relationship with them now. We did. And engagement is often the best way to change policy and minds, Mr Davis.

MR DAVIS: I understand that. But if we were attempting to change policy and minds with the Qatari government about their track record on gay rights, surely we would do that with the Qatari government rather than encouraging the financial growth of a Qatari government owned business in the form of their airline.

Mr Barr: We generally do not undertake human rights improvement policy through the lens of aviation partnerships.

MS ORR: It was noted that Jetstar was coming to Canberra. Can you tell us what routes they are looking at flying?

Mr Barr: Canberra to Brisbane.

MR DAVIS: Now for something completely different. Earlier this year, pre lockdown mark 2, there was a fair bit of media commentary about the future of Telstra tower. I was wondering how much Telstra tower, as a nationally known Canberra icon, features in our tourism plans. And what intentions do we have for investment, both in the tower and in the surrounding locality?

Mr Barr: Telstra tower is owned by Telstra. We have been lobbying them to reinvest in their asset. We look forward to them making some public announcements in the not-too-distant future, but that is their announcement to make, not mine.

MR DAVIS: At the risk of being very cheeky with a follow-up, Chief Minister, would you say, based on that lobbying and those representations, that Canberrans can be confident there might be change or something different in the future?

Mr Barr: You could interpret it that way, yes.

MS LEE: I have a few more questions about the 2022 action plan for recovery. I know I started touching base on it earlier in the week, but I have a few more questions about it.

Where is the ACT Cycle Tourism Strategy up to? What is the status of the strategy?

Mr Kobus: The Cycle Tourism Strategy is still live and active. There were a range of

actions in the Cycle Tourism Strategy that we are progressing. We have a cross-government working group that comes together to discuss how we can coordinate a range of actions to enhance the profile of Canberra as a cycling destination. That is everything from the way in which new infrastructure comes on board through to the way we promote experiences from a cycling perspective.

From a Visit Canberra perspective, our main role in the cycle tourism space is to promote Canberra as a place where cycling is seen as an experience that people can engage with. It extends to everything from off-road mountain biking activity for mountain bike enthusiasts right through to families taking a trip round the lake as an experience and using bikes as a way to engage with the city.

It remains a great opportunity for the city. We are hoping that into 2022, through a period when we can promote the city in a much freer way, people will come to Canberra for the purposes of a cycling holiday or engage in cycling while they are here—that that will be a reason to come.

It is important to acknowledge that cycling is a very broad industry. There are a number of niche markets within cycling itself. To promote Canberra as a cycling destination, we need to be clear about what we want people to do when they come here, from a cycling perspective.

In this city, one of the competitive advantages we have is accessible trail-based cycling experiences. There is mountain biking both for people who are mountain biking enthusiasts and might participate in events or take it seriously as their sport and also for people who like that trail riding experience but may do it in a more leisure-oriented way. This city has the diversity of product to cater to both those markets—from the experience you can have in a place like the National Arboretum right through to black run downhill mountain biking at Stromlo Park. Equally, Canberra is an incredible city in which to have a recreational leisure-based cycling experience. One of the iconic things to do in Canberra is the cycle route around Lake Burley Griffin, which we try to promote as a way to engage with the city, engage with our cultural icons, and experience Canberra.

That working group will continue to work through a lot of the actions in the Cycle Tourism Strategy in 2022. And we will use that as a platform to grow our profile as a cycling destination.

MS LEE: Within that action plan, there is \$1.5 million allocated for the establishment of the COVID-Safe Tourism Co-investment Program. Can you provide some more detail on that? How many projects have been funded? And what type of projects are they?

Mr Kobus: There is \$1.5 million allocated to the COVID-Safe Co-investment Program. That is \$750,000 across two financial years. The first phase of the program ran in 2020-21. The second round will run in 2021-22. The program for 2021-22 has not opened yet. It is a program that relies on cooperative investment from industry to be a part of it; we will launch it after consultation with the industry, when businesses feel as though they are in a position to take advantage of it and reinvest appropriately.

One of the main reasons for setting up the COVID-Safe Co-investment Program was to provide a mechanism for businesses to invest in experiences or new infrastructure, or to diversify their product, with a view to making that sustainable and long lasting. It is a mechanism to ensure that the quality of Canberra's products and experiences, and our competitor advantages, continues to grow.

In the 2020-21 program, about 15 projects were funded. There were a range of projects. I think there was media coverage about the dining domes at Kingston foreshore. That is a good example of innovation and creativity through the COVID-Safe Co-investment Program. A local business was looking at ways to embrace the outdoors but to enable people to do that throughout the city and across all seasons.

There are a number of other programs, from distillery experiences to wine bar and wine room experiences; the expansion of cycle tourism experiences at Stromlo through tour operators; opportunities to expand visitor engagement and new infrastructure at the National Zoo and Aquarium; and space tourism opportunities at Mount Stromlo.

One of the challenges associated with running a grant program like the COVID-Safe Co-investment Program in 2021 was that the start dates of a lot of projects had to be delayed due to the impacts of COVID and various restrictions on industries and the accessibility of labour. A number of the projects that were committed to in 2021 will roll out in 2021-22. We will see new product coming online in 2021-22 as well as new initiatives being funded when we launch the 2021-22 program, worth another \$750,000.

MS LEE: Were any successful applicants businesses not based in Canberra? Is being based in Canberra part of the eligibility criteria?

Mr Kobus: The eligibility criteria require businesses to be based in Canberra. With Canberra as a destination, there is a bit of a grey area that exists beyond the ACT borders into our nearby region. Where there can be partnerships or operation with Canberra businesses, and we can see that there is a great benefit back to the ACT, we will consider those on a case-by-case basis.

MS LEE: Like the wineries nearby or something like that?

Mr Kobus: Yes, that is correct.

THE CHAIR: I have a supplementary on that with regard to the businesses. We know that one of the businesses is a provider, a supplier. We know that there are some businesses in Queanbeyan or in the surrounding region. Are Canberra businesses that can supply that being prioritised over Queanbeyan, Murrumbateman or Yass?

Mr Kobus: In terms of the delivery of the exact services, the business that receives the funding could essentially determine which business they decide to work with. But through program as it has been rolled out, we have noticed that the local businesses are using local business wherever they can to support delivery of those initiatives.

THE CHAIR: I would like to ask about the Major Events Strategy. What issues did

your directorate identify with the current Major Events Strategy that caused you to go to market for a new one?

Mr Kobus: Mr Triffitt will help.

Mr Triffitt: I have read and understood the privilege statement.

The Major Events Strategy continues through to 2025. Events ACT has gone out to market for event strategies for Floriade and Enlighten from 2023 to 2027. They have their own individual event strategy, separate from the Major Events Strategy. I hope that answers your question.

THE CHAIR: I understand that it costs \$65,000. How many submissions did your directorate receive for that?

Mr Triffitt: There were at least three. An open tender process was undertaken for that process.

THE CHAIR: Was an ACT business company successful?

Mr Triffitt: No; the successful contractor is based in Victoria.

THE CHAIR: What made them more successful? Why did you choose them over the ACT one? What was their offering?

Mr Triffitt: I think it was in relation to their experience. As I said, a procurement process was operated. A panel assessed submissions from multiple contractors. The recommendation from the panel was to go with this contractor based on their experience with the particular contract we were seeking.

THE CHAIR: Right. More jobs lost across the border.

How many staff will be dedicated to implementing the strategy?

Mr Triffitt: There will not be any specific staff dedicated to the implementation. It will be implemented across the organisation. From 2023 and the development of Floriade and Enlighten, the event delivery team will essentially be involved in the implementation of the strategy.

MS ORR: Can you clarify the strategy and the role it has in framing the work that the events team does, and how that plays into the bigger picture of all the work they do in the ACT for events?

Mr Triffitt: Yes. The strategy is specific to the Floriade and Enlighten events. They operate separate strategies. It informs what the theme might be, any developments for the event experience, the integration of the event into the wider community, and essentially the delivery model for the events.

MS ORR: So it is a point-in-time strategy that lets the team working on those events get on with delivering the events and making sure that it is focused and targeted so

that those events can go into the ACT economy and do all the great things they do.

Mr Triffitt: That is correct.

Mr Barr: It might be worth the committee familiarising itself with section 92 of the Constitution of Australia in relation to free trade, commerce and intercourse amongst states. We do, of course, as a federal territory within the Commonwealth of Australia, have obligations to adhere to the Constitution of the nation in relation to procurement, just as we do in relation to the international free trade agreements that our national governments sign us up to, which means that government procurement is open and tested amongst firms in Australia—and indeed overseas—who are parties to free trade agreements with Australia.

But in return for this free trade, Canberra-based businesses have the opportunity to bid for work in other states and territories, and indeed overseas, in markets that are much larger, with governments that have much larger procurement than the ACT offers. So we as a jurisdiction are a net beneficiary of being part of the Commonwealth of Australia and indeed of Australia having free trade agreements.

THE CHAIR: One clarification, just to make sure I heard correctly: Enlighten and Floriade are going to run by a Victorian company?

Mr Barr: No. They are run by Events ACT.

MS ORR: In the same vein, but a little different, what is the outlook for major ACT government-run events in 2022 and what can we look forward to enjoying in particular?

Mr Triffitt: Throughout the pandemic, Events ACT has made every effort to find a way to deliver events. With the high vaccination rates and the pathway forward, we are certainly anticipating that events will be coming back in some shape or form.

Obviously the safety of the general public, and everyone involved in the delivery and the artists that are involved in the events, remains a priority, but with higher vaccination rates and changing public health restrictions we anticipate that we should be able to have a very good season in 2022. We are certainly working towards that, with events coming up, including New Year's Eve, Australia Day, and Enlighten, and anticipating that, subject to what happens with the public health situation, that will continue throughout the year.

MS ORR: Are we going to see a return to the normal events calendar or are we going to see some change to it?

Mr Barr: There may be some change in the nature of delivery of particular events, and possibly timing, depending on the public health restrictions and orders that are in place at the time. Of course, major events need a long period of advanced planning to be run successfully. We feel more confident about the nature of the events calendar for next year. We thought that we would be able to run Floriade this year, but in the end we had to make a very late decision, for obvious reasons, that it would not be possible.

I would say that we are going into next calendar year more optimistic. But events will need to have COVID-safe plans and will be a little different, I suspect, in terms of how they are run compared to what we might have been used to pre-COVID. But I hope they will look more like they used to than was the case in 2020 and 2021.

THE CHAIR: I have a supplementary, more a point of notification. Mr Triffitt, can you explain to me what the Victoria company won? What was it that they won? Who are they and how much was the contract worth?

Mr Triffitt: The contractor was engaged to do three pieces of work. One was an independent review of the Enlighten Festival branding. The other parts were the development of a strategy for the Enlighten Festival from 2023 to 2027 and the development of a strategy for Floriade from 2023 to 2027. The work involved a significant amount of engagement with local stakeholders and, obviously, with people within the events sector. I will have to take it on notice to get the exact value of that contract.

THE CHAIR: And the name of the company as well.

Mr Triffitt: Silver Lining Strategy is the name of the company.

THE CHAIR: Let us chat about COVID events a bit more. What new or additional events have been added with the support of Events Canberra and/or VisitCanberra during 2021? Has there been economic data in relation to the impact of the major events that we have lost?

Mr Triffitt: Sorry, could you repeat the question?

THE CHAIR: I am just wondering what new, additional events we have got on the radar since we have had to cancel many because of COVID and how much money we have lost through having to cancel the major events that we have.

Mr Barr: By “major events” you mean tourism events?

THE CHAIR: Yes.

Mr Barr: Floriade generally contributes around \$40 million to \$45 million to the territory economy. We would have lost that in this current fiscal year. Beyond that, there have been some smaller event cancellations—not events run by the ACT government, though, other than the Canberra Nara Candle Festival, which I would say is a great community event but not a large economic contributor to the territory. At this point, Floriade would be the major loss.

In terms of new events, we have, through the major events fund, a number of significant new exhibitions and events in partnership with national cultural attractions that will take place over the summer. I saw today that the National Gallery have just delayed the start of the Jeffrey Smart exhibition until 1 December, as they are only reopening on Friday, I understand.

THE CHAIR: How many have applied to hold those sorts of events with a capacity of over 1,000 people in Canberra?

Mr Barr: I will need to ask the office of the Chief Health Officer that question, because that does not apply to these guys. It applies to the Chief Health Officer.

THE CHAIR: Are you taking that one on notice?

Mr Barr: Yes. I will ask the Chief Health Officer. Have Health had all their appearances before estimates now? It is a question you could always ask them. But if no-one else will answer it and you are not prepared to put it on notice, I will take it on notice for you.

THE CHAIR: I will put it on notice.

MS ORR: In terms of enlivening Canberra and attractive economic investment, how successful has the major events fund been?

Mr Barr: In short, very successful. We intend to continue its use to support major event partnerships between the territory government and a range of event organisers. It has been used in the past to support major cultural events, to support major food and wine events and even to support major motor sport events over its history.

THE CHAIR: If there is nothing else, we will take a very short adjournment while we wait for our next visitors. On behalf of the committee, I thank the Chief Minister and officials from the Chief Minister, Treasury and Economic Development Directorate for their attendance today. Please note that answers to questions taken on notice need to be sent to the committee secretary within five days.

Short suspension.

Appearances:

Barr, Mr Andrew, Chief Minister, Treasurer, Minister for Climate Action, Minister for Economic Development and Minister for Tourism

Chief Minister, Treasury and Economic Development Directorate

Leigh, Ms Kathy, Head of Service and Director-General

McPhee, Mr Ian, ACT Public Sector Standards Commissioner, Professional Standards Unit, Workforce Capability and Governance

West, Dr Damian, Deputy Director-General, Workforce Capability and Governance

Thompson, Ms Christina, Executive Branch Manager, Professional Standards Unit, Workforce Capability and Governance

THE CHAIR: Welcome back to the economy and gender and equality committee's public hearings into the ACT's 2021-22 budget. This session will examine the expenditure proposals and revenue estimates for the Chief Minister, Treasury and Economic Development Directorate. We will continue speaking with Chief Minister Barr. We also have new officials in attendance. For the benefit of our new officials, I remind witnesses of the protections and obligations afforded by parliamentary privilege and draw their attention to the privilege statement. When you first speak, please confirm for the record that you understand the privilege implications of the statement. We will now proceed to questions.

The building services manager has informed staff and members of the Legislative Assembly that two ministerial office suites are going through some serious upgrades, with some demolition works happening over the last two weeks or so. In yesterday's hearing it was said that the works are being managed by the executive, through CMTEDD. I am just wondering if you could talk me through what works are being done and at what cost.

Mr Barr: The Chief Minister's office is being reduced in size, for the second time, in order to create some space for the ninth ministerial office, which is currently effectively the size of a backbench office. In short, I am giving up a significant amount of space within the Chief Minister's office to allow Minister Cheyne's office to expand in size.

THE CHAIR: That is very generous of you. What is the cost of the works going on?

Mr Barr: They are all internal works. The cost is \$155,236.

THE CHAIR: You might need to take this one on notice, but from 2001 until now how much has been spent by CMTEDD on ministerial office upgrades?

Mr Barr: I will take that on notice.

MS ORR: Chief Minister, just on the COVID-19 health emergency and the changing situation that has come with that in the ACT, what structures did you put in place to ensure that governance and consultation requirements were met when developing the government response?

Mr Barr: Perhaps you could clarify what sort of consultation you are referring to.

MS ORR: Consultation around the public service and how the changes came to that. That is the section we are in—correct?

Mr Barr: Just broadly, yes. I think we are mostly on the executive, but I guess we can go to this area. Ms Leigh will talk about that.

Ms Leigh: I am familiar with the privilege statement. In relation to responding to COVID, we based our response on the structure that we have used so many times before, which is our one-service approach. On many previous occasions we developed a role of coordinator-general when we needed to, to make sure that we were reaching across all parts of the service to ensure one coordinated and cohesive approach and that all the different capacities of the service to provide input, based on their own areas of expertise, could be brought together efficiently.

To do that we established a coordinator-general for non-health COVID response. The function of that person is to support the CHO and to make sure that the broader public service are well aligned with the response and able to provide, as I said, all their different areas of expertise into the decision-making of the CHO and then back out for implementation across the service, along with all the consequential measures that the whole of the service put in place as a result of those public health measures.

MS ORR: I have just gone back and checked my calendar and realised I have mixed up the times. Ms Leigh, I would like to thank you for taking that one. I will probably come back and ask it again in the correct session when you have all the correct people here with you. Thank you.

MR DAVIS: Chief Minister, I dived into the executive TOIL in budget paper A and I am just wondering, in this financial year, how many members of the executive staff capped out their TOIL. More broadly, I am also interested in exploring, when someone does in fact cap out their TOIL, how their overtime is recorded.

Mr Barr: I do not know. I do not carry the work hours of every executive in my head. I will have to take that on notice. And we will provide the answer to your second question on notice as well.

MS LEE: Chief Minister, just going to ministerial travel, which obviously has not been as much over the last year, there is a trip that you took to Melbourne earlier this year. The budget paper says that was for portfolio meetings related to economic development. The airfares for those flights for you and a ministerial staffer are \$1,287 and \$1,141, respectively. This seems to be significantly higher than the cost of other ministerial travel to Melbourne, namely around \$380 for the return flight. Can you please explain why those particular flights were so much more expensive?

Mr Barr: I think you might find that, due to the pandemic, airfares were increased in that period.

MS LEE: There was a three times increase within two months? Is that your

understanding?

Mr Barr: Yes. I think that is largely what has happened. There were not many flights at all and the airfares had gone up. It is not as though there was a lot of choice when travelling, certainly at that time.

MS LEE: Are ministers flying business or economy for domestic flights?

Mr Barr: Business.

MS LEE: In terms of the way flights are booked, are they done through your office or are they done through a central agency or through the directorate?

Mr Barr: Bookings are undertaken under the commonwealth government flight procurement. We are part of that same travel panel. We get marginally cheaper flights under that contract but do not accrue any frequent flyer points or the like. The fares are indeed cheaper as a result of being on that commonwealth panel. The ACT is also part of that.

MS LEE: Is it part of that panel's remit that they will always look to find the most economic flight of the day, obviously within the bounds of what—

Mr Barr: Yes. The requirements are best fare of the day in terms of the airlines participating in the panel. They, of course, do not offer the various incentives, if you like, that are in place as regard frequent flyer points and the like. They build lower fares into the panel. But you often do not have a great deal of choice if you wish to fly at a particular time. And that certainly is the case during the pandemic.

MS LEE: With that cost difference, which is about three times, you are confident that they would have gone through all those processes to make sure they got the best flight of the day?

Mr Barr: Yes. We had limited options in terms of the number of flights at the times that the travel was required. And airline prices were quite inflated at that time.

MR PARTON: Chief Minister, I am in your hands. I am assuming we are in the correct section here but if we are not, you may direct me to the next one. I want to ask some questions about the goodnewscanberra social media pages. Specifically what is the purpose of the goodnewscanberra social media pages? Are they political or are they for public information?

Mr Barr: The purpose is pretty clear from the title, and they are public information.

MR PARTON: That being the case, why is this network of profiles run by the Chief Minister's office and not centrally by the ACT public service?

Mr Barr: Because the Chief Minister's office is able to run social media profiles.

MR PARTON: How many FTEs in your office are involved in running the goodnewscanberra social media pages making the original graphics? There is some

pretty swish videography involved. Are you able to break down the roles of each member of the team and their job title and area of expertise for me?

Mr Barr: There would be probably three people who are involved who are on my staff and who work in the communications area. They have skills as you have outlined. That would be a small proportion of their job working for me in the communications area.

MR PARTON: Would you be able to estimate how much in total the goodnewscanberra social media pages are costing the ACT taxpayer?

Mr Barr: Zero.

MR PARTON: How could it possibly be zero?

Mr Barr: There is no cost to register a social media account, and content that is delivered on those particular channels is available elsewhere as well. It is not original content most of the time, and any original content is able to be developed by staff or others, members of the community, in their own time.

MR PARTON: Would you consider that filming content for these channels is essential work? I am referring specifically to video posted to the goodnewscanberra account on 3 September showing exposure site cleaners undertaking a deep clean at Harrison school after it was identified as an exposure site. Would that fit the bill of essential work for you?

Mr Barr: I will ask where the source of the video came from, but I do not believe it would have been a member of my staff who was filming. It would have been someone else and it would have simply been reshared content.

MS LEE: Chief Minister, you have mentioned that it does not cost anything, but you also mentioned that there are three staff members in your employ who have the skills. What is the estimate of the time that they would spend on this? It would obviously be within work time?

Mr Barr: No, I do not think it is obviously within work time. It would be no different from your staff or Mr Parton's staff or whoever holds the tripod and films your social media content.

MS LEE: Have you got an estimate of time they would spend on this?

Mr Barr: Very little.

MS LEE: Is that less than an hour a week?

Mr Barr: Probably.

THE CHAIR: I have a question about the public sector standards. How many complaints has the Public Sector Standards Commissioner received in the last financial year?

Mr Barr: The commissioner is not in the room at the moment; perhaps I could offer a suggestion that we bring the commissioner in. I do not want to keep moving people in and out of the room. Are there any more questions on the executive before we go to the commissioner? No? Okay. We will thank these staff and bring the commissioner in.

THE CHAIR: Thank you.

Mr Barr: Whilst the commissioner gets settled, it might be helpful if you repeated the question.

THE CHAIR: Would new officials please make sure they state that they accept the privilege statement. My question is about how many complaints the Public Sector Standards Commissioner has received in the last financial year.

Mr McPhee: I respect the arrangements for the hearing this afternoon. Thank you for the invitation to spend some time with you.

Just to answer your question, we received 98 misconduct processes during 2021, and that happened to be a 27 per cent increase on the previous year. I am happy to spend a bit more time talking about that if you wish, but they are the broad numbers.

THE CHAIR: Yes, please. That is a significant increase. Could you talk to us about what they were and the nature of them?

Mr McPhee: Yes. One of the things we do with the cases, apart from doing the investigations that are required, is try and capture the messages from our work, because we want to leverage off the experience gained from undertaking these misconduct investigations.

There are five main areas that they highlight. The first is inappropriate behaviour, including lack of courtesy and respect. Some 45 per cent of our allegations during 2021 were about inappropriate behaviour—a significant proportion. The second area is failure to perform one's job with reasonable care and diligence. The third is bullying, harassment or intimidation. The fourth is reportable conduct matters. Finally, there is a lack of honesty or integrity. That is pretty much in descending order of numerical significance.

Twice a year I write to the directors-general or the heads of the public sector entities where we do investigations to try and capture the messages of the misconduct investigations we undertake so that they can learn from the experience and, importantly, underline the importance of the public sector values which are in the Public Sector Management Act, particularly the ones on respect, integrity and collaboration, because they go to some of the findings. If we can, through our work, emphasise some of the issues coming through in our findings and get that out to directorates, we hope that, through their own managerial reinforcement, we can avoid having cases going forward that we might have had in the past.

THE CHAIR: Why do you think there has been such a big increase over 2021? I

imagine a lot of people would have been working from home. I would like you to reflect on that for me, if you could.

Mr McPhee: Yes. I do not think we have a detailed understanding of why there is an increase in the numbers. I can tell you that at the moment our numbers are down to a lower level. Historically, our numbers in the prior years were as high as they are for 2021. We had a dip last year and then we kicked up again in 2021. I do not want to be judging where we will come out in the current financial year, but the early indications are that our numbers are reasonably low at this stage in a relative sense. I think it is a bit variable. As you say, it is difficult to tell whether the COVID pandemic circumstances are contributing to the matters that are arising or not. I can say that because I asked the question of our staff: “Were there any COVID-19 specific, directly identifiable issues in the investigations in 2019-20?” The answer was no, not directly. But I am conscious, as we all are, of other work that I do.

Sometimes circumstances in someone’s home life can have a bearing—pressures. Where someone loses a job, for instance, that can bring pressures on individuals that may not otherwise be there and sometimes that can play out in the workplace. I am not suggesting that has occurred here. We do not have any evidence; we have not done the research. But I am just very conscious that sometimes the pressures can overflow into work environments.

As I say, the biggest area, and the one area collectively we need to reinforce, is the importance of respectful engagement between people. It does not mean to say you have to agree with people. You just have to be able to engage and have a conversation about matters without being disrespectful. We all have work to do just that, reinforcing that as managers within the public sector.

THE CHAIR: With regard to conflict of interest cases, can the public put in a complaint to be investigated by the commissioner?

Mr McPhee: The short answer is yes. I think Damian’s area has done some work in the conflict of interest area as well in recent times. It is an area we do occasionally see in our work, where the importance of good practice is being reinforced. I would fully support that.

MR DAVIS: Given the substantial increase in reporting to your office, do you believe that your office requires further FTE support? If so, based on your answer to the last question, do you think that support would need to be in persons who could provide you with assistance in investigating claims or is the support required actually about helping people? Do you need people on staff who can help work with people to build those respectful relationships, mediate conflict, that sort of thing?

Mr McPhee: Let me say on the first question that we have been extremely well supported by the directorate in the resources that I have been provided with. This year we have a new executive branch manager. You may be aware that my role is a part-time role; I am not fully engaged in that role. The directorate has resourced the additional EBM role as well as some staff roles. I appreciate that very much.

Secondly, we have got a good group of people. What we have offered to do for the

directorates is not only, as I said to you earlier, write a couple of times a year on our numbers, with a bit of transparency around our own performance and highlighting the messages that are coming out of our work, but also contribute to executive management programs or courses that are available if a directorate would like us to come and talk about our work, to reinforce the messages.

We do not want to extend our role too much, but we are happy to leverage from the experience and through the insights we gain for the benefit of the service as a whole and to contribute to engagement with directorates.

MR DAVIS: Since you are seeing people at a point in the process where they have taken it upon themselves to report to you, that gives you good oversight for not just individual challenges but what might be systemic challenges across the public service more broadly. What do you think needs to be done at the moment or what could be the most helpful intervention to build a healthy public service work culture?

Mr McPhee: That is a great question, and I have reflected on this across my years of public sector experience in my own capacity. What is important for me is reinforcing the values. We can have as many rules as we like. People will forget them, not read them et cetera. If you are the CEO or senior executive and you can say, “Respectful engagement is terribly important in the work we do—our engagement with the community, our engagement with colleagues within the directorate, our engagement with other public sector entities et cetera,” that is a very strong message. On our figures, it would take out 45 per cent of our investigation complaints just with the emphasis on respectful engagement.

There are a few other things. You touched on conflict of interest. In the public sector, we have a very special duty to be working in the public interest. We have to accept that we take on board a great skill set from the private sector from time to time in particular areas.

Induction training is terribly important. It is important to get the message out about the values and how we work in the public sector, about our responsibilities and about the fact that we are using taxpayers’ funds to make the ACT a better place. There is all of that sort of stuff to reinforce particularly the responsibilities on people so they understand that it is the moral thing, rather than having too many rules about “do this and do not do that”. That is the thing I have learned across the years. Senior executives can reinforce good behaviour without making it a sermon, at the right time just emphasising that. I think there is a lot to be said for the values and our expectations about conduct in the public sector.

MS LEE: Of the 98 misconduct complaints, do you have a breakdown of the outcome of those complaints? I imagine that goes anywhere from warnings to dismissal. Do you have a breakdown of the outcome of the complaints?

Mr McPhee: No. Just for clarity, the 98 was processes we have been informed about this year. Some of those will still be running. I do not have the statistics on that but I would be happy to take that on board to see if we can pull out some statistics to respond to your query.

MS LEE: So you would be happy to take that on notice?

Mr McPhee: Yes.

MS LEE: Even with that said, do you know if there have been dismissals of any public servants because of—

Mr McPhee: Yes, there have been dismissals of public servants.

MR DAVIS: I have a question on work level standards. I am not sure if this is for the commissioner, but I will ask anyway. The ACT public service has work level standards that describe the work each employee is expected to undertake in any given pay bracket. Why is it that staff in the executive do not have similar work level standards?

Mr McPhee: That is not my area of responsibility.

Dr West: I can take that. I will start with the first question. Each and every SES role that we have within the service goes through a process of being job sized. What that means is that the role is looked at from the point of view of the scale, the scope, the complexity and the dollar value that the role might control. Through a rigorous assessment process—we use the Mercer consulting group to do that—which is a standardised system of assessment, we come up with a job rating.

Across our bands, our SES roles will be clarified or rated into SES band 1, SES band 2, SES band 3 or SES band 4, and within those bands there are sub-ratings. It is a very well-trodden path and a very well-developed formula, but we look at all of the complexities around the roles and we use that to ensure that there is a degree of equality across the service so that we do not have jobs that are very small in one part of the service and jobs that are very large in another part of the service.

It helps to maintain a level of consistency and also to ensure that, when we are structuring work and designing and restructuring our organisations, we are very alert to how those structures should be developed and what the roles might look like. It is possibly best to talk about it in the next session, but we have just gone through a process of undertaking a classification review. The subject matter experts will be in the next session.

In effect, we look at the different classifications of staff with the comparative work level associated with that classification and the work that someone would undertake. If they were a SOGC level staff member, a SOGB or a SOGA, we would be able to give a determination on the sorts of duties and responsibilities that they would perform in those roles and then classify them subsequently. That flows through all of our work.

We have just completed a fairly rigorous review of our classification structure to inform our next round of bargaining.

MR DAVIS: When are you expecting that bargaining to conclude?

Dr West: The classification review has concluded and I believe that the final report is publicly available. In terms of bargaining, again it is probably better saved for the next session but, in terms of a quick overview, we commenced bargaining earlier this year as per our requirements, with agreements coming to end of life.

As bargaining continued through this year, we were impacted by COVID, which slowed down our progress in working with our stakeholders, working with staff, working with directorates, working through all the complexity of the common core that we have that serves the majority of our agreements. We got to a point recently where we determined—and we were supported through the Chief Minister—that we would be better positioned to roll over our agreements for a short period to allow us to recommence bargaining proper early in the new year.

We have just gone through a process of settling the small amount of minor technical changes that will be covered off in those agreements. They will go out to consideration tomorrow, and following the consideration period there will be a ballot of the 16 agreements that are served by the common core. That process is well underway. We had many meetings with stakeholders, staff, representatives and unions to work through the technicalities of the agreements.

Given that the agreement-making process is an opportunity to drive change, an opportunity to reposition the service and the impact of COVID, we thought it was better to effectively roll over the agreement for the moment with minimal change and then recommence early in the new year. The work of the classification review that I mentioned earlier will be picked up as part of that full review of all the elements of the agreements as we work forward.

MR DAVIS: Can I just confirm that the classification review is exclusively for ministerial staff rather than staff right across—

Dr West: No. Sorry, the classification review was for public servants.

MR DAVIS: And that would include ministerial staff?

Dr West: No, it did not.

MS LEE: Commissioner, can you outline for us the commission's relationship with the Integrity Commission?

Mr McPhee: We do keep in touch with the Integrity Commission. We have matters referred by them to us, and we refer matters from us to them. We have an MOU in place that involves the Integrity Commission, the directorate and me. It is to try to get coordination on and coherence around the various matters that are addressed to each other, and sometimes to us all at the same time.

My colleague Christina Thompson, the EBM, has regular meetings with senior people in the Integrity Commission. We are doing our best to make the process coherent and streamlined at the moment. As you can appreciate, in the early days there are matters to be resolved, and we are working collectively to do that.

MS LEE: Do you have with you the number of referrals that your commission has made to the Integrity Commission and vice versa?

Mr McPhee: Yes, I do. We referred five misconduct matters to the commission in 2021, and we received eight section 107 referrals from ACTIC for me to consider going forward—both-way traffic.

MS LEE: Keeping in mind any confidentiality matters, why would the Integrity Commission refer matters to you and why would you refer matters to the Integrity Commission?

Mr McPhee: If I could speak in the broad, the material coming back to me is more like matters that potentially could be misconduct matters, which go directly to my responsibilities in terms of the statute. Matters going back to them are matters which would, on the face of it, potentially fit within their legislative responsibilities.

MS LEE: Do you keep each other updated, when those matters have been resolved, about the outcome?

Mr McPhee: Not at a detail level. Christina, do you know anything further in this space?

Ms Thompson: I have read the privilege statement and abide by it. Under section 108, we are required, when requested by the Integrity Commission, to report back on the investigations. We have been doing that, and we are currently in discussions with the Integrity Commission about the nature and format regarding the most appropriate way for us to do that—making sure that we provide them with the information that is required and having that agreement.

MS LEE: In terms of the matters that you refer on to the Integrity Commission, is there a set process—a checklist or criteria, if you will—in terms of when it is a matter of saying, “This is actually a matter for the Integrity Commission”?

Ms Thompson: The referrals that are made to the Integrity Commission may come from the PSU or from the directorates directly. They would relate to the actual functions of the Integrity Commission, particularly for members of the service that are mandated to report. They would go towards the more corrupt conduct matters. When we would refer, we would be having a consideration of the functions of the commissioner or the Integrity Commission, and determining the best place for that referral to go.

MS LEE: Is there any publicly available information that provides more detail about the types of complaints or matters, perhaps within annual reports?

Mr McPhee: Not that I am aware of, Ms Lee.

Ms Thompson: I am not aware of it. I cannot speak for the Integrity Commission’s annual report, but not in our annual report.

MS LEE: Obviously, the Integrity Commission has not reported publicly on anything

yet, but would that be the only way that the public will know the nature of these complaints?

Mr McPhee: I would think so, yes.

THE CHAIR: I would like to go back to the increase in cases. Chief Minister, what is your response to the increase in cases over the last year?

Mr Barr: We have heard from the commissioner that there is not a pattern established and that things are relatively small in a relatively large service.

Mr McPhee: The Chief Minister makes a good point. The headcount in the public service for the year that has just gone by was 24½ thousand. We are dealing with less than 100. If my maths is right, the percentage is less than half a per cent, in terms of misconduct complaints. That is not outcomes, just complaints. It is a very small number in a relative sense.

THE CHAIR: Thank you, Commissioner; it is a small number. But it is the increase that I am concerned about. I am wondering what your thoughts are on that.

Mr Barr: Again, I think you are misinterpreting the data. There is not a statistically significant pattern of increase, as the commissioner has indicated. It is not a major concern in light of the volume of activity and transaction amongst a growing public service. That is not to say that there is no concern. That is why we have a standards commissioner and the integrity framework that we do. But I would be very disappointed if, out of this, comes a press release suggesting that there is an increased level of corruption or poor behaviour within the ACT public service. I think that this public service has demonstrated its integrity and its capacity to adapt to very trying circumstances in the last 18 months to meet the needs of this community.

I know why the question is being asked, and I know exactly what it is trying to elicit, but I reject it.

THE CHAIR: Okay, I understand. If I was a business owner and I had an increase, I would be asking myself some questions.

Mr Barr: It is not an increase, Ms Castley. You cannot categorise it in that way.

THE CHAIR: Okay; thank you. With regard to inappropriate behaviour, 45 per cent of them, if I remember correctly, Commissioner—and I apologise if I am wrong—involved inappropriate behaviour. What are we talking about here?

Mr McPhee: It can be just disrespectful engagement.

THE CHAIR: Conversations and things like that—the way people speak to each other?

Mr McPhee: Correct.

MS LEE: Commissioner, are you in a position to give some more detail about the

nature of the referrals that you have made to the Integrity Commission and vice versa?

Mr McPhee: I do not think that would be appropriate. It would be because we believed they were, under their legislative framework, the responsible party for dealing with the matter.

MS LEE: You do not feel that it is appropriate for you to give any more details on that?

Mr McPhee: No, because it has now gone out of my bailiwick to the Integrity Commission.

THE CHAIR: On behalf of the committee, I would like to thank Chief Minister Barr, the Public Sector Standards Commissioner and officials for your attendance today. For the questions taken on notice, please provide the answers to the committee secretary within five days. The committee will take a break for 10 minutes.

Hearing suspended from 3.41 to 3.55 pm.

Appearances:

Barr, Mr Andrew, Chief Minister, Treasurer, Minister for Climate Action, Minister for Economic Development and Minister for Tourism

Chief Minister, Treasury and Economic Development Directorate

Leigh, Ms Kathy, Head of Service and Director-General

West, Dr Damian, Deputy Director-General, Workforce Capability and Governance

Noud, Mr Russell, Executive Group Manager, Industrial Relations and Public Sector Management, Workforce Capability and Governance

THE CHAIR: Welcome back to the economy and gender and economic equality committee's public hearings into the ACT 2021-22 budget. In this session we will examine the expenditure proposals and revenue estimates for the Chief Minister, Treasury and Economic Development Directorate. We will continue speaking with Chief Minister Barr. We also have new officials from the Chief Minister, Treasury and Economic Development Directorate in attendance. We will cover the outputs of government policy and reform, workforce capability and governance, and coordinated communications and community engagement.

For the benefit of the new officials present, I remind witnesses of the protections and obligations afforded by parliamentary privilege and draw your attention to the privilege statement. Can new witnesses please confirm for the record that they understand the privilege statement before they speak? We will now proceed to questions.

I have some questions around the secure local jobs code. Can the government give me information on the jobs that the secure local jobs code has created since it started nearly three years ago?

Mr Barr: Ms Castley, you listed three. This is in the middle one of those three, and those officials are not in the room at the moment. Do you mind asking it again in about 20 minutes? I do not want to have to swap everyone in and out of the room all the time.

THE CHAIR: I had understood that we had an hour session to ask questions on all of those output classes. Can I talk about government strategy spending?

Mr Barr: Yes, I think that would be in this area, and this group of officials.

THE CHAIR: Output class 1 increased by nearly \$30 million from the 2020-21 budget to the current one, 2021-22. Why have the controlled recurrent payments increased by \$34 million from last year's budget to this one?

Ms Leigh: There has been a significant impact on Chief Minister's in managing the COVID pandemic, particularly in our policy and cabinet area. That is where the coordinator-general for non-health COVID sits. There is also the matter of supporting the national cabinet process and the officials committees that sit under that. There are a number of those. Our own cabinet has met, quite often multiple times a day,

throughout this process. That is just in relation to our policy and cabinet area. There has been substantial increased demand there.

Our communications and engagement area has also, of course, played a significant role in ensuring that the ACT community is well informed about the COVID pandemic—the measures they can take to protect themselves and others, the measures they can take in terms of achieving vaccination, and ensuring that we understand whether the community has fully understood those messages and understands the significant steps that the government has taken and that the community needs each other to take.

In addition to that, we have had to make substantial additional workforce arrangements to support the ACT public service. We have also had a government initiative of jobs for Canberrans, to engage additional public servants to provide opportunities for people who have lost employment by providing employment in the ACT public service. That has enabled people to be engaged to do additional work that might otherwise not have been able to be done, as well as engaging in some of the additional roles related to the pandemic.

We have had significant work in our economic development area, providing additional business support across all of the different sectors of our business community. As you know, there have been multiple grants provided to business and significant application rounds relating to those which have required considerable staff engagement. Those are just a few examples of why there has been increased staffing in CMTEDD.

THE CHAIR: How many new public servants did you employ over this period?

Ms Leigh: In the 2021-22 budget, we have additional funding for 136.8 FTE, if you compare that to the 2020-21 budget. Of course, during 2020-21, we had to increase our staffing to address COVID. In terms of bodies on the ground, there was not such a dramatic jump between 2020-21 and the measures taken in this budget. Nevertheless, if you compare it to the previous year's budget, that would be the increase.

THE CHAIR: Will these jobs remain post COVID?

Ms Leigh: The budget papers set out the extent to which they go forward in the outyears. I would need to check the detail of that in relation to each particular position. Obviously, as I explained, some of the increase relates to COVID, but some of that would be ongoing.

THE CHAIR: I do not know whether you would know the answer to this. You briefly mentioned that there has been great engagement with businesses through the grants scheme. Can you tell me how many businesses engaged with your department?

Ms Leigh: That is better covered with economic development, who I believe have already appeared.

THE CHAIR: I thought I would ask, since you mentioned it.

MS ORR: As I indicated when I asked this in the wrong session, I would like to ask my question again. My question is on the COVID-19 outbreak and what structures were put in place to ensure that governance and consultation requirements were met when developing the government response.

Ms Leigh: In relation to substantive consultation and engagement across the service, this is the right area. When we come to workforce governance, we also had substantial engagement to ensure the health and safety of our staff and those attending our workplaces. But if we just address for now—

MS ORR: Yes, let us do that now; then I will ask it for a third time, and it will be the most anticipated question, I am sure, of the whole estimates.

Ms Leigh: As I mentioned before, clearly, at the core of the government's response to this health pandemic has been a health response. The Chief Health Officer has significant responsibilities in relation to making public health directions to ensure the safety of our community. Those directions have both input from across the public service and implications for the public service.

We created very early on, in March 2020, the role of coordinator-general for non-health COVID, to be almost joined at the hip with the Chief Health Officer, to support her by providing information that she required to make sure she was fully informed in making those directions, ensuring that the rest of the service understood the implications of those directions, and the many consequential measures that directors-general would need to take, to ensure that services could continue to be provided, albeit potentially in a different way, and that staff pulled together across the service.

The coordinator-general, Leesa Croke, had daily meetings with the Chief Health Officer. She then briefed all of the directors-general at a meeting that I convened every morning. We held that twice daily at various peaks during the pandemic, because things were moving very quickly. She also has her own coordinator-general group of deputy directors-general to work through all of the practical issues, to look at the what-ifs, to brainstorm and to be ready for the many possibilities. We had a pandemic that was moving very quickly. We needed to think ahead about what might occur, what the implications would be across government and, in each of those scenarios, how they might be handled so that we would not be caught on the back foot.

In addition our strategic board has looked at the decision-making, the longer term strategic issues, for the public service. Of course, we have supported the Chief Minister in his role as part of the national cabinet. We have briefed all of the cabinet meetings and cabinet committees that have supported the Chief Minister in that role. We also have many commonwealth-state officials meetings. There is a first secretaries group that I attend; there is a first deputies group that Ms Croke attends. There are many national coordination mechanism meetings that look at implications in particular sectors—for example, supply chain of groceries, transport issues and what the implications are for cross-border delivery of goods and services.

With all of those commonwealth-state mechanisms, we have ensured that we gathered information from across government, that the officials attending those meetings were fully briefed and that ministers were fully briefed about the issues arising in those

meetings. Often they were a precursor to issues that would later arise in national cabinet. That probably gives you an overview.

MS ORR: That was a really good overview of what you put in place to get that coordination. What benefits have you seen from having that coordination in the response that the government and the public service have put out?

Ms Leigh: I would like to say, first of all, that, as I often say, I am just so proud of our ACT public service. If people did not previously understand why I always say that, they cannot fail to understand now. As a service, we really stepped up. Everybody understood the importance of collaboration; it is one of our four key values. Everyone understood that. Everyone stepped up. Everybody put forward the information that needed to be put forward quickly, so that appropriate decisions could be taken. We worked very flexibly with staffing. Staff moved across the service, which was a really efficient way to get the most out of our resources. Libraries were not open. Those library staff were in the Health Directorate, supporting the enormous additional efforts that were required there.

Parking inspectors could not be out, or there was not much point in them being out at certain points when we were in lockdown. Innovation is another one of our values. Access Canberra got those parking inspectors to deliver numberplates, because we had to have shopfronts closed. A lot of things can be done online, but you cannot receive a numberplate online. They dispatched their parking inspectors to deliver those to people.

There were so many ways in which every part of our service thought about how they could deliver those important services to our community in a COVID-safe way—how they could best use their resources, and how they could pull together to support other parts of the service when their own staff could not deliver their usual services. Everybody really stepped up and it was hugely successful. I am extremely proud of how our very small service managed to be so efficient and effective in delivering support both for our ministers in all of the crucial decisions that they had to make and for our community in providing those services.

MS ORR: Is there anything, with respect to innovation and the change that you have seen come through this process, that you think could be kept around and put into your routine processes and procedures?

Ms Leigh: Yes, there certainly is. I often say: what is it that we do not want to lose? There have been a lot of challenges, and people have really stepped up, but there have been a lot of positives that have come out of that. One thing that has really come out of it is flexible working. We were already, in the move to 220 London Circuit and to our new Dickson building, moving into an activity-based working environment to allow people to move around, to be located in the way that was most efficient for the work they were doing.

The COVID pandemic has accelerated that capacity, because we learnt very quickly that people can deliver their work from many locations. Where somebody is located is not the point. We have long been managing for outcomes. The days of presenteeism being some measure of whether people are working are long gone. Every manager

looks to what outcomes are being delivered, and that is very easy to measure. It does not depend on where a person is sitting; it depends on what they are producing.

We have learnt that we can do that extremely effectively, and that gives us the opportunity to take a further leap forward in terms of flexible work. In the next session, when Dr West joins us again, he might talk further about this. I have been very keen to hang on to those benefits and look at how much further we can take this.

At the moment one thing that we are looking at is creating hubs so that people can choose to go into an office, if that is more effective for them than working from home, but an office closer, perhaps, to where they live, or perhaps to where their children are attending school or child care. It makes it more efficient for our individual staff, and the value for the service is at least the same and probably increased, because you are taking away some of the pressures on staff, if they need to travel across Canberra to get to an office. If they know that, either every day or some days, they can go to an office that is much closer to their home, that makes the management of their work and family responsibilities much easier. I think that a valued, happy staff member is a productive staff member. We have certainly seen that through COVID. I am looking forward to being able to take that further. We have an initiative in this budget that will support us to do that.

MS ORR: If I have more supplementaries on flexible working and what opportunities you see there for the public service, would it be best if I wait until the officials change?

Ms Leigh: Yes. Dr West will be able to provide even more detail.

MS ORR: Everyone knows what my question will be; thank you.

MR DAVIS: What work is happening across the ACT public service in regard to the development of gender action plans, gender impact assessments and reporting?

Mr Barr: This will be in the next section, when we move to the next output class.

MR DAVIS: I have another question, and you can tell me whether it is in this output class, about government outsourcing.

Mr Barr: The next section.

MR CAIN: Chief Minister, I might mention a topic, and you can quickly tell me whether it is in scope: the CERAG?

Mr Barr: That is in the economic development area, but ask your question and I will either take it on notice or I might be able to answer it.

MR CAIN: Part of this will no doubt be a question on notice, anyway. How often does CERAG meet, and could you provide a complete list of what the group has advised you on?

Mr Barr: Yes. It was meeting roughly every four to six weeks, from memory, until

the lockdown. I do not believe they met during the lockdown, but they are scheduled to meet again in the not-too-distant future. They are preparing some advice in relation to an update of the statement of ambition and some advice on future missions for the city of Canberra.

MR CAIN: Is that advice that you are happy to share?

Mr Barr: I have not received it yet; when I do, it will form part of a public document that I will launch.

MR CAIN: The next part of my query on CERAG will probably be taken on notice, but you will be the judge of that. I would like to see a membership list for the group, including the following elements: how many members are there? What are their roles? Are there any specialists? How have you selected members for the advisory group, how have they been appointed and for how long? What are their powers, in general terms, beyond providing advice to you and your office? What are these positions paid?

Mr Barr: There are about 12 questions there. I will take them on notice; that might be the best way to deal with that.

MR CAIN: Thank you. I have a more general question. What role has the advisory group played during the lockdown and did you receive advice from or consult CERAG in relation to any of your measures during lockdown?

Mr Barr: The advisory group is not there for short-term economic advice. They are there to guide a longer term economic strategy for the territory. They did not meet during the lockdown period, as far as I am aware. If so, it would have only been remotely, and they certainly did not meet with me. They were not consulted as a body in relation to public health directions. Public health directions are not something that you consult on; they are determined by the Chief Health Officer, in order to respond to the public health issues that are required. It is not a groupthink exercise where we put them out for consultation and see whether people like them or not. That is not how public health directions are managed, in terms of external stakeholders.

Individuals who are on the group include, amongst others, the Vice-Chancellor of the University of Canberra. There would be some instances where university sector input into, for example, engagement on the return of international students has occurred. That was not through the auspices of the advisory group, which is not a day-to-day advisory group around what is happening in the pandemic today. It was constructed well ahead of this particular wave of the pandemic, with a view to advising on a longer term economic development strategy.

About five years ago, I undertook a similar process. Out of that came the statement of ambition for the territory. Within that, there were a number of directions of travel in relation to economic policy imperatives. It was also broader than just the economy. One of the tasks for this group was to look at the implementation of that statement of ambition, and whether it was still contemporary regarding the issues that we face in the 2020s, given that that document is about five years old, and to provide advice on what might need to be updated or changed. That will be a key output of the economic

advisory group.

It is not in any way linked to pandemic response. The engagement, in terms of pandemic response, included, at the beginning of the lockdown period, a daily meeting between ACT government officials and industry peak organisations. They went to about a dozen different industry associations, covering 26,000 businesses, and met with government officials every single day. They had more than 30 meetings in the first seven weeks of the lockdown. They then shifted to three times a week, which is the current meeting frequency.

On top of that, the PACICERG advisory group, which is particularly focused on planning, development and construction, was also meeting three times a week, I understand, with relevant industry associations. In terms of meetings around the pandemic management, there have probably been about 70, almost one or two a day, with industry associations.

The economic advisory group are different. They are taking a long-term view beyond the pandemic, and that is what they are advising me on, all of which was covered quite extensively in the economic development hearings earlier. Given that you have asked the questions now and I can answer them, I hope that gives you a good sense of the distinction in terms of the tasks of the different groups.

MR DAVIS: Chair, can I ask for a point of clarification here? It seems to be an ongoing theme of this estimates that members, including government members, are asking questions in different output classes. The administrative arrangements seem to be confusing. I asked a question related to gender planning across government, which would seem to fit in with output class 1.1, government policy and reform, which I believe we are asking about in this session.

MR BARR: No, it would be in the next one, output class 1.2. It is in this hearing and will be dealt with in the next 15 minutes. It is just that we have to bring in a different set of officials. All I am trying to do is to get the questions asked on this output class so that I can let these people go and bring the other people in. I appreciate that it is difficult; we are not all in the same room and people are not sitting outside the door and waiting, or sitting in the same room as us, as would normally occur.

Clearly, we are not being well served at the moment in terms of an understanding of what is in an output class. I have been around for a very long time, so I will confess that I know it inside out, because I have probably done 30 of these sorts of hearings, twice a year for 15 years. I get that; not everyone has. I appreciate that, which is why I am trying to steer the traffic a bit. Mr Cain's question was in an output class that we considered last Wednesday, yet I have answered the question as best I can today.

MS ORR: Chair, can I make a suggestion that maybe we change over officials?

THE CHAIR: Yes. I just want to confirm that the rest of my questions are not being dealt with now. Mr Cain, do you have something to add?

MR CAIN: On Mr Davis's point, Chief Minister, we have had some sessions where there have been quite a number of executives being able to attend a hearing from their

office, and who have waited for their turn to be asked to speak. I am not quite sure why we have this partitioning of a relatively short period into three distinct groups. It is not, to me, a very efficient way in which to deal with this.

MS ORR: Chair, I appreciate that everyone has feelings on this matter, but it is not helping us to get through our questions.

THE CHAIR: Thank you, Ms Orr. I would like to understand this as well, though. In other hearings we had have two different officials' rooms and it was a much more efficient use of time.

Mr Barr: It would certainly be helpful if we could just take the questions in the order of the output classes, particularly when there are three output classes that involve three different sets of officials crammed into this hour.

THE CHAIR: Thank you. I have some questions about the implementation of key government decisions, namely, the grants scheme.

Mr Barr: The business grants scheme?

THE CHAIR: Yes.

Mr Barr: No, that is not in this output class. We have already dealt with that multiple times. None of these officials are involved in that.

THE CHAIR: Let us switch over the officials.

Mr Barr: Thank you. We are ready for output class 1.2.

MR DAVIS: What work is occurring across the ACT public service with regard to the development of gender action plans, gender impact assessments and reporting?

Dr West: I might step through a couple of the actions that are underway. The ACT public service will implement the recommendations out of the Respect@Work national inquiry report. As part of the recommendations, we are taking forward a review of our respect, equity and diversity framework, and we will include a workforce gender equity strategy as a part of that review. The respect, equity and diversity framework was developed roughly a decade ago. It sets out a lot of our diversity targets as well as a lot of other strategies and activities that the government has undertaken since that time.

Over the past year, we have gone through a very detailed research program and engaged extensively across the ACT public service, HR areas and the workforce writ large, to get an insight into the sorts of actions and activities that would take the service forward. We had 33 hours of virtual and face-to-face interviews during periods when we were able to do so. There were nearly 200 submissions from staff about actions that we could take to improve the already good base from which we are starting, in terms of respect, equity and diversity.

We will take that forward, further informed by the whole-of-government employee

survey that we conducted this year, which had dedicated sections that explore issues of diversity, gender and other issues confronting staff. We have a quite full program of work. It had been slightly delayed, obviously, due to COVID, but we will take that forward. Also, through the reporting periods and into next year's annual reports, we will include sections in the annual reporting process, reporting on outcomes against those targets.

THE CHAIR: I have a question about secure local jobs. I believe this is the output for that, Chief Minister?

Mr Barr: Absolutely; yes.

THE CHAIR: Does the government have any evidence that the Secure Local Jobs Code has created jobs since it started?

Dr West: Thank you, I will lead off on that question. The importance of the Secure Local Jobs Code is about protecting workers in industries that are prone to insecure work or are vulnerable to mismanagement by employees. The Secure Local Jobs Code and the Jobs for Canberrans program are two very different things. The Secure Local Jobs Code covers the construction, cleaning, security, traffic management and labour industries. We have just over 2,000 companies at the moment that are code certified—that is, they have been assessed as being an employer of high ethical standards and someone who maintains good working relationships and treats their workers well.

Having that code allows those employers to tender for work from the ACT government. So in a direct sense the initiative is not about creating jobs but creating an environment where workers are well managed and well treated by their employers and through using the procurement spend of the government to ensure that we set a very high bar for the organisations that we engage with as a government.

THE CHAIR: Recommendation 6 at page 3 of the review of the code that was handled in January is to develop KPIs to monitor the performance of the Secure Local Jobs Code. Why was it kicked off without KPIs?

Dr West: There are KPIs; with our output indicator, you will see that there are KPIs in terms of the time taken to assess and enter these code certificates and have it approved and also the number of education opportunities that we provide. I think they are both very important.

In terms of the nature of the investigations or the work undertaken by the branch itself, there are not specific KPIs in terms of timeliness on the investigations undertaken because it can take some time to gather evidence and information for the investigators to complete their assessment of an allegation on any individual provider. So there are KPIs around, as I said, certifying an entity, and they are met and they have been met over the last couple of years and I think exceeded. There are also KPIs around learning and education and engaging with industry around the code and its operation.

THE CHAIR: Do you have statistics on big businesses that have gone through the auditing process, they have paid the money for the auditor and received their certificates? Do you have statistics on how many of those businesses have received

work or won jobs with government?

Dr West: I would be able to obtain that, but I will have to take that on notice.

THE CHAIR: Yes, thank you; take that on notice.

MR CAIN: Chief Minister, one of the objectives of the Secure Local Jobs Code is to drive better outcomes for workers. In the absence of KPIs, how do you know that has occurred and how have you evaluated that outcome?

Dr West: We can see through the investigations and that work that we have undertaken when we have been asked to engage with a provider where there have been allegations, for example, of superannuation not being paid correctly or long service leave not being paid correctly or not set aside in appropriate ways. What we have then seen is quick action by those entities to correct those mistakes.

In terms of creating a framework where vulnerable workers receive their entitlements, the right levels of award wages or their superannuation benefits, I think that this has driven by a strong desire by the entities that we engage with to meet those obligations. As I mentioned, through the intervention of the branch we have seen small-level challenges like this resolved very quickly and with minimal fuss.

MR CAIN: There is \$3.459 million in the budget over forward estimates to implement the recommendations of the SLJC review. Regarding recommendations 10 and 9, how much of that funding is dedicated to developing and implementing IT systems and how much of the funding is dedicated to staff resourcing?

Dr West: All of that money is dedicated to staff resourcing across compliance, enforcement and education. The IT solution has not been developed and we have not pitched for funding for the IT solution at the moment. That may come at a later date, but the funding we have received is to allow us to operationalise the code and conduct education, enforcement and compliance activities.

THE CHAIR: You talked about workers and superannuation. Is the Secure Local Jobs Code only for employing businesses?

Dr West: Yes, businesses that are looking to contract with the ACT public service.

THE CHAIR: What if that is a sole trader that does not employ people and just has casual workers?

Dr West: The code only applies to the industries I mentioned, and construction in the main, which accounts for roughly 1,800 of the entities that have a code certificate. Then you have cleaning and other labour and traffic management. They are all larger than single-person enterprises, in the main. Of course, we have thresholds for the dollar value of the contract which the code covers. In construction we are looking at contracts above \$200,000, for example.

THE CHAIR: If a sole trader did try and apply for a Secure Local Jobs Code certificate, the auditor would just say, “No, this is not for you”?

Dr West: No, they would look at it. If they were a sole trader, single operator cleaning company, they would be welcome to apply and we would look at whether they have the evidence to substantiate that they are a good employer now and, of course, we will monitor that over time if they were to grow their business and employ other staff.

MS ORR: I would like to pick up where I left off and get Dr West's input into the opportunities for the public service from the learnings of the COVID response, and the conditions that the public service has adapted to.

Dr West: The ACT public service has been on a journey of transition around flexibility and agile working for many years now. I think this initiated in 2015. Along that journey and with the opening up of the Dickson office block and the office block here in Civic, we have transitioned 3,000 or more employees to be able to work in an agile manner, in an activity-based working manner. This meant that with the onset of COVID we were able to transition that workforce very quickly to work from home. Through that journey and through the experience of COVID we have been able to work with our employees and understand what has worked over the last 18 months, what has served them well and where there are challenges along the way.

We would anticipate over the next little while that we will put more effort in to the hybrid nature of working, so allowing staff—I think the Head of Service mentioned this—opportunities to choose the nature and time of where they work, to work across multiple sites given the fact that staff have portable equipment and can connect to our systems across many locations, and to work ideally closer to home. We are running what is known as a hub-and-spoke model. We have the large buildings in town centres but we are also looking at utilising other office facilities in Tuggeranong and Belconnen to allow staff to be able to use those facilities as and when they need.

We have spent a long time thinking about the physical space, and the opportunity to work in a hybrid manner also allows us to construct our workplace in different ways. As I mentioned, we have embraced activity-based work and the onset of COVID has supported that and actually put us into a fantastic position to realise the benefits.

We are also trialling tools that will allow staff to choose the desks that they would like to be allocated when they attend work. We have technology that we are piloting in the Civic building which would allow staff to identify a desk that they would like to utilise for a day. Similar to when you book a ticket on a plane or a ticket in a cinema, you will be able to see the chairs or the desks that are available to you and you will be able to book one.

We are also working extensively through bargaining and thinking about our employment and industrial frameworks to ensure that we promote flexibility, we build it into the offer that we give our employees and that we treat it as a priority. We have seen through our staff engagement, through survey results and through where we can determine productivity through widget management, if you like, that productivity has maintained over the course of the pandemic. I would draw your attention on that aspect to the Productivity Commission reviews of New South Wales and the federal environment, which have also confirmed that productivity across most knowledge

workforces has been maintained.

We are thinking deeply about the capability that is required for employees, management and leaders to manage in that hybrid way, thinking about the purpose of why you come together. We are not proposing that people will work from home full time; what we are proposing is that people give consideration to what works best for them. For team cohesion it is important that teams come together and spend time together. We have built the physical environment to enable that and we will continue to look at exploring what is available to us.

The capability element is really central to the ongoing flexibility that it will provide to the public service. We will work further forward in thinking about what are the signature behaviours and how we ensure that we do not disadvantage any particular group through the embracing of hybrid work. That said, we have also made our workplaces open and available to those who need to work in the workplace full time Monday to Friday or whatever hours that they may choose.

All of this work is designed to create a very strong employment proposition to position us as a very forward-leaning service and a very attractive service. Certainly, from a central point of view, with respect to a lot of the interest in joining the ACT in recent times, we have heard great feedback about the flexibility given to our workers who can do that. Of course, availing flexibility to our knowledge-based workforce also supports our frontline workforce in terms of ensuring that they have access to similar opportunities when we are thinking about our own framework, as well as not putting more demands on them. That has been critical through managing COVID.

The outcome that we are looking for through all of this work is a sense of innovation. We are looking maintain productivity and efficiency and being able to identify and report that. Obviously, employee wellbeing, attraction and retention, and certainly environmental sustainability, are factors we are thinking about. If staff can work within walking distance of their home one day a week, that is a great outcome for them and it is a great outcome for the environment.

In closing, the nature of the work we are doing has garnered significant attention across the country to the extent that the Australian New Zealand School of Government have partnered with us and are investing significant amounts of money to do detailed research into that employee experience of the productivity element of this discussion so that we can take the management of our workforce forward and continue to learn from the process and experience over the last number of years.

MS ORR: What time frame are they looking at for the study and when might we start to see the outputs of their work and the feedback?

Dr West: That research is in its early commissioning phase. Because it has been done with university partners, they have very detailed guidelines and processes that they need to go through themselves, But I would imagine that the early shoots of that work will be delivered in roughly six or so months; we will then look to continue to partner with the Australian New Zealand School of Government and the University of New South Wales, who won the work through ANZSOG to partner with us.

MS ORR: Dr West, you said in your answer that you were looking at groups that might not necessarily want to or might have some obstacles to accessing these flexible arrangements and making sure they were still part of the response. Can you elaborate a little bit on that and what sort of thinking you are putting in to make sure all groups are able to access this?

Dr West: We are very conscious of a number of aspects. One thing in working in an agile or a flexible way could create the scenario where certain individuals feel disconnected from the workplace or because they are not present in the workplace they feel that they are not being afforded the opportunities offered to other individuals. We will be watching very carefully in all of our diversity employment recruitment promotion data to make sure that no particular group is disadvantaged.

Certainly, our employees who have a disability or other situation have been very positive about the ability to both work at home or work in the workplace full time. It is very much an individual choice, but a part of this is making sure we bring everybody along on the journey with us through lots of education, leadership and capability building. It is a different way of working and we want to make sure that the benefits that we have all experienced and that are being categorically demonstrated in research across this country, this jurisdiction and internationally are being harnessed.

MR DAVIS: I want to ask a question about government outsourcing and get a rundown of what the government is going to limit outsourcing.

Dr West: I might start; then I will hand over to Mr Noud. The government has a program of work that we have titled the “secure employment framework”. There are two components to this body of work: one is looking at employees who have been working with the ACT public service for some time and who could be converted into full-time permanent employment or permanent employment status; the second element of this program of work is to consider, where we are outsourcing work, whether that work could be done by the public service.

We are in the very early days of that body of work; it will be a very complicated and very thorough body of work that will be delivered—in particular, the assessment framework that will be developed to give evidence to decision-makers about the potential to insource any particular piece of work that we might be considering. But given the breadth and the diversity of work undertaken by the territory, we are putting a lot of time into the development of that framework. Mr Noud, I might ask you to elaborate.

Mr Noud: Chair, I understand the requirements of giving evidence to the committee. Following on from what Dr West said, the government has agreed through the parliamentary agreement to develop an insourcing framework which will create an assessment process to intercept proposed procurements and form a view as to whether or not those procurements should be insourced or continue to be outsourced. It is a really important piece of work, and the core of that work, of course, is how that assessment framework looks and functions.

The work we have commissioned at the moment is to build that framework which will look at a whole range of factors—obviously, the economic cost factors that our

treasury colleagues will always work through and focus on but also a broader suite of issues such as the market in which it operates, the social benefits of insourcing those particular functions and a whole range of other factors that build together a holistic picture for the government to consider in deciding whether to insource or outsource.

It is also about building capability within the public service. Where we insource into the public service, we are bringing in skills and we are bringing in work that historically may have been outsourced, and that builds, develops and enhances the service's capability and ability to be able to serve the government of the day. These elements are designed to break the set-and-forget mentality that can creep through in government decision-making that something is always outsourced.

This test will test the public-private split. It will redefine what is core business for the public service. It is not necessarily coming into the process with a preconceived idea that one is better than the other; it will work with no presumptions and, in an open and transparent way, test whether or not it should be insourced and whether or not that adds up.

It will also come back and test, if something is insourced, whether that was a good decision. It will come back and look at a later time at whether or not it should be re-outsourced or insourced, depending on which way it went. So that is where the project sits at the moment and we expect that there will be a lot of action on this early in the new year.

MR DAVIS: I will not hold you to a time frame because I appreciate it is a very complex body of work, but do you have an expectation at this early stage about how long this body of work may take?

Mr Noud: I am not being facetious, Mr Davis, but I think this is a five-year project. In fact, it is a rest-of-the-public-service project because we are always going to be evolving and building the concepts behind it. But in terms of when the rubber will hit the road with this, we are expecting around quarter 2, quarter 3 next year after we have done the development work and done some trialling. So between April and September next year.

MR DAVIS: I trust I will not be facetious in saying I expect to be around in five years time to ask you about it then.

Mr Noud: And I will happily answer your questions at that time, Mr Davis.

MR CAIN: Chief Minister, could you provide a breakdown of this year's budget appropriation for total communications during COVID-19 for ACT Health and CMTEDD?

Mr Barr: Yes, we will take that on notice and get that to you.

MR CAIN: Could you also please provide a breakdown of this year's budget appropriation for the total communications for the Chief Minister and each of the cabinet ministers?

Mr Barr: I do not think we actually have a communications budget per se, but I will see what I can find for you. I will take that on notice as well.

THE CHAIR: Chief Minister, what feedback mechanisms does the ACT government have in relation to communications and the community engagement outreach? Are there particular KPIs in relation to the outreach, the performance or feedback from consumers?

Mr Barr: I guess our principal mechanism is the YourSay Community Panel, and 6,000 Canberrans have now signed up to participate in that panel. On average, once a fortnight a survey is sent out to the panel membership to respond on issues of the day.

THE CHAIR: In relation to the priority public information campaigns, how are the topics determined and budgeted for?

Mr Barr: That will depend, obviously, on government legislative priorities. That would be one factor. So where legislation changes or a government policy or program is enacted, there is obviously a communications element to that. There are other things that are driven largely by events. COVID would be an example where something external to the territory has required a very significant communications effort. So that was not planned; I did not decide in 2019, “Oh, we’ll have a pandemic and we’ll need to devote resources.”

Clearly, we have made a decision as a government that we are going to enact the Sustainable Household Scheme, and we have a communications program there. Ultimately, all decisions are made at a high level by cabinet. Some are devolved to individual ministers in terms of their operation or their legislation, things that are under their responsibility. A level below that, particular campaigns are devolved to government agencies. That will vary from tourism, as we have discussed earlier today, through to public health campaigns that sit with the office of the Chief Health Officer, through to public transport that sits with TCCS.

It is a wide variety, so it would depend on the nature of the campaign and the nature of the government service, whether there was change and then external events. They all impact in terms of decision-making on communication campaigns and budget allocations.

MR CAIN: This has been a very inefficient session, Chief Minister, and I think you should conduct this differently going forward.

THE CHAIR: Thank you, Mr Cain. I believe the chair is the one that helps make those decisions, so I will consider making—

Mr Barr: I share some frustration as well in terms of the time allocated to particular areas being insufficient in some and clearly way over in others. It is an iterative learning experience for everyone, and clearly this is not the ideal way to conduct hearings. Hopefully, for next year’s budget, we will be able to do these face to face and in a more efficient way. But I am restricted by the number of people I can have physically in a room, and you are all disparate. It is not ideal; I appreciate that, Mr Cain. I think there are some lessons we can learn in relation to this.

My one plea to everyone is that when we order output classes you must recognise there are different officials in each one. This is a consideration for next year: when we group three together that are as diverse as these three, perhaps we internally allocate time for each because that saves people hanging around and saves the frustration of people not having enough time for particular questions in particular areas. Just call that some tips from an experienced player.

THE CHAIR: Yes, Chief Minister. My thought would be that since the officials are waiting in the room next door, anyway, if we could have two rooms going at the same time then they would all be available.

On behalf of the committee, I thank Chief Minister Barr and the officials from the Chief Minister, Treasury and Economic Development Directorate for their attendance today. There were some questions taken on notice, so please provide those answers to the committee secretary within five working days.

Short suspension.

Appearances:

Gentleman, Mr Mick, Minister for Corrections, Minister for Industrial Relations and Workplace Safety, Minister for Planning and Land Management and Minister for Police and Emergency Services

Chief Minister, Treasury and Economic Development Directorate
West, Dr Damian, Deputy Director-General, Workforce Capability and Governance

Agius, Ms Jacqueline, Commissioner, Work Health and Safety, WorkSafe ACT

Young, Mr Michael, Executive Group Manager, Workplace Safety and Industrial Relations

THE CHAIR: In this session we will examine the expenditure proposals and revenue estimates for Chief Minister, Treasury, and Economic Development Directorate. We welcome Minister Gentleman, the Minister for Industrial Relations and Workplace Safety. We also have new officials from the Chief Minister, Treasury and Economic Development Directorate in attendance.

For the benefit of the officials present, I remind you of the protections and obligations afforded by parliamentary privilege and draw your attention to the privilege statement. Can you confirm for the record that you understand the privilege implications of the statement before you speak for the first time.

This is output class 1.6, and I would like to ask about workplace safety as we enter COVID-normal. I think there are a lot of people and organisations who are looking for some clarity on workplace safety obligations as we come out of this lockdown and into the COVID-normal world. What can we expect, and will there be anything over and above the standard work health and safety requirements?

Mr Gentleman: Thanks very much, Chair; it is a very good question. As you have indicated, it is on everybody's lips—how do we go back to a workplace-normal after COVID and how do we deal with COVID into the future? There has been quite a bit of work with WorkSafe ACT and within the directorate on how that can be done across government, as well as how we treat our employees and keep them safe into the forward years. There has been some discussion about vaccinations—what level of vaccinations are required, and how that will provide safety for workers across the ACT and those people travelling into Canberra for work. I will hand over to Damian and the team.

Dr West: I might first of all hand over to the commissioner to provide an update from the commission's perspective.

Ms Agius: I acknowledge that I have read the privilege statement. As the ACT continues its staged return to work with the lockdown restrictions easing, WorkSafe ACT continues to ensure that persons conducting a business or undertaking meet their obligations under the Work Health and Safety Act. WorkSafe ACT have been completing dedicated, proactive workplace visits mostly in the residential construction sector to assess work health and safety issues, and we continue to respond to the COVID-19 requirements.

Over the weekend we assisted Access Canberra and ACT Health. Our inspectors visited 34 retail premises, mostly in Fyshwick but also in Hume and Banks. I am pleased to say that, of those 34 premises that we visited, those premises were 100 per cent compliant with the COVID requirements. It was wonderful to see that retail had taken on board the COVID requirements.

Throughout the next couple of months and leading into the new year, we will be conducting proactive engagement and activities in the different industries as more industries reopen, ensuring that they are complying with COVID compliance. But we are also doing a lot of education. Our response in relation to COVID compliance is an educational response. We are also ensuring that we are providing information and we are directing those PCBUs to where they can find that information.

THE CHAIR: How many people have you got on the task force that are doing these checks with business?

Ms Agius: I am pretty sure we have 30 that are included in our inspectorate, but that also includes managers. Our teams are set up so that we have a psychosocial hazard team, a construction team and a general inspectorate. Our general inspectorate looks at all industries and, of course, our construction team looks at just construction, partly because the most serious injuries occur in construction but also because we know that the residential construction sector in relation to safety—and this is also borne out in relation to COVID—has not been as compliant as some of the other industries.

Our inspectorate run rolling inspections and also audits, depending on where we want to target. So we might have two inspectors going out to a particular suburb and then we might have 14 inspectors going out on a large-scale audit.

MR CAIN: How many inspections were carried out in 2020-21?

Ms Agius: That information will be in our annual report. I am happy to take it on notice. We are currently drafting that. I am pretty sure it is around 2,500.

MR CAIN: Of those, how many were union initiated, and how many of those resulted in no further action?

Ms Agius: We would not collect exactly who was referring. The only union-initiated activities we would go to is if there is a right-of-entry dispute. Under our legislation, if a union seeks to enter a site and there is a dispute between the union or the right-of-entry permit holder and the PCBU, we have to resolve that dispute. I could not tell you those numbers off hand. They are not very high. We do not do a lot of right-of-entry disputes. We may do somewhere around 10 or 20, but I am happy to follow that up and see whether we can pull it out of our dataset.

MS ORR: Commissioner, the statement of intent talks about psychosocial hazards and some of the work being undertaken on the capability of WorkSafe ACT. Can you talk the committee through the new strategy you have recently published and the other work you are doing in this policy area?

Ms Agius: Sure. The risk of harm from all psychological hazards is immense. Work-related psychological injuries have longer recovery times, higher costs, and they require more time away from work. Our strategy aims to protect all workers from psychological harm. It lists the hazards and, of course, psychological hazards cover a broad spectrum. They may include things like bullying, a traumatic event, lack of role clarity, poor physical environment, poor support, remote or isolated work—which of course is one of the things that we have seen play out throughout COVID being in place—harassment, which includes sexual harassment, and workplace violence and aggression.

We launched the strategy on 6 October as part of Safe Work Month. We had to change the event, and we launched it via Webex. We had almost 100 people attend that event and we got some excellent feedback. The strategy is also supported by two plans, and over time I hope we will add to those plans. At the moment the plans are work-related violence and aggression and in response to the motion that was passed in the Assembly we also have a plan for sexual harassment.

The strategy will guide our initiatives and activities in the psychosocial hazard space over the next three years, and it has a number of things. Firstly, it is to increase awareness because we hear from PCBUs that one they are most worried about when it comes to psychosocial hazards is that they know it exists but they do not know how to manage those risks. So there is a whole piece on increasing awareness and supporting compliance and education in that strategy.

We also have a number of priority hazards as well as some priority industries. Our priority industries over the next three years are health and community services, education and training, construction—both residential and commercial—and the hospitality industry. That is based on information we have been able to take from the data that we have collected, but also the Respect@Work report that came out. We have been able to pinpoint some of those industries, and those industries also fit within our strategic plan we launched last year.

We have also prioritised some groups of workers in that strategy. They are what we consider to be vulnerable workers, based on the intelligence that we have obtained. They include casual workers, labour hire workers, women and apprentices, young workers, and culturally and linguistically diverse people.

I might leave it there, because I feel that there is so much that I can say. We are really excited about this work. We have implemented a tool called iAuditor, which is a fantastic system that will allow us to collect data and then use that intelligence. The aim of iAuditor is to assess, and we will be able to give PCBUs on-the-spot information about how mature their systems to risk manage psychosocial hazards are.

THE CHAIR: You went through the priority industries that you were looking at targeting. What were the priority hazards you were looking at targeting?

Ms Agius: The priority hazards are: poor recovery support, so when a person has had an incident occur how are they being supported to recover from that; poor workplace relationships; and poor work design, which is a really important one, in my view. When a manager designs the management of their organisation they really need to

take into consideration some of the things that are going to impact on workers' psychosocial safety, such as workload or fatigue or poor environmental conditions—we have seen an example of that this week where we have had a report from some workers who were forced to clean in the dark—and also poor organisational management.

We have also launched the people at work tool, which is a free tool to all PCBUs in Australia, and we have partially funded the tool with other regulators around the country. That tool allows PCBUs to conduct a survey of their staff. It is all de-identified. It will provide the PCBU with a report which will allow them to implement controls and to determine the psychosocial hazards within their workforce. We have conducted that tool within WorkSafe ACT and we run that survey every six months.

MS ORR: You mentioned the motion in the Assembly, which I assume is my motion. I just wanted to get an update. There was quite a bit in that, but in relation to the parts that went to your remit, you said you would be tracking along with those. Can I get a clearer idea of where you are up to with that work and, in particular, what you are doing to really put in place that proactive and positive implementation of psychosocial hazards in the workplace and making sure we are acting in advance, not after the event?

Ms Agius: Unfortunately, the lockdown meant that we had to stop the work that we were doing. We are conducting proactive visits rather than reactive visits. So we are not waiting for a complaint to come in before we go into an area that we know is a risk area. Some of our staff members met with a group of hospitality workers and spoke to those hospitality workers about the sorts of risks that they were seeing and were exposed to. Those meetings did contribute to both our psychosocial hazard and young workers strategy, which will be released in November. November is Young Workers Month.

In those meetings we were able to ascertain from people the level of compliance in different industries. They gave us the information about why they were not reporting, in particular, sexual harassment. The psychosocial hazard team are going into the industries where those people have said sexual harassment occurs. They are using an education approach around sexual harassment in the first instance. They will also, because of the iAuditor tool, gain a depth of understanding of how we are managing those risks generally in the ACT and then we will be able to put into place more work in relation to sexual harassment. We have also worked with WSIR to discuss a code of practice. Safe Work Australia have also had a draft code of practice on psychosocial hazards, which we have been discussing with WSIR and contributing to that code of practice.

MS ORR: What were the reasons that organisations were giving for not necessarily reporting the sexual harassment in those early visits that you have been doing?

Ms Agius: There are a number of reasons why people do not report sexual harassment. The figures out of the Respect@Work report showed that one in three women and one in five men had either witnessed or experienced sexual harassment in the workplace and most of those are unreported. The reason people do not report, partly, is if they

are in insecure work and are frightened of losing their job. Sometimes they fear the alleged perpetrator. Sometimes there is a level of embarrassment that is related to reporting. Sometimes people are not aware of how to report in their particular workplace and sometimes a workplace does not have a reporting system in place for those workers to report.

MS ORR: Sexual harassment is obviously one type of harassment. Do you find it is the same for the broader issue around reporting harassment?

Ms Agius: I cannot say offhand because that work has been related to sexual harassment. We have not done a comparison as yet. The iAuditor tool will allow us to do that. That is something that, as we move forward, we will be able to look at down the track. We certainly will do that. Anecdotally, from the sorts of complaints that come through that team, we see a number of complaints in relation to bullying and harassment. I think we have one case at the moment in relation to sexual harassment. We generally see more complaints about bullying and harassment than we do about sexual harassment.

MS ORR: Thank you.

MR DAVIS: I would like to talk about the Young Workers Centre. I met with the Young Workers Centre a few weeks ago. I have also been contacted by a few young workers who have highlighted some challenging anecdotal incidents with me in terms of their return back to work post-lockdown. I just wanted you to talk me through what partnership the ACT government has with the Young Workers Centre and what plan there is to build on that partnership.

Ms Agius: I cannot speak generally to that because, as an independent statutory authority, I am not sure how the ACT government works with the Young Workers Centre. What I can tell you is that members from the psychosocial team are working with a consultant that we have, Dr Peta Miller, who is doing some work for us. She has met with the Young Workers Centre. Some of the information that she obtained and that was passed on to our organisation has informed our young workers strategy.

MR DAVIS: That sounds great. Perhaps the minister might care to elaborate on the question of what the government is doing specifically to support the Young Workers Centre.

Mr Gentleman: We do fund the Young Workers Centre. It is a very important project to ensure that we can provide knowledge for young people coming into the workforce. Mr Young might provide some more detail on how we do that funding and the work we do with the Young Workers Centre.

Mr Young: I acknowledge the privilege statement. The young workers advisory service is an initiative of the ACT government. Funding was provided and reported in our previous budget papers. That funding was provided to support an open tender process that would identify a service that would be able to provide advice on workplace health and safety, workers compensation and industrial relations issues to young workers and family members. The tender process identified the young workers advisory service. That contract is underway and it involves the delivery of services

such as face-to-face meetings, telephone inquiries, web-based resources and outreach services. The core sort of heads of service are provided for via that contract.

MR DAVIS: Was there any additional funding or resourcing for the Young Workers Centre as a result of this budget?

Mr Young: The funding that was provided in the previous budget is ongoing, so it continues to be provided. There is an active contract in place. It has some time to run, with an opportunity for extension. I am happy to take the terms of that current contract on notice and provide the details, if you like, although I do note it was published as part of the whole-of-government tenders information and contracts release process.

MR DAVIS: That sounds great. If it is successful, I will not get you to take it on notice. One question that I do have is: what work has the government done to date with the Young Workers Centre to reflect on and report on the demand for their service? Obviously, it is a new service. I guess I just have reservations that the amount of money they have is sufficient for the demand on their service.

Mr Young: We receive regular reports from the providers. That identifies volume and key themes that are coming through. That is then used to inform broader policy development work, where appropriate. There was, I think, significant volatility in the rate of usage around the COVID periods. I think things went quite quiet during the shutdown, as you would expect. There has been some volatility and we are working with the providers to consider that very question around whether the resources available are suitable for the level of demand.

Certainly, the providers have adjusted the services that they are offering in line with the COVID shutdown. Obviously, the face-to-face activities and the face-to-face outreach work that was part of the original scope of service dropped right off during the COVID period. They increased activities online and in electronic engagement areas. These are matters that are being monitored via those quarterly reports that I referred to.

MR DAVIS: Perhaps this is a question for the minister. As we come out of lockdown and start to see these young people going back to the workforce, we might assume there will be increased demand on the service. Is there scope or capacity within the budget to help that organisation upscale quite quickly if the demand on their service were to increase with young people returning to work?

Mr Gentleman: As Mr Young said, that funding is a budget line that occurs each year. If there was extra demand, they would have to report back to us and ask for support. We would certainly consider that, but there is a budget line at the moment that refreshes each time. If there is increased demand, I am certainly happy to look at it.

MR DAVIS: Great.

MR CAIN: Minister, I have some questions about the ACT Work Safety Council. Firstly, are members of the council remunerated and, if so, what does the chair receive

per annum and what do the other committee members receive per annum?

Mr Gentleman: The remuneration is considered by the Rem Trib. I think it is a per diem thing. I might just go to the directorate officials to give you the detail.

Mr Young: Only the chair position is remunerated. The chair is elected by the members of the council on a rotating three-year basis. The other positions are not remunerated. The amount of the remuneration is set by the Remuneration Tribunal.

MR CAIN: And do you know what the rate is per day?

Mr Young: I believe it is an annual amount. I would have to take the exact amount on notice, or I could probably source it during this hearing and come back to you.

MR CAIN: Thank you; I appreciate that. Regarding the members of the council, obviously the chair is elected, as you said. Are there guidelines on their appointments in terms of criteria or background required?

Mr Young: The ACT government boards and committees handbook sets the basic principles and framework for the appointment of members and particularly representative members. By “representative” I mean the WHS Act that sets out the functions and membership of the council and provides for a certain number of members to be representative of workers and employers. The boards and committees handbook that I referred to sets out a specific consultation and selection process for those representative roles. So the short answer to that question is, yes, there is a framework in place and it has been followed in the case of the WHS Council.

MR CAIN: I am assuming those guidelines, that handbook, are publicly available?

Mr Young: They would be, yes.

MR BRADDOCK: I am concerned about migrant workers, who are particularly vulnerable to exploitation. They face language and cultural barriers, insecure employment, discrimination and also precarious visas. What is the government doing to support this cohort?

Mr Gentleman: We have some support for them in this portfolio, but we also have whole-of-government support for migration into the ACT and the skilling of migrant workers through, just across the road there, our migrant resource centre. The work that they do assists migrant workers and ensures they have the appropriate skills and training that is needed and, indeed, aligns them with training products across the ACT.

MR BRADDOCK: But what is the government actually doing to protect these workers from exploitation in the industrial relations sense?

Mr Gentleman: A number of workplace laws are in place in the ACT to ensure protection for migrant workers and other workers that are exploited. Of course, there are interventions when those sorts of things occur and actions are taken if and when they are needed.

MR BRADDOCK: I would just note that UnionsACT were calling for a migrant workers centre, similar to the successful model of the Young Workers Centre. Is there a reason why the government has not delivered that service in that fashion?

Mr Gentleman: It is something to be considered. We have not made a decision on it at this point.

THE CHAIR: I am not quite sure whether this is the correct output class; I am happy to be corrected. It is about lead dust at the Kingston markets. Can I ask you guys about this one?

Mr Gentleman: Certainly.

THE CHAIR: I know that there is funding in the budget to remediate the lead dust issue at the Old Bus Depot in Kingston. How is it progressing, as I understand this has been underway since the beginning of this year?

Mr Gentleman: I can talk to the associated component that deals with WorkSafe issues, if you like, or safety in that area. The actual procurement of the work that is being done operates, I think, through Access. We certainly want to make sure that workers across the ACT are protected. We have put in place legislation and requirements around that protection. I might go to the directorate officials to talk about how that is implemented in that particular area.

Dr West: The question around Kingston in particular would probably be best directed to the ACT Property Group. However, in relation to questions around how we are managing lead dust, Michael Young might be able to give us some further explanation of how we are treating those sorts of challenges from a work health and safety perspective.

Mr Young: The WHS regulations specify minimum exposure standards and prohibit a range of chemicals and substances in the workplace. Lead is a substance where there are known health impacts. There are regulations in place for those that place obligations on employers to monitor and remediate, where appropriate. As to the specific circumstances of that case, I think Dr West has referred to it appropriately. The WHS Commissioner might wish to speak to compliance action, if there has been any in that case.

Ms Agius: Our role is to assess whether or not the lead works are being carried out in the right manner. We were notified of the works. We have also been notified of the workers who were impacted. We were provided with the blood results, even though they were not required to provide them, because the lead in the blood of the workers was not at a level that was serious enough for WorkSafe to be notified. We have conducted a number of visits out at the Bus Depot Markets at Kingston to ensure that they are complying with the legislation. To date, all reports that I have had have been that they are carrying out the work as they should in accordance with work health and safety legislation.

Mr Gentleman: I can advise that the remediation work itself, so the physical work, is being undertaken through Minister Cheyne's portfolio, so she would be happy to

respond to any questions along those lines.

THE CHAIR: Thanks.

MR CAIN: Minister, given the experience of those three workers—and it must have put them through some distress, I must say—have you taken a proactive approach to audit other ACT government properties to check for hazardous materials—hopefully, prior to that hazardous material being discovered during renovations or construction?

Mr Gentleman: We certainly have. Indeed, we take a proactive approach to workplace safety right across the ACT public service and in areas that interact or intersect with the community as well, whether it is PFAS in certain areas across the territory or whether it is, as in this case, particular samples of dust or other components of safety for the workplace. Safety for the ACT community is a very high priority. There are testing of sites across the ACT to ensure that any hazardous materials are dealt with in a professional and expedient way and that the Canberra community and workers are not put at risk in future.

MR CAIN: Have all ACT properties been audited in such manner?

Mr Gentleman: Only where there is an indication that there would be hazardous material.

MR CAIN: How do you reach that point?

Mr Gentleman: We have in the ACT a hazardous materials policy. It looks at workplaces. It looks at places that have previously been worksites in the ACT and those that were operating at the time that might carry hazardous materials. This occurs within ACT government portfolio areas, but it also occurs in the private sector. If you are looking, for example, at the operation of service stations across the ACT, there is a hazardous materials management policy that fits in there and, indeed, the reporting of hazardous materials and how they are managed and handled across the ACT.

MR CAIN: Can you provide, on notice, a list of the properties that have been audited and a list of the properties that have not been audited over the last three financial years?

Mr Gentleman: I do not think we would be able to provide a list of properties that have not been audited. That would be a very wide scope. Certainly, ones that have been audited we could supply for you. If you were to limit the scope perhaps and look at ones that might carry or might have carried hazardous materials, we might be able to do that. Otherwise, the audit would be infinite, with all of the properties in the ACT.

MS ORR: Commissioner, can you provide an update on the outcomes of the implementation of the labour hire licensing scheme?

Ms Agius: Regarding the labour hire licensing scheme, to date we have had 405 applications and we have issued 288 licenses. This is more than we anticipated, so we have had to bring on some temporary staff to ensure that we are able to get through those licences as quickly as possible. To date, we have not refused a licence to anyone

or put any conditions on licences.

We will start regulating on 27 November. We have put out a lot of communication around this and we have also targeted some industries that we think were not putting in applications that needed to. We noted that very few construction companies put in applications. We have worked with the industry representatives, the MBA and the HIA, to let them know that we had not seen many construction applications. They are now starting to come in. We are also currently working on our compliance and enforcement policy for the labour hire licensing scheme to come in on 27 November.

MS ORR: Of the companies you have seen coming forward, what industries or sectors are you seeing apply for the licences?

Ms Agius: We have seen a lot in the IT space. We have also seen some employment consultants and also real estate.

MS ORR: You said that you have not provided any exemptions or conditions—

Ms Agius: Conditions.

MS ORR: Any conditions. Regarding the approach you are taking then, in the first instance, is it safe to say you grant the licences and then you just monitor it and see how it goes?

Ms Agius: No. There is quite a rigorous process that our assessors go through. There is a requirement for the applicant to pass a suitable person test and provide a whole lot of documents. Our assessors look through all of those documents and assess whether or not the person is fit to have a licence. At this stage, we have not found anyone that we thought should not have a licence—or the assessors have not. We have also joined a phoenix task force. Representatives from that team and also their managers sit on the phoenix task force so that we can become aware of people who are operating in other jurisdictions in Australia and be alerted to issues from other jurisdictions.

MS ORR: With the sectors and industry, I think you said IT, real estate and training organisations. How are you seeing that differ from other jurisdictions that have labour hire licensing schemes?

Ms Agius: I am happy to take that on notice. I know that our assistant director of that section has been in communication with other jurisdictions. That is how we have been able to ascertain that we have some industries currently whom we think we should be receiving more applications from, such as the construction industry. I am happy to take it on notice and provide you further information on that.

MS ORR: That is fine. The question was more about how the profile of the ACT compares to other jurisdictions which might have a large agricultural base or industry and those sorts of things. That is more the direction I was going in.

Ms Agius: I do know that in other jurisdictions they had a significant amount of applications from IT labour hire providers. That seems to be pretty consistent. As I said, I am happy to provide you more information on that question.

MS ORR: That is fine. When are you going to start the oversight?

Ms Agius: The compliance begins on 27 November.

MS ORR: What compliance activities are you looking at doing?

Ms Agius: The compliance enforcement policy is currently being looked at and drafted. We will be conducting proactive compliance activities as well. One of the requirements of the legislation is that people notify us. PCBU's are also required to make sure they have a process in place to ensure that the labour hire companies they use have licences.

MR DAVIS: My question is related to a parliamentary and governing agreement commitment between our two parties, Minister, on silica dust regulation. Can you provide an update on the progress of developing new regulations for silica dust and let us know when these new regulations may come into effect?

Mr Gentleman: It is a very important program that we are working through. Indeed, we have been working hard in the directorate with key stakeholders across the ACT, as well as other jurisdictions, on how we should address this and the opportunity to protect workers into the future. It goes across silica dust in the workplace, where we see work on stone cutting, as well as in the public areas of the ACT where we are seeing some very difficult situations of open concrete and open stone cutting without the appropriate safety equipment. I might hand over to directorate officials to give you the detail on the work that is being done and some of the outcomes we hope to see in the not too distant future.

Mr Young: I think this is an area where the WHS Commissioner and I both have things to say. Silicosis is a terrible and insidious disease. It is one of the highest profile WHS issues nationally. I think committee members would be aware of the very disturbing number of cases of accelerated silicosis that have been observed, particularly in the eastern seaboard states—Queensland, New South Wales and Victoria—in recent times.

The ACT has not yet seen the same level of cases as those jurisdictions. However, we have not been free of that condition either. There are a number of notifications, and some workers compensation claims for silicosis have been reported and are being managed in the ACT at present. I have declined to say the exact number for privacy reasons, because it is quite a small number. That being said, the parliamentary and governing agreement does include that very definite commitment to improve the quality of the territory's regulations to better guard against silica risks. In that respect, there is significant activity underway both nationally—via SafeWork Australia and the National Dust Disease Taskforce, which has reported recently—and also locally.

I might begin by talking about what is going on at the local level. The ACT WHS Council have identified this as a very high priority issue. They convened a subcommittee to closely examine and provide advice about better management of silica risks. That subcommittee has completed its cycle and made a number of findings which are currently under consideration by the full council and will inform

recommendations to the minister. It is a requirement of the WHS Act in the ACT that the council be consulted on legislative change. So, given the parliamentary agreement, that is currently underway.

At the national level, SafeWork Australia is closely considering silica safety. I am the ACT government representative on the SafeWork Australia committee. It is a tripartite body and a range of potential remedies have been considered. Additional considerations are underway. SafeWork Australia, for example, recently reduced the workplace exposure standard for airborne silica crystals and has recommended changes to the national regulation to prohibit dry cutting of engineered stone. A code of practice for the better management of engineered stone has been considered and approved and there is further consideration underway of additional regulatory control measures around other silica-containing products and processes that produce silica dust.

I expect that the council will make a suite of recommendations to the minister in the very near future. As to the minister's position on those recommendations and the timing of implementation, I would defer to the minister. I know that the WHS Commissioner has been conducting an active compliance and enforcement campaign focusing on silica as well.

Ms Agius: Silica has been one of the things that have really concerned me since I have been in this role. It is a very dangerous substance, as Michael has already stated. We were so fortunate in our budget and so pleased to receive funding particularly to support our work in silica. I am pleased to say that we have employed subject matter experts. We now have in our team an occupational hygienist and a regulatory toxicology policy officer has just started. This is particularly to support our work in silica dust exposure and compliance.

Regarding the other things that we are doing, last year we conducted a proactive compliance visit to all of the stone benchtop manufacturers in the ACT to ensure that they were complying with the legislation in relation to silica dust exposure. We issued—and I do not know the number offhand; it will be in our annual report—a number of notices in relation to noncompliance.

We have also formed a working group with Master Builders ACT. We are working on producing some guidelines for PCBUs in order to ensure that they are complying with our legislation, and we are providing them with assistance on how to comply with that legislation. That group have been amazing. They have been conducting activities for us and assessing the risk of exposure to silica dust on their construction sites. One of the things that the group were able to ascertain—and it was probably one of the most amazing things that came out of the research that the group did—was in relation to shotcreting, which is an activity where you pump cement onto surfaces. That had previously been seen as a low-risk activity because it is wet, but the testing that the industry has conducted for us has alerted us to the fact that it is actually a high-risk activity. We are now able to impart that throughout the rest of the construction industry. There has also been interest across other jurisdictions about the work that the working group have done.

MR DAVIS: Minister, you may need to take this on notice. You raised in your earlier

answer to the question of the ongoing concern for our shared constituency about a proposed rock quarry just over the border. As proposed, it would be about two kilometres away from residential dwellings in Brindabella. Would you be able to take on notice how much the work we are doing on the silica dust strategy might impact what we can and cannot do to mitigate any health risks on that community, dependent upon what might happen over the border?

Mr Gentleman: Certainly, however it relates to the ACT we could take on notice. I understand that the minister for the environment is doing some work in that space as well. I am happy to help her as much as we can in response to concerns about that quarry.

MR DAVIS: I have hassled her too; I will hassle anyone who listens.

THE CHAIR: On behalf of the committee, I would like to thank Minister Gentleman and the officials from the Chief Minister, Treasury and Economic Development Directorate for their attendance today. There have been some questions taken on notice, so can witnesses please note that they need to get those to the committee secretary within five working days.

Mr Gentleman: Thank you, Chair, and thank you to all the officials and Jacqui for assisting us this afternoon.

The committee adjourned at 5.56 pm.