



**LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL
TERRITORY**

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

(Reference: [Inquiry into Annual and Financial Reports 2021-2022](#))

Members:

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

TRANSCRIPT OF EVIDENCE

CANBERRA

TUESDAY, 8 NOVEMBER 2022

**Secretary to the committee:
Ms S Milne (Ph: 620 50435)**

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 Directorate86, 109

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Amended 20 May 2013

The committee met at 9.02 am.

Appearances:

Steel, Mr Chris, Minister for Skills, Minister for Transport and City Services and Special Minister of State

Chief Minister, Treasury, and Economic Development Directorate
Croke, Ms Leesa, Deputy Director-General, Policy and Cabinet
Saddler, Mr Scott, Executive Branch Manager, National Arboretum and Stromlo Forest Park
Shields, Ms Penny, General Manager, ACT Insurance Authority
Tanton, Mr Graham, Executive Group Manager, Property and Shared Services
Rutledge, Mr Geoffrey, Acting Chief Digital Officer and Deputy Director-General, Digital, Data and Technology Solutions
Holmes, Ms Lisa, Motor Accidents Insurance Commissioner, Lifetime Care and Support Commissioner and Executive Branch Manager, Insurance
Mirzabegian, Ms Sanaz, Acting Executive Group Manager, Procurement Reform

THE CHAIR: Welcome to the public hearing of the Standing Committee on Economy and Gender and Economic Equality for the inquiry into annual and financial reports 2021-22. This morning the committee will be hearing evidence from the Chief Minister, Treasury, and Economic Development Directorate.

The committee wishes to 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 they make to the life of this city and this region. We would also like to acknowledge and welcome other Aboriginal and Torres Strait Islander people who may be attending today's event.

Please be aware that the proceedings are being recorded and transcribed by Hansard and will be published. The proceedings are also being broadcast and webstreamed live. When taking a question on notice, please use the words, "I will take that on notice." This will help the committee and witnesses to confirm questions taken on notice.

In our first session we will hear from the Special Minister of State. Welcome, Minister Steel, and all officials today. Can I remind witnesses of the protections and obligations afforded by parliamentary privilege and draw your attention to the privilege statement? When you speak for the first time, please confirm for the record that you understand the privilege implications of the statement.

There are no opening statements; we will go to questions straightaway. I will pass my question to Mr Cain.

MR CAIN: Minister, with the FOI amendment bill, as you are aware, the statutory time frame for return of an FOI request is 20 days and the bill proposes to amend this to 30 days. As you are aware as well, the Canberra Liberals have had the following return times for their FOI requests: an average return across all departments, 40 days; an average CSD return time of 19 weeks and an EPSDD time frame of 30 weeks. As

you are aware, the Deloitte report highlighted, between 2018-19 and 2019-20, an average processing time for FOIs across all of the directorates of about 30 days. Minister, when an independent review has given you comprehensive evidence of potential impacts, issues and solutions for FOI processing, how is it that you have provided legislation that does not consider these recommendations and, instead, simply seeks to extend the time frame?

Mr Steel: We have considered those recommendations, and we have sought feedback from agencies about the operation of the Freedom of Information Act and some practical improvements that can be made to streamline the processing of freedom of information access applications and reviews, to provide greater flexibility in managing the workload on agencies and to meet the objectives of the act more efficiently for applicants and for the broader public.

That bill has been introduced into the Assembly. I am happy to provide you with a briefing on that, Mr Cain, before it is debated. I have no doubt that you will have your own views on the legislation as well. That legislation will be debated in the Assembly.

MR CAIN: Minister, I would receive a briefing review as a matter of course, not as special treatment, and I will be doing so; I thank your department for providing that. Will you action any of the following recommendations, and I will go through them one by one: a review to take place in 2022-23 to ensure full-time equivalents are adequate?

Mr Steel: We have spoken about that matter before, in estimates; I refer you to the comments made then.

MR CAIN: What about increased flexibility of FTEs across directorates to accommodate for surges?

Mr Steel: Again, we continue to look at resourcing; that was discussed in estimates.

MR CAIN: What about a dedicated resource to identify less complex FOI applications?

Mr Steel: We will continue to look at the recommendations of the review and look at resourcing right across agencies.

MR CAIN: What about the proposal to provide automated emailing?

Mr Steel: I refer to my previous statement. We continue to look at the recommendations of that particular review. I will hand over to Leesa Croke, who may want to provide some further detail about how we are considering the broader recommendations of the review.

MR CAIN: I would be interested to hear whether you have changed any of your positions from estimates several weeks ago, following scrutiny of these same issues.

Ms Croke: I have read and understand the privilege statement. Would you mind restating the question?

MR CAIN: This line of questioning appeared in estimates; it was also raised, I believe, in the Assembly: have you been impacted at all in your review of the FOI administration, following those two events—the estimates questioning and Assembly sittings?

Mr Steel: The question was actually about some specific recommendations from—

MR CAIN: The Deloitte recommendations.

Mr Steel: the Deloitte review and how we are continuing to consider those in our work on the FOI legislation.

Ms Croke: We are looking at the recommendations of that Deloitte review. We are also considering—and I think this is a related issue—under the open access scheme, how else we can make government documents, briefing material, more readily available. We are working through a program of different ideas there.

With respect to one of the things that we have recently done, we have used a website called ACT Memory. Documents are now available there. We are looking at a range of different options, to be more transparent. I am happy to provide more detail about those.

MR CAIN: You will provide that to the committee?

Ms Croke: I can take that on notice, yes; we could provide that summary.

MR CAIN: When do you intend to present this bill for debate, Minister?

Mr Steel: We will have a discussion with members, before we make a decision on that.

MR CAIN: Do you propose to present a submission to the committee that is inquiring into this bill?

Mr Steel: I would imagine that we would, in case we want to add anything further that is not contained within the explanatory statement or introductory speech.

MR CAIN: Are you in a position at this stage to advise what you will do? Sometimes the response to the committee inquiry is simply to say, “Here’s the ES and here’s the bill.”

Mr Steel: We will consider making a submission, Mr Cain.

MS ORR: Can I ask about Stromlo? Could you outline some of the work underway at Stromlo Forest Park, and particularly looking at what is mentioned on page 103, the extension of the track and other works?

Mr Steel: The criterium track extension is underway. This is an important project for a couple of reasons. Firstly, it will extend the track to provide better access for cyclists

as they come into the park. Many people actually ride to the park, which is great. It will provide them with safer access rather than having to ride on the road with motor vehicles coming into the park.

It will also connect the Stromlo Leisure Centre with the park, particularly for triathlon events, so that they can connect with cycling and running down at Stromlo park, directly from the pool. There are multiple benefits. I will hand over to Scott Saddler to provide some further detail.

Mr Saddler: I have read and understood the privilege statement. The minister is right; there are a couple of community safety issues with Stromlo Forest Park. The criterium track extension certainly takes away the issues of riders and people walking down Dave McInnes Road and gives them easy access into the park. The other is the actual car park. Again, it is about community safety. It costs the government about \$60,000 to \$70,000 a year, per year, to maintain the dirt car park. There is also an environmental factor. The dirt car park is washing away, leaching into our dams and reducing the storage of water that is used for the actual park and the running tracks. Again, we have looked at the community safety issues and tried to address those through both of those projects.

MS ORR: How will those projects benefit the mountain biking community that is using that facility?

Mr Steel: Many mountain bikers would certainly use the criterium track to get into the facility, before going up the mountain. There will be a variety of different users, I think, for that criterium track. Certainly, road cyclists will be the major beneficiary, I suspect, but it will improve safety for all users of the park.

MS ORR: How do the works at Stromlo Forest Park connect with the arboretum and how are you linking in all of those different parts to create that area of Canberra?

Mr Steel: As the development of Molonglo has occurred, thought has been given to the planning of the suburb, and those connections between the suburbs and these major facilities. We have been doing some work with the Suburban Land Agency. There is quite a lot of collaboration going on, particularly around the planning of Molonglo 3 and the arboretum tracks and trails. I will hand over to Scott to talk a little bit about what has been occurring there.

MS ORR: Yes, could you run through that in a bit more detail?

Mr Saddler: Yes, we are almost there, actually; there is not much left of a linkage, other than the pine forest between the subdivision and Stromlo Forest Park. TCCS are doing some work on the Swallowtail Road entrance, a safer way down into the underpass. I have ridden it myself. It goes all the way from the river through to Stromlo Forest Park. That last linkage that TCCS will put on at Swallowtail will then join up the actual underpass and the pathway through into Stromlo Forest Park.

MS ORR: I know we touched on this yesterday, about what the arboretum is up to. Does the arboretum do anything to promote these tracks and trails as part of the visitor experience?

Mr Saddler: We have now cut about 22 kilometres of tracks and trails throughout the arboretum. We are in about the fourth phase of the arboretum. The first phase was to come and have a look and to get kids into the playground. We have extended now from having a coffee and looking at the views to getting people into the forest; hence we have asphalted those roads and we bus people through the National Arboretum. There are hundreds and hundreds of people that use those 22 kilometres of tracks and trails. Those 22 kilometres of tracks and trails actually get people through about 72 forests.

Along those trails there will also be a forest sculpture gallery. In the next five to 10 years, there will be 32 pieces of international, national and Aboriginal art placed on those trails, bringing a whole new dynamic of people to the arboretum, rather than environmental, scientific and research.

MS ORR: There will be different sculptures going in along the trail?

Mr Saddler: Absolutely, yes. There will be four different pathways. You can take one of those different pathways. There are shorter pathways and longer pathways. Down the track, as I said, there will be 38 pieces of international, national and Aboriginal art placed around the National Arboretum.

MS ORR: When do you expect to start that program?

Mr Saddler: We already have eight pieces of art there, at the National Arboretum. We have just acquired two more pieces. We have a panel of artists; we will assess those particular artworks—whether they meet the scope and whether they meet the requirements of the National Arboretum. Those will then be placed there. We certainly do not want to do it too fast; we want to make sure that it is right over a period of time.

MR DAVIS: I asked some questions yesterday of the Insurance Authority. I was interested in how the motor vehicle insurance was going. I would like a bit broader take on the increasing rate of natural disasters, increasing rain and the impact that is having on our roads and the structural changes to the national insurance market. How is the authority responding to some of those challenges that were not there 12 months ago, starting with natural disasters?

Mr Steel: That is probably a question for not only the Motor Accident Injuries Commissioner but also Penny Shields, from ACTIA, about the broader insurance market.

Ms Shields: I have read and acknowledge the privilege statement. You are right, Mr Davis; there is no doubt that climate change is having a big impact on the insurance industry, and we are seeing that not only in Australia but globally. All you need to do is look at the news almost every other day in the last few months; you will have seen half of New South Wales or southern Queensland underwater.

We are fortunate in the ACT that we have not had, certainly recently, the same level of natural disasters that have affected our assets. We are working closely with our

directorates partners on how they are managing their assets moving forward. Roads are and always will be a challenge, just by their nature. It is about looking forward to how we manage those assets on an ongoing basis, so that we can ensure that we are future proofing them. When we are building bridges, we should be thinking about what the future might look like, in terms of water access, egress through waterways and things like that.

MR DAVIS: Forgive me for asking a silly question: is the ACT Insurance Authority in charge of managing the insurance policies for all ACT government assets?

Ms Shields: We self-insure, to a degree, all ACT government assets, yes; and we purchase reinsurance on top of that.

MR DAVIS: This is a question that I asked in another session and I was directed here, so this has helped to keep me focused. ACT public schools, when they are used outside hours for other providers and, in particular, community sports: can you talk me through how that changes insurance premiums or the insurance policy on public schools?

Ms Shields: The land or the usage of the facility itself would be covered under the territory's professional indemnity and public liability insurance policy, our self-insured component of that. The community organisations or other organisations that are utilising that facility will also need to hold a certain level of insurance for their own activities that they are undertaking on that facility. We are responsible for maintaining the facility and making sure that it is safe to be used, but, for the activities that are being undertaken—for example, a sporting activity that is not related to the school itself but is a purely community-hosted event—they would also need to hold insurance.

MR DAVIS: Just to be really clear, the ACT government does not pay a higher insurance premium to insure an ACT public school building or grounds because it is being used by an out-of-hours third-party provider like community sport? They do their own insurance?

Ms Shields: Provided that it is not increasing the risk to the territory, no, it would not impact on our premiums. It may, however, impact on a community organisation's own insurance premiums, depending on what the activity was that they were undertaking.

MR CAIN: Does your claim work include the pothole damage that is being reported in the media?

Ms Shields: I could not talk to the exact potholes begin reported in the media, Mr Cain, but if the damage to a vehicle or to an individual was such that it was above a directorate's excess—on a normal insurance policy, there is an excess level—if it was above that threshold, which is normally between \$5,000 and \$10,000 for each of our directorates, it would come to the ACT Insurance Authority and it would potentially be a claim under one of our policies. But where it is under that threshold, the directorates manage that directly.

MR CAIN: Have any claims come to your agency?

Ms Shields: I would have to take that on notice, Mr Cain.

MR CAIN: Thank you; I would appreciate it. Minister, I have a question regarding property services. Does ACT property services do any benchmarking of supply work and costs to demonstrate value for money in the delivery of maintenance?

Mr Tanton: I acknowledge the privilege statement. We do not do benchmarking as such, Mr Cain. We do establish panels which we go out to market for—panel providers. It is a competitive process with regard to the provision of those services. We do not currently benchmark across the board. We are currently seeing, because of the supply chain issues from China through COVID-19, and with the current level of support for those affected areas, with floods and the like, services and costing going up over the last number of months. But it is not something that we benchmark on a regular basis.

MR CAIN: Do ACT property services staff have the expertise to know, for example, on scope and price, whether a plumber needs to provide 10 staff when the job may just be a two-staff job? Do you think that would be of value, and value for money?

Mr Tanton: We have expertise internally. We have our own trades, so we balance our workforce depending on the workflow. We do have internal trades, made up of plumbers, electricians and others. If need be, depending on the surge capacity that we need, we will look to engage third-party providers as well. But we are comfortable that we have the expertise when we go out to those panel providers. If a quote comes in excessively high or excessively low, we will ask those questions and seek clarification with regard to them.

MR CAIN: How are suppliers chosen, for example, when there are two plumbers on the panel?

Mr Tanton: We would put out an expression of interest for a particular job. They would need to provide a quote, as you normally would do for getting a repair to your house, and we would make the assumption depending on their availability and their costings. We would basically do an assessment as we would do for any procurement.

MR CAIN: Is this allocation of work audited regularly to ensure that work is allocated appropriately?

Mr Tanton: We have not audited that body of work. We have the panel providers there. It depends on availability and the like, but it is not something that we audit on a regular basis.

MR CAIN: How do you know, on a particular job, that the resources that were charged for were actually required, when maybe the job could have been done with fewer resources?

Mr Tanton: Again, it depends; we will go out for quotes from the different providers. Again, if you are getting a quote which is substantially higher or substantially lower,

it will set off flags with regard to that, especially if you have a big comparison regarding those costings, from one quote to the other. If someone is quoting 10 FTE or 10 trades to do a job that takes half a day, you would obviously be asking that question with regard to that. You would be looking at the quotes on a case-by-case basis, depending on what the job is, the complexity of the job and the urgency of the job.

MR CAIN: On that point about an urgent job, is the process for selecting a supplier and quoting different from non-urgent jobs?

Mr Tanton: As I said we have our own trades. Depending on the availability of our own trade teams, they generally pick up a lot of the after-hours work and the like. It would depend on the nature of the work and the complexity of it.

MR CAIN: If there was regular auditing of completed urgent maintenance items, after determining if they were indeed urgent, is there regular auditing to see whether they were in fact urgent?

Mr Tanton: No.

MR CAIN: Are ACT property services staff required to declare gifts from panel suppliers, such as box seats to the Raiders and fishing and golf trips?

Mr Tanton: If they were given those sorts of things, it would be something that they would not be doing, around those items. We discourage all of our staff from accepting or taking on anything like that. They would be required to report any conflicts of interest, any family interests, any gifts and the like. It is not something that we condone, as the executive, and we pass that down to our staff as well.

MR CAIN: Have any such declarations ever been made?

Mr Tanton: Sometimes Christmas gifts come along—they are fairly small—which would be declared on the gift register. That is for items under the threshold; if they go over, those items generally get passed on or given back. It would be something that would be expected to be reported on. We get them from time to time. You may have a new contractor that comes online who works in a commercial entity where that is a more common practice. It is something that we discourage across all of the public sector.

MR CAIN: You discourage it; do you do any auditing to see that all such gifts have been declared?

Mr Tanton: It is a bit hard to really understand. We do not do an audit, but it is based on the code and, under the APS code of conduct, they are declared. Obviously, if things are going on that we are not aware of, or if people do not declare, we do not have that level of coverage to get an understanding of what we would audit in that place. But it is expected that any gifts would be declared, and all conflicts of interest as well.

MR CAIN: Don't you think that it would be appropriate to check that suppliers are

not giving undeclared gifts?

Mr Tanton: Again, it is one of those things. We would not go to every supplier that we have, noting that we have hundreds of suppliers on the books, to ask everyone if they have given a gift. I do not think that it would be feasible.

MR DAVIS: Back in March 2021, the ACT government committed to a pilot program for the registration of newborns with the Queensland government and the federal government. Could I get an update on how the digital section is supporting that?

Mr Steel: I am delighted that, two weeks ago, baby Oscar was born at Canberra Hospital and he was the first child to be enrolled in the Centrelink immunisation program and also, for the first time, Medicare, under the Birth of a Child pilot that is being rolled out in the ACT, in collaboration with the commonwealth government. We have now had around 500 children who have been born and automatically enrolled, through that program at Canberra Hospital. It has been very successful thus far and we are looking at how we can now roll that out to Calvary hospital over the coming months.

We are working closely with the Northern Territory government in rolling it out. I think they have three or four hospitals up there. There has been some further work happening to look at the national rollout of the scheme, now that it has been piloted in the ACT. This will make it easier for families with newborns to access government services, particularly those commonwealth government services, without having to separately enrol their children for each different service. Life at that point in time is complicated enough without having to go through all the government administration. I think this has been a really worthy project and one that has certainly been recognised nationally as being a good project. It will now be rolled out nationally, based on the work that has happened in the ACT. Do you want to add anything, Mr Rutledge?

Mr Rutledge: Thanks, Minister. I have read and understood the privilege statement. As the minister said, there has been great success with the pilots that we have done so far. We have probably made 14 different incremental steps along that. The back end system within Services Australia is one of the most complex ICT systems that we have in Australia.

As the minister said, we have successfully negotiated it so that family tax benefit A, family tax benefit B and a lot of the other payments—which otherwise would be eight touchpoints for a new parent to go through—are now automated by just signing a form. The mother would sign a consent form at the hospital—a hard copy consent form. We will eliminate that soon enough and then that information will be replicated through all of those different systems.

Whilst there is great user experience and great benefit for mums, at a very busy time in their lives, I think the actual benefit will be for those vulnerable Australians who do not have a birth certificate, because not having a birth certificate or registration of birth creates a number of challenges throughout your life. In our work that we have done with the Northern Territory—and we have sent staff up to work on workshops within the Northern Territory—we are facing the situation where the mothers

themselves do not have a registration of birth or a birth certificate. So it is now a two-step process, one to enrol the mother to have a birth certificate and then when they give birth, and then all of those vulnerabilities and challenges that they would meet in the early parts of their life are instantly eliminated.

I think that is where the real payoff will come when we move it Australia-wide. The minister and Minister Shorten, at the digital ministers meeting on Friday, committed to working together. In the Life Events program that the digital ministers are driving, Birth of a Child is the one that is, I suppose, the poster child, in that it is the most successful one that is happening. The next steps for us are to work to help onboard more hospitals around Australia. Hopefully, with further federal government funding, this will become a national rollout. But so much has been learned from our experience here in Canberra.

MR DAVIS: Right. To be clear, when we originally signed up to the pilot it was just us and Queensland; right? How did we become a part of the pilot? Did we approach the commonwealth with this problem and say we wanted to partner or did the commonwealth approach us?

Mr Rutledge: It was done by digital ministers. Digital ministers came together and the ACT government went in and said we thought that we were uniquely placed to run this. Bettina Konti, the chief digital officer, has been leading the project board for the implementation. Queensland hospitals, the Gold Coast and Townsville, have been on board, but I think the driving force has really been the ACT government, with the support of Services Australia.

Mr Steel: Funding from the commonwealth helped that significantly, because it was a reasonably expensive program to roll out.

MR DAVIS: That was actually going to be my follow-up. How much funding did we receive from the commonwealth to be the guinea pigs?

Mr Rutledge: From memory, Mr Davis—and if it is incorrect I will correct it by the end of the hearing—\$1.7 million.

MR DAVIS: Billion or million?

Mr Rutledge: \$1.7 million. Because we are doing it for the first time, it is going to be costly for us. What we are hoping is that we will nut out all of the problems. As I said, we will get the hard copy consent form online, so the rollout for onboarding the newer hospitals will really just be about training up the birth staff and the ward staff to help mums through that process.

We are doing ongoing user testing, asking mothers about their experience before we roll out a new function. We both look at what we have learned from existing user experience and also do some market testing, a few focus groups, to see if it is useable. So it is a high cost pilot, but pilots are high cost. Ultimately, with the back end efficiency of saving mothers multiple touchpoints and then automating systems back of house for Services Australia, it will probably pay for itself.

MR DAVIS: You said \$1.7 million. Have we covered our costs, when we think of the time and accommodation—

Mr Rutledge: Yes, I think we have covered our costs. For us it is a project officer and a couple of people from Health and Births, Deaths and Marriages. That is the next thing. Every Births, Deaths and Marriages in each state and territory has unique needs, so we have put in a lot of work through Access Canberra.

I think we have covered our costs, to date, but the commonwealth government have really lent in on legal advice, privacy advice, privacy impact assessments, all of which are pretty high cost as well. We have covered our costs but the benefits would largely go to Services Australia, the efficiencies—apart from the user experience, which is wonderful. They are leading in with many more dollars than what we have received.

MR DAVIS: Perfect. It sounds like we are providing support and advice, based on the rollout of our trial, to the commonwealth and to other jurisdictions. How is the commonwealth, if at all, continuing to support us in an ongoing way while we do that?

Mr Rutledge: They have been hosting all of the large workshops, the incremental steps. As I said, we are up to the 15th increment. They have been hosting all of those. They have been negotiating with the other hospitals to try and do the onboarding. I suppose the other hospitals want the assurance of our lived experience of how it actually rolls out in the hospitals, so that is where we have been doing that support. The next thing for the commonwealth government is that, if there is a national rollout, that will be subject to next year's federal budget. The commonwealth is going to work across all jurisdictions to work out what the scale of that would be.

In the ACT I think we will wrap up the pilot at the end of this financial year or maybe the end of next calendar year. We will wrap up the pilot and then it will probably just become business as usual for us, because the effects are on the ward staff, who are already trained. They are soon to be trained at Calvary, and then Births, Deaths and Marriages, which we should wrap up early in the next calendar year.

MR DAVIS: But the commonwealth knows that, were they to continue to lean on our expertise, we would expect to be remunerated?

Mr Rutledge: It is a very strong partnership, but there would not be any conversation with the commonwealth where we do not issue a bill.

MS ORR: Just on that, you mentioned that Birth of a Child was the start of the Life Events program, and there are other points that it is going to fit into. Can you give me a bit more on the context of how it is all going to integrate when done?

Mr Steel: Good question. There have been a couple of different parts to the Life Events program of work. Whilst the ACT has been leading on the Birth of a Child, the New South Wales government has been undertaking a project on a digital birth certificate. All the other jurisdictions are learning from them about that process. Mr Rutledge might be able to provide some further detail.

Mr Rutledge: Yes. The digital minister has picked a few life circumstances, like looking for work, getting a job. Birth of a Child is, as I said, the most successful in the early years. Trying to work out where we have multiple touchpoints with Services Australia really was the driving force. As the minister and I have said, Birth of a Child is the stellar one, the one that is winning. At the moment, with the change of government, digital ministers, in their first meeting since the new federal government, are doing a quick review of the Life Events work, and early in the new year we will reconsider that. As the minister said, this one is the success story so far.

Mr Steel: Employment is the other one that has come up—employer pathways, apprenticeship pathways—so that is a project that skills ministers will take on. With my other hat on, that forum will lead that work, to see what is possible, going forward, rather than the digital and data ministers. Some early work has been scoped out by the Queensland government in relation to that pathway of Life Events, and we will look at what is possible to improve the digitisation of getting engaged in an apprenticeship or employment service, for example.

MS ORR: Great. We spoke a little bit about the government account and other digitisation programs. How has that capability enabled us to do this work that we are now looking at?

Mr Steel: It is really important that we have the capability in house to support these projects. I think Birth of a Child really drew on quite a significant amount of expertise and digital and data technology services but also the capability that had been built up in ACT Health. We were able to leverage the capability that delivered the significant rollout of COVID-19 IT-related projects, including the app but also MyDHR, which has been a massive project as well. We have got a lot of capability there and, as the MyDHR project in particular is completed, we will look at how we can keep a lot of that expertise in house so that we can deliver even more services and bring them online.

Mr Rutledge: I will go back to Mr Davis: \$1.35 million. I said \$1.7 million; it was \$1.35 million.

MR DAVIS: Tremendous. Thank you, Mr Rutledge.

MS ORR: I would like to talk about the MAI Commission and refunds to motorists renewing their registration earlier this year. I believe there are actually lower insurance premiums under the scheme. Can you explain to me this trend and what we are seeing with the process?

Mr Steel: Yes. There were a couple of objectives under the motor accident injuries insurance scheme when it was introduced, replacing CTP insurance. It was to provide more timely access to support, care and benefit payments; to extend that support, through the no-fault scheme, to a broader number of people involved in motor accidents; and also to help reduce the cost to motorists, through reduced premiums. We have seen quite a significant reduction in premiums. That has come from both the competition that was introduced prior to the MAI coming in and as a result of the MAI scheme itself being a more efficient way of delivering support to those who have an injury. Yes, there was a refund provided. I will hand over to the MAI

commissioner to provide some further detail.

Ms Holmes: I have read and understood the privilege statement. At the time of the new scheme, the premiums fell between what the premiums were for the MAI versus what the premiums were for the CTP scheme, the preceding scheme. Because people take out their insurance at the time of registration, people would be taking out an insurance policy for up to 12 months. It crossed over into the MAI scheme, so a refund was due to motorists as a result of the price dropping for a part of the insurance premium.

We undertook a project to return that amount to motorists. The amount was \$7.2 million. The return is being done in the most efficient way possible so that the majority of that \$7.2 million is actually being returned to motorists, rather than being taken up in administrative costs. The most efficient way was to do it as part of the registration renewal process, so that people did not have to apply. The vast majority of people, for most vehicle classes, are getting a refund which is automatically coming off their CTP when they do their renewal. For passenger vehicles, the amount is \$19.90. It is a one-off refund which is occurring for people who are renewing from 30 April 2022 through to 29 April 2023.

MS ORR: Okay. The minister mentioned competition coming in and creating more offers within the market and so forth. Can you run me through how that is impacting premiums and what we are seeing as a result of that?

Mr Steel: Yes. The benefits of competition have continued into the motor accident injuries scheme. We are seeing consistent filings being made by the insurers, often to go lower than another filing that has been made, to try and get greater market share for that particular provider. All those filings are made through to the MAI Commission. I will hand over to the commissioner to talk about what they are seeing in terms of the premiums and the market.

Ms Holmes: When it comes to premiums being set by the insurers, they come to the commission to ask for approval for those filings. We then assess them to make sure that they are not excessive but are actually still covering the liabilities. Since the MAI Act started, the premiums have actually fallen by \$22.07. That is in about a 2½-year period.

What we discovered is that motorists are extremely sensitive to premiums. They are very much chasing, often, what is the lowest premium, so a small change in premiums makes quite a substantial difference in the market share that the insurers are getting. Because of that competition, if one is coming in lower we have been seeing an insurer then refiling to try to come in with the lowest premium. That is what our experience is and that has been driving down the premiums, to date.

MS ORR: Interesting. Just picking up on what Mr Davis said earlier about the broader insurance market, has that been affecting the MAI scheme in any way—the disasters and so forth?

Ms Holmes: Not the scheme directly. It impacts the insurers in terms of their claims management and what they are dealing with in claims across all of their portfolios.

But they are managing that within their organisations. From the MAI scheme perspective there is no impact as a result of those other disasters.

MS ORR: I know the scheme has been operating for a couple of years now. I think we touched a little bit yesterday, if my memory serves me correctly, on how it is helping with the processing of claims and claim times. Are there any metrics that you can use to quantify the benefits that you are seeing arising from that faster processing of claims?

Mr Steel: It is really about contrasting it with the previous CTP scheme, where it was often necessary to go to court in order to get any payout at all for getting care and support. That obviously has significant costs for someone—having to pay court fees and getting a lawyer to go to court in order to get that support—and it can take a very long time to get that support by going through the court system.

The new scheme was designed to make sure that support was provided more quickly and without that administrative burden and the need to have a lawyer. You can understand why the lawyers campaigned against the scheme. We are trying to make it easier for people to get that support in the event of a motor accident and opening that up to a broader range of people. I will hand over to the MAI commissioner to talk about those time frames for getting care and support and other types of support.

Ms Holmes: As the minister said, the scheme is about helping people to get assistance as soon as possible, rather than having to wait through that common-law process. Yesterday I provided some stats, particularly around treatment and care and income replacement. We have the stats as to the time it is taking to make payments. Those time frames will be impacted by how quickly people put in applications or how quickly they put in bills for reimbursement.

The impact on someone's health is more difficult to assess. That is one of the things that we will need to look at, going forward. From the perspective of the various research which was done—this all came out at the time of the citizens jury process, when we looked at CTP reform—the earlier people can get treatment and care, the better their chance of actually having a recovery. If people are better supported with things such as income replacement then you are taking away some of the stresses involved with that injury and helping them to focus on their recovery, to get back to their life as much as possible.

MS ORR: You ran us through a number of the benefits that we are already starting to see. What additional benefits do you anticipate before the scheme is fully realised? Are there any more that you expect to come out?

Mr Steel: Yes. It is still fairly early on in the scheme's life, so we will get a better understanding of what those benefits are as time goes on. Once we see the full breadth of claims coming in, we will get an understanding of how people are accessing the support and the different types of support. I will hand over to Lisa to talk further about what we are seeing.

Ms Holmes: The MAI scheme is a substantially different scheme from the old CTP scheme, where you had to prove someone else was at fault and it was a common-law

process. What we are finding, which is consistent with other new schemes when they have been brought in around Australia, is that it takes a period of time for people to understand that they actually do have a claim on the scheme, that you do not need to go to a lawyer and go through that process, prove someone else is at fault, and that the scheme is there to respond, to help you with treatment and care, income replacement et cetera. It will take time for people to understand that and, hence, for us to see the full benefit of the scheme in terms of everyone who can claim actually coming to the scheme for that assistance.

We are also, as the minister said, in those early stages. There is a lot of assistance under the scheme where we have not hit those milestones yet. We are starting to see some quality of life payments come through. We are paying out funeral benefits and death benefits for defined benefits so that people in those tragic circumstances can get assistance more quickly. We have not had any common-law claims yet under the scheme because people are getting defined benefit treatment and care. They are getting that assistance once they stabilise. If they are more serious and they meet the thresholds, they can go through to common law. That phase we have not seen yet. There are a number of phases of benefits under the scheme where it will take time before we actually see the benefits coming through.

MS ORR: What review points do you have, then, as the scheme continues to develop, to review what you are seeing and assess it?

Ms Holmes: The legislation requires a review of the scheme every three years. The first three-year mark occurs on 1 February of next year, so our first review will be occurring next year.

MS ORR: Great. Thank you.

MR CAIN: I have some questions, Minister, about the Insurance Authority. I note that the authority's net operating result is a loss of \$41.2 million. I would like to have an explanation for that. Is that of concern to you?

Mr Steel: Ms Shields.

Ms Shields: Mr Cain, yes, the authority has had an operating loss. The primary reason for that is the investment market. The authority has two forms of revenue. One is premiums collected from territory entities on an annual basis; the other is investment income that comes through the investment portfolio. As I am sure you can appreciate, the investment market in the past 12 months has not been particularly kind. Unfortunately, it is the loss on those investments that has created the underwriting loss on our books.

MR CAIN: How has this deficit affected your day-to-day function, and was the prospect of this loss accounted for in budgetary planning?

Ms Shields: It was not accounted for in pre-planning. We have an investment plan in place, which is CPI plus 2.5 per cent, and that is what was budgeted for. It has not affected the authority's day-to-day functioning. We are able to cover all of our current liabilities and we will continue to be able to do so in the foreseeable future.

MR CAIN: Thank you. I understand that it took an average of 21 days to process payments, following claim settlements—higher than the original target of 14 days. What factors do you attribute to failing to meet this target—for example, resourcing, perhaps?

Ms Shields: It was outside our KPI, unfortunately. The reasoning behind that was a change in our system. We transferred to a new claims management system. A number of the financial aspects switched over to that new system and it created some delays. In addition, we did have some new staff commence and it required some time to help them get up to the processing speed that others are capable of. Combined, that is what created the delay. We did not miss any court required time frames for claim settlement payments, however.

MR CAIN: The authority identifies, on page 31 of your report, “insufficient and/or unsatisfactory external insurance arrangements” as a key financial business and information risk. This was a risk the authority identified in the budget for 2021 and more than five years prior as well. Do you consider that this risk has been violated, given that you are 14 per cent negative, 14 per cent shy, of your projected investment targets for 2021-22?

Ms Shields: The financial component does not impact on our external insurance arrangements, Mr Cain. They are two completely separate items. Our external insurance arrangements refer to the purchase of reinsurance over and above our self-insured retention components. It is a substantial risk if we are unable to place our insurance in the market globally. Obviously, we are looking to cover the territory’s assets to the best extent we can. If we could not do that, that would be a substantial risk to government. We have not found ourselves in that situation, to date. Regarding the financial component and aspects, one would hope the investment market would turn around at some point, but we will continue to work with Treasury to make sure that our investment plan is appropriate to ensure that we can cover our liabilities, moving forward.

MR CAIN: Could an updated ICT infrastructure assist with better processing of payments, following claim settlements?

Ms Shields: We have updated our ICT system over the last couple of years. We have just implemented the final component of our claims management system in the past 12 months. In fact, our MAI component went live a week ago, and that is the final component for our claims processing. That system links into our financial processing system. There is a review underway into our financial processing system. Indeed, there is a whole-of-government review underway of the financial payment system. The authority uses a different payment system to whole of government because we are a small authority and we share the use of a system with a number of other small authorities. We will continue to look for improvements in that space and in how it integrates with our claims management system, moving forward.

MR CAIN: And you are expecting these upgrades to assist with the processing and to get closer to your targets?

Ms Shields: I think it will help. It still requires human input, so we will still require a number of members of the team to do some manual entry, manual input. Anything we can automate is going to make it quicker and easier. We cannot predict the volume of payments coming through, and that is a challenge. We are really at the mercy of what the claimants put through on a day-to-day or week-by-week basis, or when claim settlements occur, either through the court system or through mediation. It is difficult to anticipate a workload increase or a drop-off, the ebbs and flows. We need to deal with that through our internal resourcing. But we will continue to look for ways to improve on that target.

MR CAIN: Does the Insurance Agency contribute in any way to investment decisions and outcomes?

Ms Shields: We have an investment plan in place that is signed off by the Under Treasurer. It is managed through the territory banking authority and arrangements from a whole-of-government perspective. So, no, I do not decide exactly where the investments are made. It is done through the whole-of-government process. As I said, our investment target is CPI plus 2.5 per cent.

MR CAIN: How is that investment strategy audited and reviewed? Did you have any input into that?

Ms Shields: Yes; We work with Treasury and with the territory banking part of Treasury. When they are looking at the whole-of-government investment strategy, we look at ours alongside that and we look at what we are meaning to provision for into the future and determine whether it is high or low risk. At the moment, we are in the middle to low.

MR CAIN: I know it is in your paper, but could you confirm for this committee what you hope your budget outcome will be for the coming years, working from this minus \$41.2 million?

Ms Shields: Would you like to tell me the page number, Mr Cain, where it is listed?

Mr Steel: Are you talking about the financial returns?

MR CAIN: Take it on notice perhaps.

Ms Shields: If it is in the papers, I am happy to restate it.

MR CAIN: Are you expecting to be in a surplus in the coming years?

Ms Shields: Yes, we would expect to be.

MR CAIN: Thank you.

MR DAVIS: I want to ask about the volunteer program at the National Arboretum, which was no doubt affected by COVID, and just get a read on how that is being managed and if there has been an uptick in people participating in the program.

Mr Saddler: Thank you, Mr Davis. Currently, at the National Arboretum we have 660 volunteers and around 397 friends. They still came out during COVID. They did a bit of weeding around the tree wells. We would not be where we are today at the Arboretum if we did not have the volunteers and friends. They gave us 16,973 hours last year. That equates to around about 31 staff. They are an amazing team, led by Trish Keller.

MR DAVIS: Tremendous. I imagine this might be a take-on-notice question, but, based on what you pay your staff, what would be an approximate dollar figure of this volunteer contribution at the Arboretum? If they all decided to pack up tomorrow, what would it cost us to maintain their workforce?

Mr Saddler: I cannot answer that question, Mr Davis. I will take that on notice.

MR DAVIS: That sounds good. You were saying 600 or so volunteers and 300 or so friends. What is the difference between a volunteer and a friend?

Mr Saddler: A friend comes out to the National Arboretum and weeds trees, mulches trees, waters trees, helps the trees to grow, Mr Davis. The other ones are the volunteers. The volunteers do the walks and talks. They do the bus rides. They do a whole lot of things when it comes to education and so forth. As I said: 16,700 hours. The previous year it was over 20,000 hours.

MR DAVIS: Have that volunteer workforce been with the Arboretum since the beginning? Has there been a gradual increase over time, as people's affinity with the Arboretum increases, or was there this pent-up demand for Arboretum volunteers as soon as we opened it?

Mr Saddler: Mr Davis, I think you know that there are a lot of people who love the National Arboretum. There are a lot of people who want to just come out there and wander through the forest and help us. To answer your question about whether there has been a major influx, when I say that there are 600-odd volunteers and 300 or so friends, there are only a certain number of those that are active, so we do not get the whole 660 or 390. A lot of them are not active, but there are a lot of them that come on a regular basis.

MR DAVIS: Obviously, volunteers volunteer for a reason. They do not expect to be paid. What does the Arboretum do to thank them or to show the city's appreciation for those 16,000 hours?

Mr Saddler: On 13 December we have a Christmas party. There are volunteers of the year and there are friends of the year, and we hand out a lot of gifts and bits and pieces—certificates and so forth. Minister Steel comes along to that and makes a speech. We thank them immensely for the hard work that they do.

MR DAVIS: Tremendous. Do these volunteers sign up with the National Arboretum one by one or are there nature conservation and environmental groups that sign up en masse at the Arboretum, who say, "Our group wants to come and participate in the volunteer program"?

Mr Saddler: Just one by one, Mr Davis.

MR DAVIS: I see. Thank you.

MS ORR: I have a question about the impacts of COVID-19. With the Arboretum being a largely outdoor facility, how are you able to manage things like the volunteer programs there, still giving Canberrans an opportunity to get out and do things? And how did COVID impact visitor numbers and so forth for the Arboretum?

Mr Saddler: Thanks, Ms Orr, for the question. The National Arboretum, I think, was the head space of Canberra. It stayed open the whole time. It is 253 hectares. People came out there and walked or sat in the amphitheatre and had their lunch. There is a lot of space out there where people can sit, walk, ride their bikes and so forth. I hope that answers your question, Ms Orr.

MS ORR: Yes, it does. Thank you.

MR CAIN: I want to ask about staff on-call allowances and overtime, under property services. Are venues ACT and ACT Property Services staff paid allowances or overtime to be on call?

Mr Tanton: Yes, they are.

MR CAIN: How many staff received on-call allowances or overtime in excess of \$10,000 in 2021-22?

Mr Tanton: I would have to take that on notice.

MR CAIN: Thank you. What was the highest amount of on-call allowances and overtime received in 2021-22 by a single employee?

Mr Tanton: I will need to take that on notice as well.

MR CAIN: Thank you. Again, with Property Services, how many community facilities does the ACT government currently own?

Mr Tanton: 231. It does fluctuate from time to time and we are divesting, but it is 231, Mr Cain.

MR CAIN: Is there a list or register of these facilities?

Mr Tanton: Yes, I believe there is. I am happy to provide you with that as well.

MR CAIN: Is that publicly available?

Mr Steel: It has previously been provided on notice to an estimates hearing, so we can probably refer to that or you could look back in the *Hansard*.

MR CAIN: You will provide that to this committee?

Mr Tanton: Yes. We will provide that to you.

MR CAIN: Thank you. How often is this list audited and what is included in such an audit?

Mr Tanton: How do you mean “audited”, Mr Cain?

MR CAIN: To see that it is still fit for use, fit for ownership?

Mr Steel: That review we discussed yesterday in yesterday’s hearing.

MR CAIN: I go back to something I touched on with you yesterday, Minister: the Acton waterfront project and the very critical Auditor-General’s report. Regarding variations to contracts for this particular project, the Auditor-General has highlighted:

Not all have been notified on the ACT Government Contracts Register. Variation 11 for \$619,892 (GST inc) was not notified. Other than that provided on the Register, publicly available information on the procurement and contracting activities of the Acton Waterfront Project is limited.

Minister, as the minister responsible for procurement and procurement policy, why was this variation not notified?

Mr Steel: That is a question for the CRA and the minister responsible.

MR CAIN: Do you think that such an outcome—not notifying variations like this—is consistent with the policy that you set as Special Minister of State?

Mr Steel: I will hand over to the team at Procurement ACT to talk about what the policies are in relation to notifying on the contracts register.

Ms Mirzabegian: Thank you, Minister. I can say that under our Government Procurement Act the responsibility lies with the chief executive of each agency to ensure that their contracts which are considered to be notifiable, as well as variations which are considered to be notifiable under the Government Procurement Act, are notified within the time frames noted in that act.

MR CAIN: I guess my question is: as the one who sets the policy for whole-of-government procurement, what are you doing to monitor outcomes that are not consistent with this policy?

Mr Steel: Any recommendations that are made by the Auditor-General we will take into account, including through the current procurement reform project that is underway. We discussed yesterday, at length, the work that Procurement ACT does to support agencies in procurement decision-making, under the procurement act.

MR CAIN: Given that we have had three very critical reports on procurements in the territory, all at the same time as you having a policy framework in place, what is your actual role in ensuring that policy outcomes are achieved?

Mr Steel: We are undertaking a significant procurement reform project, which we have been talking about, which has a number of different initiatives that we are undertaking to implement recommendations from our self-initiated review, Auditor-General's recommendations and the Better Regulation Task Force. That is the work that is underway, it is substantial and it will take a number of years to implement.

MR CAIN: My point is that you may come back with a new suite of policies or reform policies, but it seems to me that you have no role to play in ensuring compliance with those policies. If a further review simply comes up with another set of policies, what can you say to the ACT community to give them comfort that your policies will actually be implemented?

Mr Steel: We have a substantial role through Procurement ACT in the compliance pyramid in education. That is the role that Procurement ACT is doing, and the implementation of the new accreditation framework will ensure that territory entities have the capability and skills to implement procurement decision-making under the framework that we have in place now and any improved framework in the future.

MR CAIN: How will you ensure that this improved framework will actually be implemented?

Mr Steel: Because we are currently in the process of implementing the procurement reform agenda, and we will continue to update the Assembly as we progress with those actions, many of which have already been completed.

THE CHAIR: Can you please acknowledge the privilege statement, Ms Mirzabegian?

Ms Mirzabegian: Pardon me; I acknowledge the privilege statement.

MR CAIN: Minister, as I mentioned yesterday, the Auditor-General stated:

Across the ACT public service in general, there is a lack of expertise or awareness of the appropriate policies and practices that should be followed in order to get good procurement outcomes.

The Auditor-General has described that there is a lack of expertise in the ACT public service, and that lack of expertise, not asking the right questions or lack of awareness of policy and procedures is the reason that good procurement outcomes are not being achieved. Minister, can you guarantee that your proposed ACT government procurement capability strategy will resolve these systemic cultural issues in the ACT public service, raised both by the Auditor-General and indeed by the Canberra Liberals?

Mr Steel: Yes, because we are implementing the recommendations that have come through from a number of those reviews. Procurement ACT is working on a significant reform program, which goes directly to enhancing the capability of the ACT public service in procurement.

MR CAIN: With this review that you are undertaking, do you intend to change the

connection between you, as the policy setter, and the directorates, as the outcome producers? Are you intending to review your actual role in ensuring policies are implemented?

Mr Steel: We have already undertaken a review, Mr Cain. We are in the action phase of implementing our recommendations from that review, which was self-initiated, the Renee Leon review, to Procurement ACT. I do not think it went to that specific matter. We, of course, are also interested in recommendations provided by the Auditor-General, and what we can do to further support agencies to build capability and expertise.

MR CAIN: Is there any change at all in your relationship as the policy setter and the outcomes that directorates produce?

Mr Steel: I will hand over to Procurement ACT to provide some further detail. Certainly, we will be working closely with agencies to support them in their procurement decision-making.

MR CAIN: What if those decisions are—

Mr Steel: We have not finished, Mr Cain.

Ms Mirzabegian: I can elaborate, Mr Cain. To understand the procurement framework, we have to appreciate that the head of each agency, under our financial management framework, is also responsible for the expenditures and other activities that occur in their agencies, which means that the Special Minister of State, as the minister responsible for procurement, does not have any powers to compel those agencies in the way that you are suggesting, or in the way that I understand you are suggesting.

What we are doing to reform is to uplift the capability of the public servant undertaking the procurement, as well as the capability of the delegate making decisions in relation to that procurement, such that the decision-making would be more robust and able to withstand scrutiny. That is how the reform is dealing with that aspect.

As to whether the minister can compel agencies or force them to apply or interpret the policy in a particular manner, that is not something that we have looked at yet.

MR CAIN: There would seem to be rather a gap in the system if you set the policies for all ACT government directorates and we are getting outcomes that are inconsistent with those policies. Are you saying that there is nothing you can do about that?

Mr Steel: No, there clearly is. There are recommendations that we are implementing. The Auditor-General undertakes performance audits of various aspects of procurement from time to time, so there is an accountability mechanism there for agencies, and that has clearly been used over the last few years.

MR CAIN: None of that gives me any confidence; thank you.

THE CHAIR: That is not a question, Mr Cain. We will draw this session to a close. On behalf of the committee, thank you, Minister Steel, and your officials, for your attendance today. There have been a couple of questions taken on notice; please provide answers to the committee secretary within five working days. The hearing is suspended until 10.30 am.

Hearing suspended from 10.15 to 10.31 am.

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 and Secure Local Jobs Registrar,
Workforce Capability and Governance

Noud, Mr Russell, Executive Group Manager, Whole of Government Industrial
Relations and Public Sector Employment

Wright, Mr Robert, Executive Group Manager, Corporate

Robinson, Mr Peter, Executive Branch Manager, Policy and Cabinet

Johnston, Ms Trish, Executive Group Manager, Communications and Engagement

Clapham, Mr David, Executive Branch Manager, Regional, Infrastructure,
Planning and Transport

Smyth, Mr Brendan, Commissioner for International Engagement

THE CHAIR: In the second session we will hear from the Chief Minister. Welcome, Minister Barr, and officials. Please be aware that the proceedings are being recorded and transcribed by Hansard and will be published. The proceedings are also being broadcast and webstreamed live.

When taking a question on notice, please clearly articulate that. It helps the committee secretary and witnesses to identify these in the transcript. Can I remind witnesses of the protections and privileges afforded by parliamentary privilege and draw your attention to the privilege statement? The first time that you speak, can you please confirm for the record that you understand the privilege implications of the statement? That would be great.

There are no opening statements. I will kick off with the first question. I have some questions about public sector standards. Can staff use public resources for personal use? Are they able to get discounts using ACT government provided services for venue hire and things like that?

Mr Barr: No. I think the application would be that, if a venue is available for commercial hire, it would be whatever the prevailing rate is for the general public.

THE CHAIR: Does it happen often?

Mr Barr: Do ACT government staff ever use an ACT government venue?

THE CHAIR: Yes. Is it something that you monitor, I suppose?

Mr Barr: I am not sure that we would keep a record. Given ACT government staff constitute one in 10 employed Canberrans, the chances are that there would be use of a government-owned venue. A number of them are available for hire, for birthdays, weddings or whatever.

MS ORR: There has been a lot recently about flexible work and different ways of working since the COVID pandemic. I note in the *State of the service report* that there is a little bit of information on continuing support for office-based public servants to work flexibly. Can you run through what the ACT public service is doing to achieve that?

Mr Barr: We certainly can.

Ms Leigh: I have read and understand the privilege statement. One of the few positives out of COVID has been some of the different ways that we have identified that we can operate as public servants, to be even more effective in terms of delivering our advice to ministers and our services to the community, while at the same time being a more desirable workplace, from the point of view of our employees.

That has particularly included flexible work. Our staff are able to have very flexible arrangements, according to the needs of the particular workplaces. Of course, some of our staff have roles that require them to be in a particular place at a particular time, and they need to be integrated with the rest of the workforce. We need to be very conscious of the breadth and nature of ACT public service employment.

In terms of office staff, there has been an opportunity to explore things that were always available, and to explore how viable they can be on a much large scale. During the peak of COVID, we had no choice but to tell everyone to go and work from home. That was a great experiment in seeing how well our systems can work when people are not all nine to five, side by side at their desks. It was a very positive experience. We have had excellent productivity and excellent feedback from staff, in terms of how well that has suited people in managing their personal and work lives.

We have been able to conduct most of our meetings via video. That gives us fantastic flexibility. Suddenly, it does not matter where you are, physically. You can be in your home office, you can be in another building, perhaps closer to where you live, or you could be at your own home, and fully engaging in those meetings. It gives staff a lot more flexibility, and it is delivering exactly what we need from a public service point of view.

MS ORR: With the feedback you have been getting from staff and management around the flexible working arrangements, what feedback are you getting, and what benefits are you starting to see from those?

Ms Leigh: One of the things that I have been really delighted with is that I have had a couple of unsolicited emails from staff saying, "Thank you; this is fantastic." It is a real opportunity for people to manage their work and personal lives. I hope all of our staff take advantage of that, to engage fully in family and other responsibilities. I do think that, particularly for women, it is women who still statistically bear a greater load, in terms of child care and domestic responsibilities. The emails I have had have been from women saying, "Thank you; it makes it possible for me to do the job I have." That is really important, because it is pretty horrifying to think there might be brilliant women who are being under-utilised and that our service is not getting the full benefit of what they could deliver, simply because we did not recognise the flexibilities that we could provide.

I am pleased to say that the ACT public service has now closed the gender pay gap. Not only do we have more than 50 per cent of our staff that are women, including at the senior executive level, and including our directors-general, who are 50 per cent women, but also the gender pay gap, for the last financial year, was 0.5 per cent. This financial year, to date, it is 0.1 per cent. I think that the flexibility we offer has a lot to do with that. I am really keen to make sure that we hold on to that advantage, and make sure that all of our staff are valued and know that we recognise that they have other commitments in their lives, and that we want to benefit from what they can deliver to the ACT public service and thus to the ACT community.

MS ORR: With that in mind, how do you anticipate building upon the great work you have been doing to increase women's participation within the ACT public service? You said that the gender pay gap has now closed; that is one great achievement that is under your belt. But you are getting feedback from women saying, "Actually, the flexible work arrangements help." There is still a need there; there is still opportunity there. What do you identify as the next bits to tackle?

Ms Leigh: First of all, we need to hang on to that. It was not just because of COVID. We have discovered that it is a positive way for us to work, and we must hold onto that. Secondly, we are doing additional things like having a family-friendly workspace in the new building at 220 London Circuit. That will help people. So when they do need to come into the office for a particular reason, if they have their children with them, there is a workspace there where they can bring their children, their children can be accommodated, they can get on with their work and meetings and they are right there where colleagues can meet with them in person if that is the nature of the task.

We also have a lot of training and development opportunities and policies. In a moment, I will get Dr West to go through some of that detail for you. I think also it is really important that we continue to talk about the success we have had in achieving equal representation of women across our service. I think it might be possible to be something if you cannot see it but it is certainly much harder. So just being able to be very clear that we have equality in our service, makes our service attractive to women to want to be a part of and to want to stay in our service. Retention rates are part of managing to continue to achieve that success. If it is okay, I might ask Dr West to talk in more detail about some of the things that we have done?

Dr West: I have read the privilege statement. As mentioned by the Head of Service the gender pay gap has closed significantly and we are holding that at a record low level for this jurisdiction and for any jurisdiction in the country.

Moving forward, we have a range of strategies being developed, in particular, to think about increasing women's representation in male dominated industries. That is a critical body of work we will be embarking upon over the next three or four years, with a pipeline of programs really embedding the flexible approach to work as has been mentioned beforehand, considering how flexibility can be offered to our entire workforce, including those who are in front-facing roles, what that means in terms of shift allocations and how we manage their work program.

On being an inclusive employer—and we have mentioned before the importance of inclusion as a higher order measure of how people feel safe in the workplace and can come to the workplace and contribute to it—there are a range of actions under the gender action strategy. As you will be well aware, we will be looking at implementing gender action plans for all large public sector entities and reporting on the progression of those plans in the next cycle of annual reporting documents. There is a range of work that has been built into the forward program that will look to take this further and also looking to embed what we have achieved.

In terms of the broader thinking around flexibility and how it supports, our staff spoke very clearly to us through our whole of service surveys around the level of autonomy, engagement and satisfaction they get because we trust them and we have put a focus on trusting staff to deliver their work. That has been replicated in some ground-breaking research we have just finished with ANZOG and the University of New South Wales which really focused on four key areas of findings for us, in terms of our approach to managing flexibility, managing hybrid workforce and also engagement with our workforce further. That was thinking about, how do we continue to enforce and evolve our thinking of what an outcome is? It is a really important thing not just for the public sector knowledge-base workforce but all workforce in terms of what we are doing, how we are doing it and how teams are working together, because hybrid and flexibility supports an individual's outcomes. We also need to ensure we are supporting teams and connection to the workplace and thinking through how we take that forward. There were a range of other outcomes through that study. That is available now in terms of what we want to do now is to position the jurisdiction as a leader in this field and supporting the good outcomes we have achieved to date.

MS ORR: You mention that you are looking at the male dominated workforces and how you could get better gender representation. Is that within the public service that you are looking?

Dr West: Yes.

MS ORR: Yes. So what sorts of areas would you be looking at as part of that?

Dr West: There are two areas where we still have some work to do. Some of the engineering areas have long been male dominated, so you will see through our results that Major Projects Canberra has a range of activities underway to attract women to the profession and retain them. Then also thinking about the health sector and how we ensure that women are progressing into jobs across the health sector and the system to all levels. So really thinking about industries where we see a predominance of male employees.

MS ORR: Yes. That is good. Because, I think back to the gender pay gap and while it is definitely no small achievement to have an overall level which has closed the gap, I remember in previous years we have had areas where some directorates have done better than others. Some have actually had women ahead of men and so forth. So, on average, it is great progress. My question is, are you looking at those areas where, outside of the headline, there is still room for improvement?

Dr West: Yes. Some of that will come down to the gender action strategy I mentioned earlier and the plans the directorates will be required to report on. Every directorate will be required to have a gender action plan and to consider what they are doing at a local level. In particular we will be looking at agencies where there are part segments within a workforce where it is male dominated and thinking about what can we do to attract and to build numbers and sustain those numbers in the workforce over a period of time.

So some of that work is the development stage at the moment. We are thinking through how we land that strategy and then work with directorates on their plans. What we are expecting to see within the directorate, given the nature of the directorates and the broad coverage across many roles, will be a need for specific focus in particular professional areas on an ongoing sense. We tend to call out engineering because we see it as a male dominated area. I know MPC is working very hard to attract and retain. They have some high-quality women in the organisation already but they are looking to do more. We are looking to do more through the pipelines of talent that are coming through as well.

MS ORR: Just the flexibility in the front-facing roles. Is there any indication you can give us on your preliminary thinking of how that could be achieved?

Dr West: There are two elements to that and I will refer to Mr Noud in a second. We are considering this matter through our current round of industrial bargaining and we are thinking about how we can support employees to achieve that. A lot of this is about encouraging staff and managers to engage or management to engage in a conversation to consider what shift patterns look like, what are the hours of work, what a roster looks like, to consider where we are delivering services, how we can embed as much flexibility for our staff into the way we deliver those services. I think that is best undertaken at a local level between staff and managers and teams. There is some work we will need to continue to do in that space. I might ask Mr Noud to expand.

Mr Noud: I acknowledge the privilege statement. Ms Orr, in respect of providing flexibility to frontline workers it is a very different thing than office space workers such as me. Of course the Fair Work Act that underpins our actions does not make that distinction. So what we are encouraging—through the agreement changes we are currently negotiating with unions and other bargaining parties, but also through our policy framework—is to facilitate a conversation between our managers and their employees to try and work through, well what options are available for a shift worker, or a paramedic, or whatever frontline worker you may care to choose, to be able to bring in some flexibility to their work.

There is no one size fits all for that. As Dr West said, it is a very bespoke approach. It is marvellous what can happen when you ask people to talk. That is what we are trying to achieve by asking people to sit down and look at alternatives, look at possibilities that could apply. Sometimes it just will not be possible. But there are a number of, if you like, vanilla solutions that you can do. You can job share. We are working with a number of unions at the moment on changing our roster patterns to allow for more flexibility or more family friendly work. That result is more holistic for a particular group of workers, as opposed to individually trying to take someone

out of a roster pattern and then trying to backfill them and all that are all practical difficulties that our directorates have to face on a day-to-day basis. Sometimes there is no alternative; sometimes there is, and that is what we are looking to try and work through, how that can happen when people request it.

THE CHAIR: Great, thank you.

MR DAVIS: I want to ask about innovation because that was a theme at the last annual report hearing where in the last *State of the service report* that survey of employees found 59 per cent reported their directorate or organisation as promoting innovation. So I had a look at this *State of the service report* and I can see that on page 10 there is a bit about innovation and in particular, the development of an innovation hub—an innovation centre, in fact. Can I get a little bit more information about the innovation centre and our aims with that?

Ms Leigh: That is one of the many things we are doing on innovation. It is a purpose-built space that facilitates staff coming together because of course one of the ways you achieve innovation is by bringing people together to learn from each other and to trigger ideas with each other. So having a purpose built space that is readily available for staff across its service to come together is one way we can facilitate that work. There has been a lot of demand for that space already. It has only recently become available and it is already being heavily booked, so that is a great sign there.

I will also mention, given that you have asked about innovation, our awards for the whole public service reflect our four values, one of which is innovation. There have been some fantastic examples this year in the nominations for our awards. We had about 40 nominations in the innovation category and every single one of those was a great story about the initiative that people bring to their role. Of course innovation is about our staff not just doing things the way they have always done them but feeling they have the license to raise new ways of doing things, to point out the ways things could be improved. Innovation does not have to change the world in one step. Innovation is about every single person seeing something that could be done better and feeling the license to raise that, propose it and to have that welcomed and acted upon. As I said, we had 40 nominations in the innovation category; every single one of them with great stories about our staff doing just that.

MR DAVIS: Can I ask in particular about staff feeling as though they have the license to say—I am paraphrasing you a bit here Ms Leigh so I apologise—“We have not been doing this well; we could do this differently.” What are some tangible examples you can point me to of where across the service leadership has tried to emphasise to staff at all levels across all directorates the ability to put their hand up and say, “I think we could do this better”?

Ms Leigh: One fantastic example is Mr Wright here, in the corporate area. Mr Wright established an innovation wall some time ago back when we all did come into the office and then moved that to a virtual wall. Every week when his area get together they talk about the things people have put up on the innovation wall this week. So that is a practical way of saying to staff, “It is welcome here, it is encouraged and it is actually applauded,” and the more that we do that, the more staff see that it is real and are able to step up.

I could also give you some examples of practical things that people have already done that demonstrate how we get great outcomes from this. I mentioned the innovation awards. Two of the ones that were awarded in the most recent awards, one of them was a long-term member of our ACT Parks and Conservation Service developed some innovative ideas and tools to create the right conditions for the reintroduction of lost species into the Mulligans Flat Woodland. Now that is a really significant outcome and that is an indication of a staff member thinking about how can we do things differently—what is going to actually achieve the right outcome here? And it is all about knowing what your outcome is and thinking about what is a different way, how can we achieve a better outcome, rather than this is the process that we have always followed.

In ACT Health, ACT Health launched Canberra Script this year, and that is a real time prescription monitoring program and it notifies health professionals of potentially harmful patterns of prescribing—again significant health benefits for our community from some innovative thinking from our own staff. So there are two great practical examples of it actually making a difference.

MR DAVIS: Okay. I am interested in that innovation wall. Do we have any examples where a staff member has placed an idea on the innovation wall and it changed policy or investment?

Ms Leigh: Mr Wright might be able to answer that.

Mr Wright: Thanks, Mr Davis. I have read and understood the privilege statement. The innovation wall is a really good example of people in the public sector, in the corporate environment. I often say that innovation in a public sector environment is not putting a Tesla into orbit; it is often about business process improvement, better client service and better ways of doing things. By putting those examples up on the innovation wall, we are showing we can do it, we are recognising the work people have done which is innovative but also encouraging other people to bring their own innovative ideas along. We have a range of different approaches to things. My area covers everything from HR related matters through the facilities and fleet. It is not often things people would say “That is the centre of innovation” but by making those changes and promulgating them we get better outcomes.

It is interesting in our staff survey results for CMTEDD in 2022 our results showed there had been a bit of a bump in terms of innovation in the industry averages. Against the benchmarks in those surveys, we are about three percentage points higher than the industry standard. We also have opportunities to further improve upon that. One of the things we have done with the staff survey is we have also looked at what action planning we can do following up from that and one of those areas is innovation and how do we do that? So we have done this—sorry, Mr Davis?

MR DAVIS: Can I just confirm, sorry, on the staff survey is that just a CMTEDD staff survey or a whole of service?

Mr Wright: The one I am referring to, Mr Davis, is the CMTEDD staff survey. There is of course the whole of government one as well. For that particular one, we did some

unpacking with focus groups on particular areas. One of those areas for action planning is around innovation and those workshops identified three key areas around what we could be looking to do better. These are: internal communications being central to the effective promotion and celebration of innovation, which is where things like the innovation wall really come into their own; COVID-19 being viewed as a major driver for innovation in all workplaces and looking at things like the flexi-hubs and the way we go about working; and that innovation can be encouraged and promoted every day by empowering staff to reassess how they do things. We are looking at developing an action plan to follow through on that which we will be looking to get out before the end of this calendar year—

MR DAVIS: I must apologise. I am reluctant to cut you off but my question was specifically can you point me to a tangible change of policy or investment based on a staff member putting an innovative idea on the innovation wall?

Mr Wright: Yes, yes, I definitely can. So one of the things that we have done which is quite different was around the way we did assurance within CMTEDD. Previously we did our audits and they were the primary methodology by which we assessed and looked after the ways that we did things to ensure best practice compliance. But audits in CMTEDD are conducted primarily by externals. There was a cost to that and there was a limit on the number we could get done within the course of a year. However, we have added a compliance assurance process which is done internally and which we have been able to work through and ensure we are able to touch on more areas to achieve better compliance and better integrity within the service. That is an internal staff member's idea we have recognised and we have acted upon.

MR DAVIS: Yes, great. Just a broad one probably for you, Ms Leigh. We talk about innovation a lot but in spite of the fact I have been here for two years, I still have not learnt to speak fluent public servant. So you will forgive me because it feels like a buzzword that people in the community struggle to relate to. The reason I bring up this example and what I am trying to drive home with you is that culture where people can push back on authority, can resist group think and can say there is a better way to get a dividend for ratepayers. Last time we spoke, that 59 per cent figure was during COVID which obviously was surprising because governments will say, ours included, "We innovated through COVID, yet only 59 per cent of people thought we were innovative." Do you have an ambition, a personal ambition, for where you would like to see that figure the next time we survey the whole service?

Ms Leigh: I would certainly like it to go up. Mr Davis, as I think I said last time, I think there are two factors to this. I think we all can constantly work to improve people's innovative proposals and having the licence to make them. You called it a buzzword and maybe you were right because I also think that people imagine innovation is putting a Tesla in space, as Mr Wright said, as opposed to, as I was saying before, innovation being about what we all do every day to think about how can we do this better. Whether that is a policy proposal and somebody is working hard to think about how to strengthen a particular policy situation or whether it is somebody on the front counter dealing with people coming in and thinking, "Gee, if we just reorganised the queues here it would be better for everyone." It is the things that people do every day in their work to get a better outcome for our community.

So I think one of the things we need to do to lift that percentage is to talk more about what we actually mean by innovation and that it is what every single one of us does every day. We do have a very motivated workforce who do get satisfaction from knowing that they are making a difference. So I am really confident our workforce is absolutely up for innovation and that we all need to keep encouraging people and show that it is a very welcome thing to do. I am confident across our service that is the case but we need to keep talking about it so people think about what they can do and to recognise what each other is doing.

MR DAVIS: My last question, just because I love specificity and I love a grab: as the boss of everyone in the public service, if an ACT public servant right now thinks there is a way that they could be doing their job better, their branch better, their whole directorate, saving money, delivering a better outcome, what would you, as their boss, tell them to do?

Ms Leigh: I would tell them to raise it immediately with their colleagues, their supervisor, at the next staff get together, the staff stand up, the staff branch meeting. Every work area has different arrangements but every work area has some arrangement where staff gather. To raise it with their colleagues and say, “Hey, how about we think about doing this this way? Would that be a good idea?”

One of the things I often say when I give chats to new staff at our induction courses or for our grads is “You have fresh eyes. Do not be afraid to make suggestions. Do not think that just because that is the way it is done there must be a good reason for it. While you have fresh eyes, speak up. People will welcome it.” So that is what I would say to everyone.

THE CHAIR: I have a quick question about the wellbeing framework. On the cost of living page on the Wellbeing Framework website, the CPI data does not appear to have been updated since 2020. I am just wondering when we can expect to see that updated to reflect 2022 figures.

Mr Barr: Yes, there will be periodic updates with data sets. Obviously CPI is a quarterly indicator and the data is reported on the Treasury website and is available for the most up to date but it is obviously frequently adjusted. We will, I am sure, be able to update the broader data set on the Wellbeing Framework website. But Mr Robinson might be able to comment a little further on broader data updates on the wellbeing index website.

Mr Robinson: Thank you, Chief Minister. I have read and acknowledge the privilege statement. We launched our first dashboard in April 2020-21, so last year and in the framework we launched in March 2020 we made a commitment to update the dashboard and report data on a two-yearly cycle. The purpose of the dashboard is in essence to look at progress over time and over the longer term. It was interesting that the day we launched the framework was the day of the first COVID case in the ACT. I think from that date the focus on data has changed from very much a long-term focus but with COVID to very much a short term focus and so there is the question of how often will we update.

We are intending to update the dashboard. We are in fact now commencing an update

process for the dashboard into 2023. Ideally in time we would like to make the dashboard a live dashboard so that it refreshes itself as relevant data become available. At the moment it is not that. The commitment in the framework was a two yearly cycle for data and we are about to commence that process of refreshing now.

As the Chief Minister said, the range of data we use is available in other forms and in other websites and so on within ACT. We use the University of Canberra Living Well in the Region Survey for a number of our measures and they report also on those areas that are relevant to our dashboard.

THE CHAIR: So just so I understand, April 2021?

Mr Robinson: Was the release of the dashboard.

THE CHAIR: Was the first. So two years from that. So we are not expecting an update really until April 2023.

Mr Robinson: Yes. We are starting a process now of updating, and one of the things we will look at is whether we do a complete refresh of the 100 measures at a time or depending on the cycles of data, maybe do periodic updates so that it spreads the updating process but also then allows data to become available at the earliest opportunity.

THE CHAIR: You said it may turn into a live reporting; when do you expect that sort of thing would be implemented?

Mr Robinson: I would not like to commit in terms of timing. It depends on broader issues around data and data collection. For that to happen, it is not only an issue for the service itself in terms of what we do but various data custodians need to engage in that process as well and they, being external, would need to be a party to that. So they are the conversations we want to have but ideally it would be good if we had one and it was able to refresh as data became available.

THE CHAIR: So it will stay a manual process, updated every two years, for the website as we see it now?

Mr Robinson: That is what we committed to back in 2020, yes.

THE CHAIR: Okay. Thank you.

MS ORR: Back to the ACT Public Service, what is the public service doing to promote diversity and inclusion?

Ms Leigh: Thank you, Ms Orr. Of course, making sure our workplaces have complete representation of all of the different members of our community is incredibly important to ensure we have the best possible public service. If we do not have the full engagement of all cohorts in our community, we are missing out on some great performers for our public service. It is also incredibly important because if we are going to serve the ACT community, how can we do that well if we are not representative of our whole community?

We have this year increased the number of measures we have taken to improve that diversity. We have increased, set ourselves new goals for both Aboriginal and Torres Strait Islander employment and for employment of people with disabilities. We have increased those percentage goals going ahead so we are continuing to stretch ourselves to improve our performance.

We have done a complete review of our Respect, Equity and Diversity Framework. That framework had been in place for some time and it was a very important and successful framework. We have a respect equity and diversity champion for the whole of the public service and we also have contact officers across the whole of the service. We have done a complete review of that to make sure that again we are continuing to lift our expectations and to strive for even better performance. We have identified a number of things there we want to strengthen further, like data collection and education and awareness. So we are going to continue to strengthen the already quite strong tools available in those areas. I will ask Dr West to talk in more detail about some of the current measures and some of the measures that we are planning to take.

Dr West: Over the last 12 months, and probably longer, we have taken a very deep dive into the Respect, Equity and Diversity Framework review. We have identified a range of future actions that Ms Leigh has spoken about. In part, we are rethinking what our strategy will be over the next four years. We have received some funding to support that strategy. We are thinking about the education resources across the service so that, where we build a strategy, when we evaluate the strategy and we determine good results, that is shared across the service, and replicated quickly and with expediency.

We are very much looking at targeted programs for particular diversity groups—Aboriginal and Torres Strait Islander. We are thinking about vocational entry programs, and male-dominated industries, as we spoke about earlier today. For cultural and linguistic background, we are thinking about mentorship and ways of promoting and supporting people to reach more senior levels of government, into the SES and so forth.

We have a range of programs that we are embarking on. With our entry-level programs, we are also very mindful of looking at the statistics regarding people who are applying for our entry-level programs. We have very strong representation in CALD, and disability groups as well, coming into service at an entry level; then, as I mentioned, we are looking at how we manage it through career and to the senior-most levels of the public service.

MS ORR: You mentioned that you have increased the Aboriginal and Torres Strait Islander and disability targets. What have you increased those from and to?

Dr West: The overall whole-of-government target has increased to three per cent from two per cent. That is an overall target. Some directorates have much higher rates of participation than that, but we saw that as a stretch target. In the disability space, we have increased it from 3.1 per cent—which seems like a strange number—to five per cent by 2026. We will be measuring our movement towards those goals over the next couple of years, informed by these strategies and actions that we have spoken

about before.

MS ORR: Can you provide an update on the public service graduate program, particularly in the context of inclusion and diversity, and how the graduate program is supporting these goals and strategies that you have put out?

Dr West: The whole-of-government graduate program continues to grow and strengthen. Over the last year, we have had great success in attracting and retaining. This year we look like having 100 per cent of the graduates who entered the program graduating, which is fantastic. In the previous year, we did not achieve that, notably, because a couple of people were promoted to higher level positions before they had finished their program.

The graduate entry program for 2023 will be our largest ever across the service. In the central program, nearly 100 new grads are being employed. In terms of innovation and other options that we have embedded, we also have a talent management or talent program. We have made offers far in excess of the 100 positions we have, with a view that we will create a talent bank of graduates that we will be able to place into vacancies as they become available.

I would like also to stop and reflect that the entry-level program is much more than just a central one. We have 94 doctors, for example, that entered the CHS, over 200 teachers that entered the education system, hundreds of nurses, and paramedics. The actual overall entry program is in excess of 500 or 600 people every year coming into the service at those levels.

In terms of diversity, for the 2022 program, we had an intake that represented cultural and linguistic diversity at 26 per cent of the cohort; LGBTIQ+ at 18 per cent; persons with a disability at 14 per cent; and for former ADF members it is also trending at one per cent, which is another target area of ours. Our numbers for 2023, because we are still finalising offers—obviously, we will know how many people walk in the door sometime in January—continue to grow or hold. Cultural and linguistic diversity is above 25 per cent again; LGBTIQ+ again is in the teens, the high teens, at the moment. Pleasingly, we have Aboriginal and Torres Strait Islander people who have accepted positions, which is a great uplift from previous years, into the graduate program; and for people with a disability it is also remaining very high.

I will be able to give you firm data next year, when all of the graduates walk in the door. It is a very competitive marketplace at the moment. What is really pleasing for us in this program is that we have held our attractiveness. We have worked hard on our value proposition, in selling the public service to prospective graduates, locally and nationally. Our application numbers have remained high, and the quality is fantastic as well.

We have modified that program over the last little while to streamline it. We do a lot more behavioural testing, a lot of online testing, which supports people from a diverse background. One of the big indicators we have had from grads, particularly graduates with a disability, was that being able to do everything online was a massive tick for the ACT, in terms of the attraction and what we were signalling to them that they meant to us.

MS ORR: I will come back to disability, but with the graduate program, are you also looking at the ways you can strengthen the vocational employment program as a feeder for getting the diversity and inclusion targets?

Dr West: Yes, absolutely. We have just finalised a review of the vocational education program. In the last year I think we had 10 Aboriginal and Torres Strait Islander employees graduate through that program, and a number of employees with a disability. We are about to relaunch that program for another intake going forward. We were slightly delayed through COVID. There were some commencement starts that we had to manage for the program, but our evaluation has demonstrated that it is a great entry-level program. Of course, other directorates across the service have internships and a whole range of other ways of reaching out to people to encourage them to think about the service, either as an apprentice or just experiencing work across the public sector.

MS ORR: On the supports you are doing for disability employment, what thinking are you putting into responding to a range of disabilities and making sure that you are providing opportunities across the broad field, and is there potential for it to be unlocked?

Dr West: We have piloted a neurodiversity program. That is certainly one area where there is potentially much more benefit and opportunity to move into. We have done that very carefully and slowly, because all neurodiversity programs require a level of support and engagement by the employee, the staff member, and supports around the employee. The results locally, and certainly in other jurisdictions, have been very strong in that area. I suspect we will look to grow that program as we go forward.

For anyone with a disability, I will go back to that inclusion indicator that we are embedding in our future whole-of-government service. The things that they have said to us in the past have been about ensuring that the physical environment is supportive, and ensuring that they feel included. We will continue to do that, and advocate and promote that to potential employees as something that is at the centre of our employment offer.

THE CHAIR: I have a question on inclusion. It might have been a year ago, or possibly the one before, when the ACT Aboriginal and Torres Strait Islander Elected Body highlighted, in a briefing note, an FOI, systemic racism in the ACT public service. What actions came out of that at that point and how, a year and a half later, are things going with regard to that systemic racism that they were very concerned about?

Ms Leigh: Ms Castley, one of the things that I am very proud that we are in the process of finalising at the moment is the creation of a whole-of-service cultural adviser position. In CMTEDD, for a number of years, we have had a cultural adviser position at the senior executive level, to bring together our Aboriginal and Torres Strait Islander staff, to advise senior staff on cultural matters and to constantly challenge us to lift our performance in our cultural understanding.

That program has been extremely successful. As a result I have created a whole-of-

service cultural adviser role. We are in the process of finalising the appointment in that area. In addition, in Dr West's area, we have created a cultural transformation branch. We are in the process of recruiting, to a senior executive position, an Aboriginal or Torres Strait Islander public servant to lead that branch.

These are very concrete steps we can take to both demonstrate to all of our staff how significant we consider this issue to be and how much importance we place on it, and get the practical benefit of the advice of the staff in those areas.

THE CHAIR: So it has taken a couple of years to get that team set up; how big do you expect that the team will be?

Ms Leigh: I will ask Dr West to talk in more detail about the branch.

Dr West: Building on what Ms Leigh said, with the cultural adviser role, there will be two cultural adviser roles that will be announced shortly. That will give us, say, breadth and scope to provide advice and engage both senior people and staff across the service, and building off that very strong model.

With the cultural transformation branch, once appointed, we imagine that there will be a relatively small team of five to seven people employed. That will look deeply into matters impacting Aboriginal and Torres Strait Islander employees, as well as beyond that group. The intent is not just to focus there but to think about everyone who works for the ACT public service and issues that they might confront in their day-to-day work. It is about looking at it from a deeper, systemic point of view, in terms of good data, good evaluation, and responding to that story.

We have also invested in, and are supporting, professional research. We have a staff member who is engaged in a professional doctorate, being supported by ANZSOG and the ANU. That is looking at exploring issues around systemic racism and what that might mean in the ACT public service, and truly getting underneath the highlighted issue. People mention it, but when we unpack it, it is about giving thought to what it is that we are dealing with and how we will respond to that in time.

It is also worth noting that our whole-of-government survey of Aboriginal and Torres Strait Islander employees did identify high levels of engagement in and commitment to their work and a really strong belief in their work. They also spoke to us about the fact that they found their work really taxing on them personally. Some of that is a cultural load that members of the community experience, and we need to continue to be alert to that.

We had very strong support and response, and it will be great to test that, when we have run the next survey. Also, the establishment of the branch will help to take these matters forward.

THE CHAIR: When is that next survey? That will be part of your measure of success with the new cultural advisory group. It has been a while. Have you heard concrete evidence yet that this is starting to help that group feel that the systemic racism has got better?

Dr West: It is a good question; I will answer it in two parts. With the whole-of-government survey, we are running that every two years. That is scheduled to run towards the end of March next year. That will give us our next set of data. In that survey, we will include many of the questions that we asked last time, so that we have a comparison, and also consider other questions we might introduce in this space and others.

There are many issues that we need to continuously unpack in this space for our staff. With respect to ensuring that they feel supported, the two roles that Ms Leigh has spoken about are real highlights, and points that staff can look to, go to and be supported by, through the supports that are created by both the culture adviser role in Chief Minister's and the two new roles that we are creating.

This is on top of what directorates are doing. Directorates have their own support networks. They have their own reconciliation action plans in place, as the Chief Minister's directorate does. There is a lot of work going on. With respect to what we will probably look to do, what came out of the review that we did was to think about all of the activities that we had and make sure we were evaluating them, and focus on the ones that we think will make a great difference.

Across many jurisdictions, we can often get caught in lots of actions. Actions look great, but we want to see measurable improvements. To do that, it is about constructing them, evaluating them and thinking hard about what impact it is having.

There is stuff happening at a directorate level and there is stuff happening at a whole-of-government level. I think the combination of those will help to continue to improve and to understand what people actually mean. These are strong, powerful words, and emotive words. Sometimes it means very different things from very different angles of the world.

MR DAVIS: Dr West, when you talk about concrete things that we could do to support Aboriginal and Torres Strait Islander people, and culturally and linguistically diverse people, the current median salary of an Aboriginal and Torres Strait Islander employee is \$89,267, behind the ACT public service average of \$95,834. Similarly, culturally and linguistically diverse employees have a median of \$88,538—again, below the ACT public service average. Is one of the most obvious ways we could support culturally diverse people paying them more?

Mr Barr: I would make the observation—I know this question was asked in question time—that we have recently undertaken a large insourcing of a culturally and linguistically dominated workforce in cleaning, in Education. The impact of bringing in a large number of lower paid workers has obviously had an impact on the average figures within the totality of the public service.

There will always be a significant diversity of roles within the ACT public sector. Obviously, there will be a disparity in pay levels, reflecting the skill levels of the particular role. It might be useful in future state of the service reports, as we have more data available, to give a greater comparison around like jobs, rather than just an average across the entire service. That is a further layer of information that will be useful, both to guide future policy and to ensure that there are not areas being

overlooked as a result of an averaging approach occurring. That is definitely a factor as it relates to culturally and linguistically diverse.

In relation to Aboriginal and Torres Strait Islander, I suspect also that there are some impacts of a graduate and ranger program that we have recently adopted. Again, the pay levels for some of those positions are not as high as others. That is not to suggest that there is a difference in pay levels based on the ethnic background of the individual.

I think there are reasons for this. As our recruitment and the size of the service grow, we will be able to provide more statistically significant data to ensure, as I say, that the issues—I think they are legitimately raised—give a fair comparison amongst job types within a very diverse employment base.

I do not think there is an employer in Australia who has a wider range of employment occupations than the ACT government, because of our combination of municipal and state-level services. We are in the middle of EBA negotiations and there are more employment categories and classifications in our EBAs than in almost any other employer in Australia.

MR DAVIS: Chief Minister, would you like to give us an update on how the enterprise bargaining negotiations are going?

Mr Barr: They are well advanced. I might invite Mr Noud, who is leading these negotiations for the government, to provide some information on how many meetings he has already had. There is, obviously, a significant element of detail around the clause by clause of the enterprise agreement. There are a range of other issues that are of particular interest to the workforce; namely, the pay offer component of the total enterprise agreement. Mr Noud, over to you.

Mr Noud: Thank you for your question, Mr Davis. We issued the notice of employee representational rights at the end of February, early March—over a fortnight period then. That is the Fair Work Commission trigger to formally say to our employees and the unions that we are now bargaining.

We started formally meeting with unions and non-union bargaining representatives in the last week of May. We have met fortnightly since that time, two days in each fortnight. Each of those days is generally a very full day. We are still bargaining. The agreements that we are replacing have expired at various times; most expired on 31 October. The teachers' one expired at the end of September; the nurses' one expires at the end of December; and the firefighters' one is in May 2024, so they are out of sync.

We are getting to the business end of things. I believe that we are not a long way off settling the common core. We have been able to achieve, through the common core, a great many changes which we believe will benefit the service. A lot of that picks up on the comments made by the Head of Service, the Chief Minister and Dr West earlier, in response to your questions and Ms Orr's questions on flexible work.

We have been able to learn from COVID. There is not much good that came out of COVID, but some of it is that we have learned very quickly to adapt and to build

systems that allow us to respond. We have built new systems into the agreements which will allow us to bring teams together, be it to respond to COVID, to bushfires—hopefully not—or to any other crisis that emerges.

We have been working through our leave provisions. We always have a lot of work on our leave. There are a lot of different leave types, as you would expect, and it is always an emerging field. We are considering, at the moment, very new leave types, like menstruation leave. We are embedding disability leave, which we brought through in the last agreement. We are building systems to make sure that works.

We are working through allowances. In our blue-collar workforce, a big part of their income comes from allowances that sit on top of the standard salary. They tend to be what we call disability allowances that compensate for working in dirty, unsanitary or different types of conditions.

We have done a lot of work in Mr McPhee's space, on misconduct. Our joint aim, with the unions and non-union representatives, is to speed up that process. When people are subjected to a misconduct process, a slow process does not help anyone. Also, we have to maintain and ensure that it is a fair process, and that it is procedurally fair. We have to balance those two competing interests. We have done a lot of work, as I say, in that space, to speed up the process.

I mentioned flexible work. We have done a lot of work on hours of work—how we recognise hours of work in the enterprise agreements. We have rebuilt our flex-time system. Again, this is aimed at giving time back to our workers where they build excess hours.

We still have some work to go. We have some minor areas in which we need to do some tweaking. Our ARINs is one area that we will come back to.

Mr Barr: You might want to explain the acronym.

Mr Noud: Attraction and retention incentives. That is where—

MR DAVIS: I knew that, but I appreciate that it is for the benefit of the room.

THE CHAIR: I did not; thank you.

Mr Barr: Not everyone does. If you think there is a public service language, there is also an industrial relations language, with its own set of acronyms.

Mr Noud: The government is currently working through wage options, as you would expect. The government would hope to make a competitive offer at some stage soon.

MR DAVIS: This one is probably for you, Chief Minister, as the Treasurer. I ask this, although it will sound spicy. I do not mean it to be spicy, I promise. Instinctively, I think that nothing is too good for the working class; pay them what they are asking for. But, in doing a back-of-an-envelope calculation, when I look at every single union's demands and every single workforce demand, it shows that it would bankrupt the territory, if you gave everybody what they wanted. I appreciate that the CBA

negotiation sits at arm's length, but, ultimately, as Treasurer, you decide the funding envelope—how much the territory has to negotiate with its workers.

How do you prioritise some of those decisions, when nobody is going to get what they want? Are you looking at gender and cultural balance? Are you looking at the lowest paid workers first? Are you looking at targeting areas where there are workforce shortages and recruitment challenges? Where, when you are making difficult decisions like this, and there are a lot of competing priorities, do you prioritise the funding envelope—without pre-empting, of course, the outcome of negotiations?

Mr Barr: An excellent question; not spicy. I appreciate the intent of the question. Some of those deliberations and decisions that the government has made will become very apparent in the context of the offer that we will make. Once that is released, I think you will see that, with the list that you have outlined, we have endeavoured to address it.

We are conscious of that full spectrum of issues and a number of others, including how like positions compare with other state and territory pay rates, and noting that in some areas of the ACT public sector our direct competitor is the commonwealth, and the pay and conditions that are available at a commonwealth level all impact.

To go to your initial observation, this is the single biggest fiscal decision that the government makes. Our employees' wages, salaries and superannuation represent more than half of the territory's budget. The decision that is made here has implications for every single area of service delivery and the territory's capacity to return to a balanced budget. Equally, I refer to our capacity to attract, recruit and retain staff across a range of essential service delivery areas. It is, without doubt, the biggest challenge of each EBA round. There is no single decision in any budget process bigger than this one.

We have a cabinet subcommittee, an enterprise bargaining subcommittee, that comprises the members of the expenditure review committee and Minister Gentleman, in his role as minister for workplace relations, industrial relations. That committee meets regularly. The ERC meets both separately and together with the enterprise bargaining committee to establish a negotiating position for the government. I, as Treasurer, have had experience—I have done a few EBAs now, in my career. We have, as good practice budgeting, set aside a provision for future wage growth, with a view that that is clearly going to happen.

I will contrast this with other governments in the territory's history, who made their bottom line look better by putting, for example, only a one per cent wage growth provision into the forward estimates. That is 20 years old now, that legacy that was inherited, and I am probably the only one in this place who remembers it, given my length of service here.

That is one approach. You can make your bottom line look better by assuming that there will be almost no wage growth into the future. As that constitutes 50 per cent of your expense, that is one way to make your bottom line look better. But it belies the reality that wage increases are more than one per cent in any economic circumstance. We know we are in a period now of higher inflation. There is no doubt that the offer

the government will put forward will be higher than the offer we put forward in the last bargaining round.

What we have to manage is the affordability of that for the territory. In the end, our wages bill is the sum total of the total number of employees we have and how much each of them is paid. Effectively managing this outcome should not require us to reduce the number of employees we have. That is a key metric for me; I am not seeking to pay for the pay increase of our workforce by reducing the size of the workforce. That discipline is also there, but that necessarily limits the extent of pay increases.

You are absolutely right; if we just agree to every claim, yes, the territory's wages bill would explode to a point that would either require a massive—and I mean massive—increase in taxation or a very significant reduction in the size of the ACT public service.

In the end, our EBA outcome tends to be a series of compromises across those questions—size of the total number of public servants, the level of pay, and how that fits within the fiscal envelope that we set.

MR DAVIS: I have two clarifying questions. You gave the comparison to a former territory government that had a one per cent wage increase in their budget; how much is accommodated for in our budget?

Mr Barr: Obviously, there is a degree of sensitivity about revealing the exact level of that provision, but I can assure the committee, and you would see from the forward expense growth lines, that the provision we have set aside is considerably more than one per cent.

MR DAVIS: Given that that historical context in the territory was more than 20 years ago, I have no doubt that, as Treasurer, you look at the budgets released by other subnational governments. How does what we have put aside for expected wage growth compare and contrast to other states and territories?

Mr Barr: From my reading of the assumptions contained in the forward estimates of other states and territories, in their desire to present a better set of forward estimates, I think there have been some rather heroic assumptions about the rate of expenditure growth in other jurisdictions that would belie their enterprise bargaining positions, as I have now seen them released.

There are a number of jurisdictions that are in whole of public service EBAs, enterprise bargaining arrangements, or bargaining at this point. Offers have varied, in the 2½ to four per cent range, it would seem, across the states and territories. Given that I am fairly certain that, for every state and territory budget, roughly half of the budget is the wages and salaries and superannuation of their workforce—this is the case at the state and territory level—for their forward estimates to be believed, they would need to have not particularly high levels of wage outcomes.

Obviously, only time will tell on that question. But there has been some public commentary, in at least one weekly newspaper or magazine, suggesting that the ACT

is the only state or territory, in its forward estimates, that is not projecting a return to surplus. I would argue one of the reasons that we are not doing that is because we have made a provision for future wage growth that is realistic. In other jurisdictions, it would seem, perhaps it is a little less so, but only time will tell on that question.

MR DAVIS: Again, because I like specificity and clarification: surely, in the context of the cost of living crisis and rising inflation, governments should, when forced to pick, prioritise wage growth over a balanced budget, or over a request for surplus. Would that be your view?

Mr Barr: Certainly, I have been clear in public statements, including in response to a question nearly as specific as this one at the state of the territory address to the Canberra Business Chamber last week, that economic policy and budgeting are not just the pursuit of a surplus. I am not a surplus fetish guy. That is not my reason for being Treasurer. There is much more to the job than simply the budget bottom line at any given point. Equally, though, you cannot run deficits forever. At a subnational government level, we do not have our own currency, so we cannot undertake modern monetary theory and simply seek to print more of our own currency. That fuels inflation, anyway.

There are constraints that I am balancing, as Treasurer, and the ERC is balancing a range of competing priorities. I think you will see the values of the government on display in the offer that we make that picks up on some of your initial line of questioning about which areas we are prioritising. But we need to do so within a fiscal framework that is manageable.

What I am not looking for in this enterprise round is for the structural position of the territory budget to worsen. I do not need this EBA round to be a correction in the structural position of the budget, so I am not looking to achieve a surplus via a tough-as-nails EBA round. Equally, I will not worsen the territory's fiscal position as a result of bargaining. That is the balance and they are the parameters that we are looking to manage this within.

THE CHAIR: For my clarification, inflation is seven per cent and, given a real wage increase, what would that look like? Is that what we are talking about?

Mr Barr: It would be impossible to deliver a real wage increase to every single public servant in the ACT, in the current environment, in a single year. But over the life of an agreement, which is often up to four years, it may well be possible to do that. Of course, that will depend a lot on where inflation is in 2024, 2025 and 2026, given that this agreement would likely commence in 2023 and could run for four years.

We need to be conscious of where inflation is now, and there are things that we can do in the short term to assist, and there are particular sections of our workforce that would benefit most from cost of living assistance through the enterprise bargaining arrangements. We are very conscious of that. Again, we will release more detail on the government offer in the not-too-distant future.

THE CHAIR: Months?

Mr Barr: No, weeks; possibly days.

THE CHAIR: I have a question about Think Garden. Chief Minister, has Mr Patrick Hollingworth, or anyone from Think Garden, been hired by Chief Minister, Treasury and Economic Development Directorate through any vehicle, either directly or indirectly, at any stage over the last five years? The reason I specify any vehicle is that it is often not clear on the contracts register who the owners of companies are.

Mr Barr: Not that I am aware of, but we will check that. I am certainly aware of the contract that has been talked about in relation to the Canberra Institute of Technology. Within this directorate, I do not believe so, but we will double-check that.

THE CHAIR: Take that one on notice?

Mr Barr: Yes.

THE CHAIR: Thank you.

Mr Barr: I think that the answer is no, but I will absolutely confirm that.

MS ORR: On communication and community engagement, which you talk about on page 50 of volume 1 of the annual report, can you run through some of the stuff that the government is doing to innovate and improve communication and the communication that is undertaken with the community?

Mr Barr: I certainly can. We are aiming to do a lot in this area, as a reflection of the diversity of ways that the community wishes to receive information and the ways that the community sources information. A lot has changed. We now have a more concentrated ownership of media but a much diminished audience. If, at one point, the readership of daily newspapers and the viewership of broadcast free-to-air television were the dominant ways that people accessed information, that has changed dramatically. Not only have those businesses had to evolve, but there are now more ways that people access information, and that has necessitated a change in the way government communicates.

A lot of that diversity needs to reflect generational changes and preferences. I suspect that, as a gen Xer, I am possibly amongst the last generation who still has a connection to printed newspapers and watching particular news broadcasts at a specified time.

MS ORR: Let *Hansard* note that everyone behind you is laughing, Chief Minister!

Mr Barr: Yes, indeed; I am sure they are. And even I am moving away from those previous habits. It is very clear that younger generations will want access to information in a very different way. I have been struck at times by the very clear demographic data. For example, with the audience for the 7 pm ABC news, the average age is well into their 60s now. Younger people access news in a different way. The audience for AM radio stations is predominantly older, too. All of this necessitates a change in the way communications occur.

I am conscious that the single largest demographic in Canberra, by a long way now, are the millennials; 25 to 39-year-olds constitute one-quarter of our city's population and are a significantly larger cohort than baby boomers—and a significantly larger cohort than my own generation X. Millennials and younger are demanding a different way of engaging with government.

We have had to think about that. Trish has been leading that work for the government, and I will now hand over to her to talk a little about the work that is underway.

Ms Johnston: As the Chief Minister mentioned, we are always looking at ways that citizens want to be communicated with, and how we can improve the experience of the citizen as one government with one voice, so that we do not rely on them understanding how directorates are structured and things like that, and they can find the information they need in a timely and straightforward way.

When we do surveys of citizens using our Your Say panel, they constantly tell us how they prefer to receive our government information. That is through Our Canberra, both the print and the digital versions, through our websites and through our social media channels.

In relation to our websites, we have a rather large consolidation program going on at the moment to improve the digital experience. That includes reducing the number of websites that there are to make it much more straightforward to find our information. It also includes reviewing the user experience of our websites, the quality of the content that we have on there and putting in some parameters.

We talked earlier about culturally and linguistically diverse audiences, Aboriginal and Torres Strait Islander audiences and doing what we can in those websites to make information more accessible to those groups as well. We are also constantly looking at new ways on our social media channels. The millennials do follow us on Facebook, and we are getting much more traction on Instagram as well, by employing new techniques for younger audiences. I am also generation X, so I am probably not one of the right people to talk about this, but we are using more reels, less videos and things like that. That is going really well.

We are also doing things like the Everyday Climate Choices. When we look at a policy issue that covers many directorates across the ACT government, it is about finding a single source of truth for people, such as the Everyday Climate Choices website, which pulls together the information from across government. We are looking at the way that people engage with us in the Your Say conversations. Historically, engagements have been submissions based, which is fine for stakeholder groups, but probably does not meet the mark for citizenry in terms of the way that they would like to engage with us. We are trying to innovate those ways, working across the ACT public service.

We are looking at our emergency responses. We have had a few reviews. We have had the storm cell inquiry by the Assembly, and some review of the COVID-19 response. We are looking at what we need to do there to make sure that we are targeting culturally and linguistically diverse groups as well.

We also have a coordinated communications network in the ACT government where we share information across directorates on best practice in communications. We are currently looking at the way that we develop our advertising campaigns and trying to embed some best practice approaches there, which are really evidence based. We want to understand, from the community's perspective, what it is and how we can most effectively communicate with them on any specific topics.

Going to Ms Leigh's earlier discussion about innovation, we are looking at the small and impactful changes that we can make to the systems that are already in place to improve the experience of the ACT citizen when they are trying to find information about policies and programs from the ACT government.

MS ORR: Ms Johnston, you mentioned the websites; would you be considering something along the lines of harmonising websites and bringing them into one particular website?

Ms Johnston: The research we have done so far says that people are looking for quite different things when they are going to do a transaction with us than they are when they want information about a policy from us. I do not necessarily see a time when we would have one website, but we could certainly consolidate down a lot. Obviously, Access Canberra is one of the most critical interactions that we have with the community. That is the first port of call in terms of the web consolidation. Yes, we will be looking to significantly reduce the number. There are over 130 websites at the moment. I do not think that we will get down to one, but we will get down to less than 10; that is my goal.

MR DAVIS: We had a motion in the Assembly recently which discussed the merits of the Our Canberra newsletter. I am interested in picking up your point about that rising rate of millennials in Canberra relative to the amount of money that we spend to speak overwhelmingly to a certain demographic of Canberrans about what government services and delivery look like. Would you say that there is parity in the amount of money that the government spends to talk to younger Canberrans compared to the amount of money that the government spends to talk to predominantly older Canberrans?

Mr Barr: I think there was a significant disparity previously, and I have been working for 15 years to correct it. You do not just shift it in one year. It is like the demography of the city; it is a year by year journey of change. It has been and will continue to be. For a quarter of Canberrans, the printed version of the Our Canberra newsletter is still their preferred method. I think that will remain; that percentage might reduce a little over time, but we are in a phase at the moment where it is effectively a hybrid model. What is happening is that, as the years go by, the level of digital and other engagement is only going in one direction, and that is up. The level of 20th century communications is only going in one direction, and that is down. But we are not yet at a point where you would eliminate one and throw everything into the other. It is a transition, as each year has gone by.

I have been in this place for 16 years. Before the advent of a great degree of technology, if you were out of Canberra, you would have to wait to get back to read a printed copy of the *Canberra Times*. I recall, at the start of my career, you would get

the paper on your front lawn. If I was away for a week, one of the tasks I would have to encounter whenever I came back was to read a week's worth of the printed *Canberra Times*. Now, it does not matter where I am; it is coming at me every hour. It is always there.

Similarly, previously you could not live-stream radio stations. Once you were outside the broadcast footprint, that was it. Now, if you choose to, wherever you are, you can listen to your Canberra radio station of choice over the internet. There are a range of things that have changed dramatically—social media and the like. They are good and bad, and the platforms themselves evolve and change over time. I think there is a lot of concern about what is about to happen at Twitter, and the sort of environment that it will be in. The government may need to review its engagement in that platform, depending on where Mr Musk takes it, following his takeover.

There are other platforms and new ones that emerge, so there is a constant question of balancing where the audience is with what might evolve in the social media space, for example. I note a lot of the legacy and traditional media are also rapidly reinventing themselves. The ability to stream material to watch later, to watch at a time of your choice, is all fundamentally changing the nature of communications.

I would sum it up by saying that we are on a journey of gradual evolution rather than a radical revolution. I have talked about this for most of my career, seeing that this was coming, and it will keep changing, year on year.

MR DAVIS: To quell my own personal anxiety, Chief Minister, I have not just wasted \$10,000 on letterboxing every house in Tuggeranong, have I?

Mr Barr: The evidence is that a fair amount of that will end up in a recycling bin unread. I am sorry, but—

MR DAVIS: I will try not to take that personally.

Mr Barr: that is not just you, Mr Davis; that would be anyone. There will be a portion of the community for whom something in their letterbox is an unusual thing. I do not know how many letters you receive now, as opposed to emails. Certainly, in the world of commerce and business, you used to get a lot of stuff. You would get your bills and a whole bunch of things in the mail; now you have the option to have it emailed, and it is quicker and more efficient, but it does not suit everyone.

For the foreseeable future, we are still in that hybrid situation. I imagine—maybe at a time when I am no longer living—that the idea there would be printed material would be as unusual for that generation as the idea of a horse and cart as a way of moving around the city.

MR DAVIS: Chief Minister, I understand that there is a new cabinet room?

Mr Barr: There is.

MR DAVIS: That would have cost a bit of money. Can you talk me through what was wrong with the old cabinet room, why we needed a new cabinet room and how much

the new cabinet room has cost us?

Mr Barr: Sure. The old cabinet room leaked, literally, as in every time it rained it flooded internally. It did not meet the national security and other requirements for cabinet rooms, and it was not big enough. It could not fit the cabinet and officials in. It was clear that, as part of the expansion of this place and the number of members, the lack of meeting rooms and the expansion of the ministry, various decisions had to be made in order to accommodate within this building much of its day-to-day activity.

An opportunity arose with the new building across the road to have a purpose-built cabinet room. The per-square-metre cost of the fit-out of the cabinet room is the public service standard—the same as all of the other office fit-outs in that building across the road. The cabinet table is not as grand as the one in the existing room, in that it has a hollow centre and it is a series of tables that are just bolted together. The chairs are of the same standard as for other public service meeting room fit-outs. The difference is that that room has the highest level security clearances. For example, devices, smartphones and smartwatches have to be left outside. It is the same standard as for other cabinet rooms in other jurisdictions.

Obviously, cybersecurity is a major issue at the moment. We were hopelessly exposed in the other cabinet room, given its nature and its weaknesses. We often had to have it swept by ASIO, in order to allow for its continued use. The new facility mitigates those expenses and risks. It is also connected to the commonwealth's most secure communication channels. It would be a room that could also hold a ministerial council meeting, a national cabinet meeting and other levels of high security engagement with the commonwealth or with other state and territory governments.

MR DAVIS: To be clear, is it you or the Speaker who will determine what the future use of the old cabinet room is?

Mr Barr: My understanding is that it is part of the executive lease for the second floor of this building, so it is a decision for the executive. My understanding is that, given we have almost no meeting rooms at all, it is now available for use as a meeting room. We can bring external people in and not have to screen for devices, bugs and those sorts of things to the same level as you would for a cabinet-level facility.

THE CHAIR: I have questions about the Chief Minister's Charitable Fund. I know we have canvassed in previous hearings the high administrative expenses of Hands Across Canberra. Schedule 2, part 2 of the funding deed between ACT government and Hands Across Canberra states that administrative and other expenses, that is, everything other than funds handed out to charities, must not exceed \$125,000 per annum. In the first year, it was excluded, for \$225,000; that was the 2018-19 agreement. However, in 2020-21 the expenses exceeded \$800,000 and in 2021-22 it looks to be upwards of \$600,000.

I understand that Hands Across Canberra administers more than just the Chief Minister's Charitable Fund. However, I would like your thoughts on how the government satisfies itself that not more than \$125,000 is set out to handle your Chief Minister's fund and that it seems to be the material portion of what Hands Across Canberra handle. Do you have thoughts on those high administrative costs—much

greater than the Chief Minister's fund?

Mr Barr: Hands Across Canberra obviously has a range of activities that form the predominance of their work and are outside the Chief Minister's Charitable Fund. The contractual caps on administration were put in for a purpose—clearly, to ensure that there was efficient management of the fund. Having another organisation undertake the administration of the fund ran the risk of not being cost efficient, in terms of the proportion of administrative costs to the value of the fund. I can take on notice and seek further information to ensure that the administrative costs are within the contracted amounts.

THE CHAIR: Thank you; that would be great. With the term limit for the Chief Minister's Charitable Fund, it expires on 30 June 2023; that is my understanding. Will the existing agreement be extended or will it go out to the open market?

Mr Barr: That process is yet to commence, so I will not be in a position today to advise on that. We will make a decision, and make that decision public in due course.

THE CHAIR: Given the high administrative costs with regard to Hands Across Canberra, is it something that you would consider, even allowing the greater good, to take carriage of that? I am just gauging your thoughts.

Mr Barr: I am not going to undertake a procurement process in this committee hearing by just accepting a verbal recommendation from you of another organisation. There would be a process. If the administration of the Chief Minister's Charitable Fund were to change, that would be as a result of a process rather than a question and answer session in annual report hearings.

THE CHAIR: Do the directors of the Chief Minister's Charitable Fund receive remuneration? If so, could you let me know what that is?

Mr Barr: Yes, we can take that on notice for you.

MS ORR: What work has been undertaken in the last year to strengthen our regional collaboration and cross-border issues?

Mr Barr: This has been an area of considerable focus. The greatest amount of attention, clearly, has been on the border shift between the ACT and New South Wales. Obviously, there is a lot of work associated with the ACT and New South Wales cross-border MOU. We have seen in recent times some examples of that cross-border collaboration and many months of work come to fruition—for example, in the last week or so, with the FuelCheck app agreement being reached between New South Wales and the ACT.

We continue our engagement with the Canberra Region Joint Organisation, which is the collective body of the local government areas surrounding the ACT. We have found over time that the footprint of the Canberra Region Joint Organisation continues to grow, as more areas even further from the ACT wish to be part of that Canberra region joint approach. I think that work is progressing well.

I will hand over to Mr Clapham to talk a little more about the work he is leading in that area.

Mr Clapham: Thank you, Chief Minister. The Chief Minister referred to the key—

THE CHAIR: Can you acknowledge the privilege statement, Mr Clapham, please?

Mr Clapham: Thank you. My apologies. I have read and acknowledge the privilege statement.

The Chief Minister referred to one of the key governance frameworks that oversee the cross-border work that we undertake in the ACT government, the ACT and New South Wales MOU for regional collaboration. He also referred to the work with the Canberra Region Joint Organisation, which is the local government organising body for the councils that surround the ACT. The ACT government sits as an associate member of that Canberra Region Joint Organisation. Between the ACT and New South Wales MOU and our participation in that joint organisation, and through a key bilateral MOU we have with Queanbeyan council, that provides the core framework for cross-border and regional work across the ACT and into the region.

The Chief Minister referred to work underway in relation to the ACT and New South Wales border adjacent to the Ginninderry development. That has certainly been an area of work. The MOU with New South Wales has six priority area focus plans attached to it which set out the headline priority areas that we focus on in our engagement with the New South Wales government and through a delegated relationship with the New South Wales councils and the joint organisation. The priorities articulated in that MOU range from supporting a regional approach on health outcomes, infrastructure and transport, water and land use planning, to a regional approach to the environment. The Parkwood development and governance for potential future cross-border arrangements in relation to that development are also a priority area under the MOU, as well as the development of a Canberra region economic development strategy.

That strategy is a core priority that has been a real focus of work for the last couple of months. It has been a priority to develop a shared economic development strategy and vision across ACT government, New South Wales government and the Canberra Region Joint Organisation for a number of years, in both our MOU with New South Wales and our MOU with the joint organisation. The disruption of bushfire and floods in the region, as well as COVID, put some pause on the work to develop that strategy. And, of course, the strategy had to be recalibrated to take account of the disruptions to the regional economy as a result of those significant events. But that strategy is now being prepared for imminent release. It has been endorsed by the ACT and New South Wales governments and is just going through its final approvals.

A joint strategy of this kind is a unique document under our regional governance frameworks. Previously there has been a strong culture of consultation on strategies that have a cross-border or regional focus. But this is, I think, the first time that there has been an actual joint document issued by the ACT government, the New South Wales government and the councils, which marks a really significant step forward in that collaborative framework.

It takes a bit of time to line everything up to release a document of that kind. I am very confident that it will be released in the next couple of weeks, pending the approval of our partners. It provides a framework for collaboration on economic development priorities across the region, identifying, for the first time the key priorities for economic development that the government has recognised and will support through our joint efforts, from growth and diversification, skills and innovation, the natural capital of the Canberra region, the visitor economy and supporting the livability of the region. So that is another key piece of cross-border work that we have been working on. There are many more I could point to, but I will stop there.

MS ORR: I was actually going to ask you to provide a good example of a cross-border collaboration undertaken by the ACT government. You have been through quite a few. I do not know if you want to add anything to that?

Mr Clapham: Another key example I can talk to is that, under the priorities and the MOU, as I ran through before, there is a focus on land use planning and water. Under that commitment, the ACT and New South Wales governments, in partnership with the Yass Valley Council and the Queanbeyan-Palerang Regional Council, have established a land and housing monitor working group.

It is a bringing together of the strategic planning officials from across those governments, and local governments, to share data and start to build a land and housing monitor, which will enable all those governments—the ACT, New South Wales and the local councils in Yass and Queanbeyan—to have a common dataset on land use release in and around the region, as opposed to a siloed view of what land release looks like in any one jurisdiction. It is a simple concept to describe, but it is a complicated piece of data sharing and strategic planning to pull off. That working group has met regularly throughout the last 12 to 18 months and has produced a beta version, an internal version, of the land use monitor.

That work, which the ACT government took a leading role in driving and bringing together a database and a source of data that strategic planning could draw from, has fed significantly into the New South Wales government's work on the refresh of the South East and Tablelands Regional Plan, which is their principle strategic planning document for this region. As a result, they are finalising their plan now, but the drafts that were out for consultation indicated picking up the work and that priority that was driven under the MOU and incorporated into their Urban Development Program, which is around their land use planning for the region. I think it is quite significant that, based on the work and that priority that was identified in that MOU, they have accepted that there is a cross-border element to their Urban Development Program which necessarily needs to engage, not only with the councils but with the ACT government to support their strategic planning.

I think that is a really tangible outcome, in influencing and getting good outcomes at a regional level across the ACT and New South Wales governments, that has come directly from the collaborative work that comes under the governance framework of the MOU.

MS ORR: Okay. Thank you.

THE CHAIR: My next question is with regard to international engagement. We might want to start that swap over of witnesses.

Mr Barr: Yes.

THE CHAIR: Mr Davis, do you want to have a substantive?

MR DAVIS: My substantive goes to that theme as well. So the swap over could not have come at a better time.

Mr Barr: Right. Come on down, Commissioner.

THE CHAIR: Do you want to start, Mr Davis?

MR DAVIS: I can. It is mainly directed at the Chief Minister, but I have no doubt the commissioner could add some context. Chief Minister, there was a bit of political hay made by some about your recent trips to New Zealand and to Fiji. In short, what was the point of those trips and what did Canberrans get out of them?

Mr Barr: Yes. I did see a tropical shirt; I think that was the parody.

MR DAVIS: You did not go to Hawaii, though.

Mr Barr: No, no. The New Zealand component was twofold. We had about 24 hours in Wellington, where I met with their newly elected mayor and attended the inauguration ceremony for the mayor and the council. I met with New Zealand's Deputy Prime Minister, who was in fact Acting Prime Minister at the time, and who is also their finance minister. I met with the New Zealand transport minister, who has responsibility, amongst other things, with the finance minister and the Deputy Prime Minister, for Air New Zealand and New Zealand airports. I also met with Australia's High Commissioner to New Zealand.

There was an element of the sister city relationship. The former Wellington mayor came to Canberra when, unfortunately, I had COVID and was in isolation for the duration of his visit. The commissioner was able to step in in my place to assist in managing his visit. We have a small number of sister city relationships. Wellington is our newest and very significant in the context of the Pacific Step-up that is a foreign policy objective of the Australian government as it relates to the Pacific. That is often a joint effort between Australia and New Zealand.

A number of elements of the Pacific Step-up are managed, through DFAT, out of New Zealand, which was the second element of our mission and the focus of the day we spent in Auckland, where I met with our consul-general, who manages both the trade relationship and the Pacific engagement questions. There is very clear understanding across the Australian states and territories that, together with the commonwealth, we need to be doing more in the Pacific for geopolitical reasons, as well as our more traditional role in providing economic development assistance and aid and other areas of focus.

The New Zealand leg had a number of components. Aviation was part of it, so in Auckland I met with Air New Zealand and with Auckland Airport. We were accompanied by Canberra Airport's director of aviation for those meetings.

We are, by way of follow-up, also preparing for perhaps the most significant opportunity in our sister city relationship with Wellington to date. The pride of the Australian Navy, *HMAS Canberra*, will be in port in Wellington the second weekend in December. The size of that particular vessel is such that it will be unmistakable in Wellington. Part of the visit involved preparation for that major event that is an opportunity both for the sister city relationship but also for the Navy's engagement in New Zealand. The commissioner can talk about that in a moment.

I will just finish on the Fiji element, which was a little over 24 hours. We arrived late Sunday afternoon and left first thing Tuesday morning for a day of engagements that included the Fiji tourism authority, Nadi Airport and Fiji Airways—both their CEO and senior management team and then a subsequent meeting over several hours with their head of network planning.

The objective here is a Canberra-Nadi service with Fiji Airways. This is a project that has had a number of lead-up meetings involving the commissioner and VisitCanberra—and me, with Fiji Airways network planner, at an aviation conference in Adelaide several months ago, where the invitation was extended to come and meet with the airline's CEO and with the airport and the tourism authority in order to secure that side of the aviation commitment.

Whilst Canberra-Fiji is going to be a very significant outbound service for Canberrans and a wonderful holiday destination, there is more to this than just that. Fiji Airways is a growing airline and has significant connections through Nadi to the North American market, including Los Angeles and San Francisco and is soon to commence a service to Vancouver. So this is a way, a one-step way, of getting connectivity to North America that does not rely on going through Sydney or Melbourne and would see a direct outbound service and a better travel experience. Whilst it has, clearly, a strength in terms of the Canberra outbound holiday market, it has a significant inbound component in a direct way to get into Canberra.

As a result of those meetings, I think we are much closer to a decision from Fiji Airways. They have indicated that they will make this decision in quarter one of 2023 and if it is a positive decision they would commence flying in our next winter. These sorts of outcomes need a series of meetings and a degree of commitment and engagement. It was a small delegation—Canberra Airport, the head of VisitCanberra and me—and we were in Fiji for around 36 hours in total, including the transit time. I will now hand to the commissioner to talk a little more about the Wellington link, particularly, and the *HMAS Canberra* event.

Mr Smyth: Thank you, Chief Minister. I am the Commissioner for International Engagement for the ACT government. For the period of the annual report I was also the Local Business Commissioner looking after COVID-19 issues. I have read the privilege statement and understand the statement. I would like to say for the record that I read the printed paper every morning. I do like to watch the news at 6. I am

possibly a Baby Boomer, and I thank you for the question.

It is very important for these trade missions to be understood in the context of the International Engagement Strategy. They are not something that we just whip up and say, “Well, let’s go there because it’s cold,” or “Let’s go there because it’s hot.” The strategy defines exactly where we go. Inside the strategy there are 12 programs that I am tasked with delivering. The Pacific is a huge area of interest, I think, for all Australians but particularly for the ACT government in terms of two-way traffic. There are things in this for us and there are things in having a relationship in the Pacific with the Pacific island nations. Most of the countries have a mission here of some kind, some sort of presence, and we deal with them on a regular basis.

The Chief Minister was approached by the head of the Office of the Pacific inside DFAT to specifically ask what Canberra would do. Much of what we have done and are doing in the ACT addresses the issues that they have. For instance, I took a small trade mission to Fiji and New Zealand in May. It was a prelude to the Chief Minister’s trade mission. Beyond travel connections, they are very interested in what we are doing here in terms of sustainability. For instance, in talking with people in the tourism industry in Fiji, they are also very interested in lifting their product and gaining a greater share of the world market. One of the ways that they do that is by having, for instance, a better food and beverage offering. That links up with what the consul-general in Auckland told us in the last couple of months, in that there are great opportunities there for fresh produce and food and beverage, should Canberra have that air link.

Going to what Mr Clapham said about the relationship with the CRJO, there is a huge potential for hubbing through Canberra Airport. So you see all the elements coming together. These things do not just happen; it takes time; it takes effort. So part of the other responsibility of the office is to help get Canberra and region exporters ready for export so that when the opportunities present we can take advantage of them.

MR DAVIS: I just want to underline a point that the commissioner made. When we talk a lot, as a government and as an Assembly, about our global climate change ambition and sustainability ambition, we think about reduced energy prices and tackling the climate crisis, but this is a big export market, you are saying, in the Pacific. Potentially there is a lot of money to be made; is that what I am hearing?

Mr Smyth: Well, there is certainly a great deal of assistance to be given and, yes, the opportunities are there to make money. Canberra firms are doing quite well in the Pacific already. For instance, Aspen Medical runs two hospitals in Fiji and has 23-year contracts, with options. The ability is there then for ACT Health, for instance, to assist through the training of nurses and midwives. So a business has gone there and there is another opportunity for us to provide assistance.

In the trade mission in May we had a meeting with a number of businesses. A lunch was put on at the High Commission. They are interested in how labour mobility works; they are interested in sustainability. The Suva City Council was interested in things like town planning. So there is a whole lot of expertise that has been developed in a policy sense in the ACT government that can be further delivered by ACT firms.

For instance, there is a firm called Rocket Remit that helps with the transfer of funds for people that do not have access to traditional banking. There is another firm, based in Queanbeyan, called Kokonut Pacific. You can either pick up coconuts and export them or you can pick up coconuts, crush them yourself, get the coconut oil, do the value add and get the benefit for your community with skills transference and job creation.

Canberra firms are doing a great job. Yes, they are making money out of it; I hope they make money out of it. I wish them well. But at the same time there is the policy alignment between various governments. We make it quite clear in the International Engagement Strategy and our sister city guidelines that the countries we want to do business with, the cities we want to do business with, are those that match the policy settings of the ACT government. So, yes, our businesses can do well, but we can do well in the Pacific and help to raise the standard of living. Specifically in relation to sustainability, there are a lot of very good Canberra firms that have solutions for that which needs addressing in the Pacific.

MR DAVIS: Thank you.

THE CHAIR: I will put my export questions on notice. Ms Johnston, did you acknowledge the privilege statement? I cannot remember.

Ms Johnston: I think I might have missed that step. I have read and understand the privilege statement.

THE CHAIR: Thank you. I appreciate that. We will draw this session to a close. On behalf of the committee, I thank you, Chief Minister, and all of the officials, for attending today. There are questions on notice, so please make sure those are with the secretary within five working days. Again, thanks for coming. We will close the session.

The committee adjourned at 12.32 pm.