



**LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL
TERRITORY**

SELECT COMMITTEE ON ESTIMATES 2022-2023

(Reference: [Inquiry into Appropriation Bill 2022-2023 and Appropriation
\(Office of the Legislative Assembly\) Bill 2022-2023](#))

Members:

**MR J MILLIGAN (Chair)
MR A BRADDOCK (Deputy Chair)
DR M PATERSON**

TRANSCRIPT OF EVIDENCE

CANBERRA

WEDNESDAY, 31 AUGUST 2022

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

By authority of the Legislative Assembly for the Australian Capital Territory

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

APPEARANCES

ACT Audit Office	836
ACT Electoral Commission	793
Chief Minister, Treasury and Economic Development Directorate	764
Community Services Directorate	802
Environment, Planning and Sustainable Development Directorate	826
Office of the Commissioner for Sustainability and the Environment	818

Privilege statement

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Amended 20 May 2013

The committee met at 8.45 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
Arthy, Ms Kareena, Deputy Director-General, Economic Development
Kobus, Mr Jonathan, Executive Branch Manager, VisitCanberra
Saddler, Mr Scott, Executive Branch Manager, National Arboretum Canberra and Stromlo Forest Park

THE CHAIR: Good morning and welcome to this public hearing of the Select Committee on Estimates 2022-2023. In the proceedings today, we will examine the expenditure proposals and revenue for the Chief Minister, Treasury and Economic Development Directorate, the ACT Electoral Commission, the Community Services Directorate, the Office of the Commissioner for Sustainability and the Environment, the Environment, Planning and Sustainable Development Directorate, and the ACT Audit Office.

The committee wishes to acknowledge the traditional custodians of the land on which we are meeting, 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 today 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, it would be useful if witnesses could use the words, "I will take that as a question taken on notice." This will help the committee and witnesses to confirm questions taken on notice from the transcript.

In the first session we will hear from the Minister for Economic Development and Minister for Tourism. I welcome Mr Barr and directorate staff. I also remind witnesses of the protections and obligations afforded by parliamentary privilege and draw your attention to the privilege statement. The first time that you speak, please confirm for the record that you understand the privilege implications of that statement.

As we are not beginning with opening statements, we will go straight to questions. It gives us more opportunity to ask pointed questions. I will kick it off. My question is in relation to funding for elite sport in the ACT. Just as a heads-up, I will be talking about GWS, Raiders, Brumbies, Cavalry, racing—a few of those. If it falls under this area, that would be great.

Firstly, with GWS, I notice that that agreement is running out soon, or has run out. Where are you up to in terms of new negotiations or a renewal with GWS?

Mr Barr: The previous 10-year agreement that was rolled over for a further year due to COVID expires at the end of this season. As the Giants did not make the finals, that

agreement, in terms of matches at Manuka, has concluded. We have been negotiating with the Giants and the AFL for increased content at Manuka across both men's and women's AFL.

We have, in large part, reached an in-principle agreement. There are just the final stages of the detailed legals to be resolved between the AFL, the Giants, and the territory government. There will be two streams. There is a match component that relates to more content at Manuka Oval, and, separately from that, we have been pursuing a tourism promotion and Brand Canberra promotion arrangement with the AFL and the Giants, as they operate in two of our key markets—Sydney and Melbourne.

THE CHAIR: Has there been any business case or study done in terms of economic benefit to the ACT when GWS come here and play?

Mr Barr: Yes. As part of our evaluation, in the annual reports that the Giants provide to the government, they, together with Raiders and Brumbies, are required to undertake an evaluation of their economic contribution, as well as their community contribution.

THE CHAIR: Is that tabled? Is it published?

Mr Barr: Yes, I believe we do. Ms Arthy can assist.

Ms Arthy: I have read and understood the privilege statement. The last information we have for the Giants was in 2020-21. That was, of course, a COVID-impacted year, where they only played, I think, two out of the three home games that they were required to play. The economic impact of that was estimated to be \$1.47 million for those two games in Canberra.

THE CHAIR: That we missed out on; is that what you mean?

Mr Barr: No, that was it. Because of COVID, there was obviously very little interstate travel, so that is a completely unrepresentative year. In other years the economic contribution is higher.

Ms Arthy: Much higher, yes.

THE CHAIR: Do you have that information handy?

Ms Arthy: Not with me right now, but I will take it on notice. I will see whether I can get the team to send it to me during this session.

THE CHAIR: Excellent. I take it that the agreement with GWS will be concluded before the start of the next season?

Mr Barr: That is certainly our expectation, yes.

THE CHAIR: Is that what you are aiming for?

Mr Barr: Yes.

THE CHAIR: You have not considered Richmond, have you?

Mr Barr: Part of the agreement, and the element of the AFL's involvement, is that there would be a rotation of GWS opponents, so that we would see a full mix of AFL teams in Canberra over the duration of long-term agreements.

THE CHAIR: Going to funding, let us start with the Raiders. Where is the current funding arrangement with that, what are the conditions attached to that, and how does that compare with GWS? I will ask the same question in relation to the Brumbies.

Mr Barr: Sure. We have recently concluded a new agreement with the Raiders—the financial amounts. We converted a payroll tax concession into a grant. The exact numbers are around a couple of million dollars a year, just in the performance agreement elements. Of course, there are the venue subsidies. Obviously, anyone playing at Canberra stadium is taxpayer subsidised. Having regard to the venue itself and its day-to-day operations, it does not pay for itself; it is all taxpayer subsidised. I made the observation in a previous hearing that without ACT government support, there would be no Raiders or Brumbies. There would be no elite sport in the ACT without ACT government support. None of it is economic; it all requires a public subsidy.

THE CHAIR: Do you have specific numbers, or can you take the question on notice, as to funding—

Mr Barr: Do you have the Raiders performance agreement number?

Ms Arthy: Yes.

THE CHAIR: And the Brumbies.

Mr Barr: Yes.

Ms Arthy: The Raiders performance agreement goes until the end of 2026. The partnership fee is around \$2.5 million a year, and that is for around 16 matches per year. With the ACT Brumbies it is \$1.8 million, and that is based on around nine games, but it varies depending on how Rugby structures its season.

Mr Barr: Both are men's and women's.

Ms Arthy: Yes, both men's and women's.

THE CHAIR: That is why there is extra content.

Mr Barr: Yes.

THE CHAIR: In terms of the Cavalry, do you class that as an elite sport at this time?

Mr Barr: No, that is not within my remit. Essentially, we become involved where there is also a venue hiring agreement and a Brand Canberra and tourism element—where there is some sort of multi-directorate engagement and the commercial deal is across a number of different areas of territory government. With Cavalry, no, they are in the

sport and recreation program. That sits with Minister Berry.

THE CHAIR: What about the UC Capitals?

Mr Barr: That is in the same category.

Ms Arthy: It is.

Mr Barr: Yes, that is with the minister for sport.

THE CHAIR: Also, racing; is that an elite sport?

Mr Barr: The racing MOU sits with the minister responsible for racing, Minister Steel. The only reason I am involved is because of tourism, Brand Canberra and the venues.

THE CHAIR: Have there been any business cases in terms of the economic benefit that Raiders and Brumbies bring?

Mr Barr: Yes. The consistent pattern is that there is less interstate travel for Rugby League and Rugby Union. AFL fans travel more. One of the reasons we get the extra element is that, obviously, there are Sydney-based Giants fans who travel to Canberra to watch the games, and the fans of the opposing team also travel to Canberra.

In the context of Raiders and Brumbies, all of their local fans are not tourists; they are Canberrans or from the region, so the only tourism component for Rugby League and Rugby Union is the component that generally follows the interstate teams, or a small number of Canberra Raiders or ACT Brumbies supporters who travel from interstate. The consistent pattern over a very long time is that AFL and cricket generate more tourism than Raiders and Brumbies, as a proportion of total attendance and, I think, overall as well.

THE CHAIR: Have these business cases been done by the government or were they done through the sporting clubs?

Mr Barr: Do you mean the—

THE CHAIR: Economic benefit—

Mr Barr: The economic benefits; no, they are outsourced to an accredited—

THE CHAIR: Outsourced by the government?

Mr Barr: As part of the agreement, we require an evaluation. But that is not undertaken by the government; it is undertaken by an entity that does that as their core business, and does that in other jurisdictions for other sports, so that there is consistency there. No, we do not have government staff with clipboards collecting data. It is a different—

THE CHAIR: Yes, an outside source. Are the results of that publicly available?

Mr Barr: The results are frequently published. It is no secret.

THE CHAIR: I am just talking in terms of a comparison—

Mr Barr: Yes, that is all available.

THE CHAIR: so that we could do an analysis and look at it from there.

DR PATERSON: I am not sure whether this comes under you or Minister Berry—the allocation for the Super Rugby Pacific competition.

Mr Barr: As part of the new agreement with the Brumbies, as has been consistent with the other sports, the additional funding that has been provided by the government has, in large part, been to support the new women's teams under each of the sporting partners—Raiders, Brumbies and Giants.

DR PATERSON: Will the ACT government look to work more levers into contracts to ensure that there is more funding going to women's elite sport?

Mr Barr: That has been the outcome of the most recent negotiations with all three football codes; equally, with cricket. For example, Manuka Oval hosted the Women's Ashes test, Australia-England. That is an example of where we have been quite deliberately targeting more elite women's sport for Canberra.

MR BRADDOCK: I have been looking at the Canberra Switched On strategy. Definitely, it looks like an excellent strategy.

Mr Barr: Thank you; that is very kind. We consulted widely. We have put a lot of work into it.

MR BRADDOCK: I want to emphasise that we would love to have visitors come and visit us; we have so many great attractions for them. I want to understand a bit more about the priorities, where you state:

Our focus on aviation access will continue, making it easier and cheaper for visitors to travel to Canberra and the community to connect with Australia and the world.

What exactly are you doing in that space?

Mr Barr: Quite a lot, both domestically and internationally. As we touched on during yesterday afternoon's hearing, in relation to the two elements that underpin successful, sustainable aviation development, it is both the passengers and the freight. That is obviously key to our ability to maintain and grow our aviation networks.

One of the elements of the Switched On strategy is around freight development. Canberra Airport has already been investing in that regard. One of the next steps that we are currently pursuing with the airport and the commonwealth government is a northern road connection, north of the runway, where the runway ends, to connect into the Fairbairn precinct. It has the added advantage of providing a second point of entry to the Emergency Services Agency. The 2019 fires caused a bit of difficulty just south

of the airport, and made access more challenging. There is a dual purpose in establishing that infrastructure, which will support an expansion of freight capability. to put more freight into the planes that are already coming and going from the ACT.

On the domestic side, we have lifted, in partnership with the airport and a diversity of airlines, the number of direct to Canberra destinations from seven pre COVID to 13 now, and across a diversity of airlines. Previously, we did not have Rex, we did not have Jetstar and we did not have Link to the extent that we do now.

Clearly, the market restructuring, when Virgin went into administration and was reborn in its current form, opened an opportunity for some smaller airlines and new airlines to enter into the Canberra market. We now have 13 destinations served directly from Canberra, and we have ambitions to add a few more to that list. That would include some more regional New South Wales destinations, some further regional Queensland destinations and, hopefully, one or two additional regional destinations in Victoria and Tasmania. I would also like to see some more competition on Canberra-Adelaide and Canberra-Perth, as capital city connections. That is the domestic picture.

Internationally, our focus has been on working with the two airlines that were operating out of Canberra pre COVID, Qatar and Singapore Airlines, and looking at expansion opportunities in South-East Asia, New Zealand and the Pacific. Qatar is back and will resume international flights in October. I met with Singapore Airlines in Singapore about 2½ weeks ago, and we are working with them on the restoration of the Canberra-Singapore connection. We are also engaged with both Australian and New Zealand airlines on the trans-Tasman routes, and with a number of Pacific airlines in relation to connections into the Pacific and onwards. Finally, given the success of Jetstar and their new routes into the ACT in a domestic sense, there is some scope to work with them as well on further connections.

That goes to the part of your question around cheaper and easier, seeing the more low-cost carriers in the market—both for cheaper airfares and for seeing a more competitive situation. Virgin's repositioning as a mid-market offering means that their pricing is perhaps a little sharper than the Qantas mainline offering at the moment. Jetstar is positioning itself to be even cheaper than Virgin.

Of course, Rex is flying between Canberra and Melbourne, which is probably our biggest single route in terms of passenger numbers. At the moment we have Qantas, Jetstar, Virgin and Rex all flying on that route, which is the number one aviation route out of Canberra.

MR BRADDOCK: In terms of passenger movements, when you say you are working with various providers, are there any commercial arrangements? What does that look like, in working with those airlines?

Mr Barr: It will vary depending on the airline, the destination and the interest of the other destination. We do not commercially underwrite services. We seek to partner with airlines, particularly on marketing, and on risk reduction, particularly when new routes are established. That generally means we will seek to bring together both airports—Canberra airport and the destination airport for the new service—both tourism agencies—VisitCanberra and the tourism agency of the new destination—together with

Tourism Australia, if it is an international connection. Essentially, we put together a package that seeks to de-risk, for the airline, that new route.

Some airports—for example, Wellington in New Zealand—will waive the landing fees in the first year, for an airline that starts a new route. Canberra airport has a range of commercial arrangements that it strikes with airlines in order to provide some incentives for new route development.

Generally, we will commit to a long-term marketing partnership with that airline through our tourism entity, VisitCanberra. We will commit to work with them to promote the destination. That is one of the best ways that we can use our tourism marketing dollar to drive, or in this case fly, new tourists into our city.

THE CHAIR: What is the total expenditure in those sorts of arrangements?

Mr Barr: Over previous budgets, we have appropriated an aviation stimulus fund. It has been in the order of hundreds of thousands, rather than millions, of dollars. Of course, in the base funding of VisitCanberra, they have marketing and destination funding that they have discretion to apply and to spend in a number of different settings.

In the olden days, they used to buy TV ads and newspaper ads. Tourism marketing has moved on a little, and there is a lot more activity in the social media space through partnerships with some of the booking sites, the travel social media sites and the like. There are direct partnerships with hotel groups, tourist attractions, the aviation sector and land transport as well. Often we will strike partnerships with bus companies, perhaps a little bit less on the train, but, as we hope to improve rail services to Canberra as well, there will be some opportunities there. That is generally how it works.

MR BRADDOCK: You can take this on notice: I would be interested in the investment numbers for this coming budget, in terms of those arrangements for various providers.

Mr Barr: Yes. They are in the budget papers. The appropriations have been made. If you go back and look over the last few budgets, you will see that they were new initiatives. From memory, one was about \$700,000. Mr Kobus may be able to give a little bit more detail, rather than having to take it all on notice now, because he probably has it in front of him.

Mr Kobus: I have read and understood the privilege statement. In regard to expenditure for aviation activity, our aviation fund that we use to work cooperatively with a range of airlines—the airlines that the Chief Minister outlined—for 2021-22 was \$750,000. We apportion and allocate funding depending on the commercial agreement that we come to with a particular airline.

The types of activity we do largely extend across digital activity. The opportunity is to invest cooperatively with airlines to access the airline's brand and distribution base. By partnering with an airline, we can access an audience that otherwise we would not be able to get access to. In particular, airlines are very focused on selling seats and the conversion bit. When we think about our range of marketing activities, the investment goes very much to getting people to make a decision to travel to Canberra, to book a seat and to come here.

We are seeing that that has been really effective. For our visitor economy, aviation access and diversity of places for Canberra to be connected are really important to ensure that our visitor economy is not so focused on Sydney and regional New South Wales. Pre COVID, around 65 per cent of our market was Sydney and regional New South Wales. For our visitor economy to grow, we have to get a better balance and better percentage of people coming from other locations.

A good example of that would be the four airlines that are now connecting to Melbourne, which creates competition on that route and, absolutely, makes it cheaper and easier for people to get to Canberra now. It is similar for south-east Queensland. From 15 September, we will have Jetstar flying to Brisbane as well as the Gold Coast and other services. Opening Canberra to that south-east Queensland market provides us with an opportunity to access a market that we had not otherwise been able to get previously, because it is a bit far to drive. Without a low-cost carrier on those routes, it is quite expensive to fly.

We supplement a little bit through our own marketing budget; largely, it is that \$750,000 aviation fund that we use to partner with airlines to sell Canberra as a place to visit.

Mr Barr: To put that in perspective on the point around the reach of the airlines, Jetstar's Facebook page has 750,000 followers. Their Instagram page has 150,000 followers. Whilst I am sure there is some overlap between those people and those who follow the VisitCanberra page, let me assure you that the partnership and opportunity to reach into the Jetstar network, as one example—and we do this with every single airline partner—massively multiplies our tourism reach.

As part of the commercial partnerships, the airlines are also putting money up because they want to sell seats on the planes. It is effectively how cooperative tourism marketing works. We use the government investment, through VisitCanberra, to leverage more from our partners. We have similar arrangements in cooperative marketing with hotels in the ACT and with tourist attractions.

Our more recent rounds of tourism cooperative marketing grants have sought to build on this and to amplify the message across multiple channels, and with multiple partners. That is how we can stretch our very limited budget. Let me tell you that the marketing budget for New South Wales is 20 to 25 times larger than ours because their state budget is 20 to 25 times larger than ours—and similarly in the other jurisdictions.

We have to make a relatively small amount of money go a long way. What has really worked for us has been this sort of cooperative marketing and, frankly, the use of social media to be able to target our message to people who are likely to travel. The problem, going back 20 years, was that, with your broadcast message, because there were not the channels to directly target, and the data to narrowcast, it meant that you were spraying money in the vague hope that, if someone saw your TV ad, that might lead to a funnel down to a decision to travel. It is much more targeted now.

With respect to the evidence that we have seen, certainly pre COVID, the year before COVID hit, we had our all-time record level of tourism into the city; so the approach is

working.

MR BRADDOCK: What is the land value on which we are basing the rates for the airport?

Mr Barr: That is a question in the revenue space. There is an assessment of the aviation components and the non-aviation components. Obviously, it is a different lease. It is commonwealth; it is not territory. The land was sold by the commonwealth government more than 20 years ago, and with that came a range of development rights.

There is a rates arrangement that reflects the unique status of that piece of land and its multiple uses. The aviation uses have considerably less value. Effectively, not a lot of money is made off a runway, but the more commercial elements are factored in, in that rates assessment.

MR BRADDOCK: Is that rates assessment or agreement based on a fair market value for that land?

Mr Barr: On the potential and current uses, yes.

MR BRADDOCK: How do we account for the aviation emissions associated with all of those initiatives?

Mr Barr: They would mostly be scope 3 emissions that originate, in terms of the airport's operations, and that would be counted. I suspect that aviation fuel would be the biggest emissions generated. Obviously, as technology is improving, with new-generation aircraft, the fuel efficiency continues to improve. That is a very strong economic incentive for airlines to use more efficient planes, because their single largest cost driver is the fuel to propel the jet and propeller engines.

There are further research projects underway across the aviation industry to move to more sustainable fuel types. There is a lot of hope around hydrogen as a potential emissions-free propulsion method for aircraft. The initial thinking is that batteries are too heavy at this point; that may change. The level of energy per kilogram of battery weight may shift in time. At this point aviation sustainability has been improving dramatically. The new-generation aircraft are sometimes 25 to 50 per cent more fuel efficient, so their emissions are reduced significantly. This is a journey that that transport sector is on, and it will continue to be on over the next 30 years, I presume.

MR BRADDOCK: I am confused; are we in a climate emergency, or are we not?

Mr Barr: If your suggestion is that no-one can travel on an aircraft because of emissions, and I have heard this argument from the Greens before—

MR BRADDOCK: Do not misrepresent my argument, Mr Barr.

Mr Barr: I know it splits the Greens party, because there are some Greens MLAs and former members who advocate and argue against aviation, full stop. There are others who are happy to fly around the world all the time. Yes, we are in a climate emergency, but that does not mean that aviation should not exist. I reject the argument that this

industry, like every other emitting industry, cannot take the time that is necessary for technology to evolve to reduce their emissions. They are already doing that, and they have a very strong economic incentive.

To suggest that aviation has to stop would be a little bit like saying there can be no internal combustion engine vehicles on the road from today. We have a transition pathway. We have an emissions reduction target for the nation. Aviation is national and international. It is not impacted by ACT emissions reduction targets, but it is impacted by the national program and international efforts.

DR PATERSON: Chief Minister, my question is in relation to Qatar Airways. There was a very disturbing incident a couple of years ago, with some questions around their treatment of women.

Mr Barr: I think the issue was at the airport rather than with the airline.

DR PATERSON: Was it? Okay. In respect of those types of incidents, is that something that comes into consideration when ACT government enters into partnerships with the airline industry?

Mr Barr: In the case of Qatar, they may have made their announcements without entering into a partnership with the territory government. Their reasons to fly into Canberra are strategic, within the bilateral aviation agreements between Australia and Qatar. The flights go via Melbourne; the only way they can get an additional flight into Australia under the aviation bilateral is to fly to a non-major city. They connect through Melbourne via Canberra in order to get a second flight into Australia. Previously, they did that through Sydney. It would not be viable without that connection through Melbourne. Effectively, it is a bonus flight that we get as a result of the aviation bilateral that regulates the number of flights between Australia and Qatar.

MS CLAY: Minister, I am interested in this flights conversation. To put it in context, countries like Norway are moving to electric planes domestically. Countries like France have just banned short-haul flights. Here, our progressive government has taken quite a lot of bold steps on climate action. We have just launched a transition plan for getting off gas. Of course, nobody says, "Turn off your heater tomorrow." It is a transition. We have a clear plan that we have now launched. We have a transition plan for ICE cars. Again, nobody has said, "Let's destroy them all tomorrow." It is a really clear transition plan.

What I have heard today is that the only plan you have for aviation is to encourage it as much as possible. How does that sit with your dual role as climate action minister and economic development minister? I cannot make it out.

Mr Barr: I do not have any regulatory authority in relation to aviation. That is national, Ms Clay. This is the fourth estimates hearing where we have been through this pantomime where the Greens seek to apply pressure on the territory government to regulate an area that is not within our responsibility. I need to be absolutely crystal clear, as I have been previously, that I am not going to flight-shame anyone. We are seeking to grow our aviation industry, but aviation in itself is becoming more sustainable. Does it need to continue that journey? Yes, but it is part of a national framework.

I certainly do not want to send a signal that the ACT is going to arbitrarily seek to ban aircraft landing at Canberra Airport; (1) we cannot, and (2) we will not. Let me be clear, and kill this issue once and for all. I am not interested in seeking to make some sort of grandstand social media Tweet or Facebook post to say that we have stopped aviation. I am not interested, so let us move on.

MS CLAY: I did not ask about a ban; I asked about a policy. We have rail, and we—

Mr Barr: We do not have policy responsibility to regulate aviation. We cannot set a policy.

MS CLAY: Not full regulation.

DR PATERSON: Chair, this is a debate.

THE CHAIR: Yes, I think the Chief Minister has made it quite clear. A substantive, Dr Paterson?

DR PATERSON: Chief Minister, in the budget, and still within CBR Switched On, there is \$22.4 million to deliver initiatives focused on development of knowledge-intensive sectors, the commercialisation of research, investment attraction and facilitation, and development of innovation ecosystems. Can you outline where that \$22 million will go and what sort of programs that is looking to fund?

Mr Barr: Sure. There is a diversity, unsurprisingly, with a particular emphasis on partnership, with the university sector being a key area. I will invite Ms Arthy and her colleagues to talk a little bit more about some of the programs and projects.

Ms Arthy: There is quite a lot that is covered within this program. We covered some of it with Minister Cheyne the other day, because some of the Future Jobs Fund is for her activities, mainly around the Canberra cyberhub, space development and business communications. We talked about that earlier.

In terms of the other areas, there is a very strong focus around investment. In the ACT, because we have such a knowledge-based economy, our strengths are in our ideas and people. This is focused on: how do we seed the ability for those ideas that come out of our universities to convert into profitable jobs and businesses? How do we help people start up and then grow? It is about that whole business cycle. We are looking at where we put the investment so that we put the focus on those areas that will have the biggest impact, in order to help those people with good ideas to be able to develop a profitable business and employ people.

Within that context, there are several elements. First of all, we work very closely with the CBR Innovation Network, because they are the people who work with the university partners and major businesses, to really help those start-ups to grow. We have a program called innovation co-investment grants, ICON grants; that is funded out of this area. Of the \$22 million, that is \$3½ million.

We also look at investment attraction. Another element of this is how we try and bring

investment into the ACT. We have an allocation there which looks at how we improve our facilitation services. In Canberra Switched On, we have flagged that we will be developing a concierge for those businesses who want to invest in the ACT. It is about how we make it as easy as possible, because the competition for investment is so strong at the moment. We need to stand out from the crowd, so it is about doing that. That is about \$1.3 million of that allocation.

Under Canberra Switched On, we also have a commitment to grow social enterprises. There is an allocation there about how we support social enterprise to grow. These are the businesses that are commercial businesses but they are set up for a social reason. One of the best examples is Altina Drinks, who set up non-alcoholic drinks because of their concern about the impact of alcohol on communities. It is about how we support that, because that is in line with where we want the city to be.

We are also doing a lot of work around workforce attraction and retention. That is being led by Minister Steel. Again, I think we have spoken about how we do the research to look at what the barriers are to companies here in the ACT to be able to grow, and grow a workforce. We are doing that research at the moment. Once we get that research, we will be able to determine where we then invest.

A large component, which is about \$10 million in capital funding over two years, is to establish a new venture capital fund. We are in the process at the moment of divesting, or coming close to divesting, pre-existing venture capital funds, so we are now looking at setting up the next venture capital fund. There is a significant component of that. That is the broad run-through.

DR PATERSON: In a previous inquiry into renewable energy by the innovation and environment committee, we spoke to ARENA, who were saying that there is a real lack of ARC industry type projects where you have government and industry buying in, which then doubles the money you can get from the ARC. Are the ACT government looking proactively at how they can engage with research to boost the level of funding that comes federally to the ACT?

Ms Arthy: The link into the federal system is quite difficult for a state or territory to be part of. We do partner with the universities, when they are looking to get access to commonwealth funding, but that is usually through letters of support. We have done that several times, particularly with ANU and UNSW, because that real support of the territory government adds that extra element, rather than necessarily cash.

We have run in the past a priority investment program. We put out grants, whereby universities and local businesses partner and come to us, and we either match or provide a significant contribution of funding. That then amplifies what the universities and the local businesses can do.

The focus of that is around how we grow capability here. One of the objectives is, of course, about how we grow jobs. We are looking at what the next round of that will look like at the moment, given that the world has changed post COVID. We have not done one since COVID, so we are looking at what will make the biggest difference in terms of our local innovation ecosystem at the moment.

DR PATERSON: I am not sure whether this is entirely in line with this budget funding: in terms of the universities and the tens of thousands of students that come to the ACT every year, I think the Chief Minister talked yesterday about how we retain those students, grow our economy and retain that knowledge here. Are there proactive programs and steps for that?

Ms Arthy: This one is hard to answer; a lot of the tools sit with the commonwealth, because it sits with a lot of the migration settings. We are certainly advocating for international students to be able to stay here. We do a lot of work with our international students to make them feel welcome here. We did a review not so long ago where we looked at what is most important for them, and attachment to community is probably the biggest thing that will keep a student here. We are really focused on working with the universities to make sure that, when students come here, they feel part of the Canberra community. Certainly, during COVID we provided a lot of support for the international students who were here.

We work very closely with Austrade. As I said, it is not a simple answer on this one, unfortunately. International students are such a big part of our economy, and we would like to try and keep them here.

DR PATERSON: On local students, for example, UC has a strong nursing training school. The Victorian government has just made nursing degrees free, to try to increase the number of nurses in the sector. Is that something that the ACT government would look to do?

Ms Arthy: I am aware of that, only because I read an article in the paper yesterday. I understand that what they are doing is paying the debt of the students. Certainly, at the moment it is not on the agenda on which I am working for the government, but that might be a policy decision further down the line. Minister Steel talked about the fee-free TAFE initiative that he is currently negotiating with the commonwealth, so that is where we are focused at the moment.

MS CLAY: Minister, could you tell me whether, when the government engages with the scope 3 emissions work that has come from the Commissioner for Sustainability and the Environment, you think aviation will be included in that work and whether we will start tracking it.

Mr Barr: It is not really relevant to this section of the hearings. As the government response that Minister Rattenbury tabled indicates, there are a lot of challenges there. With respect to measuring emissions from aviation, in terms of fuel use, you can go on Google flights, and it will tell you; and, to pick up on my earlier observation, it is very strongly correlated to aircraft type. The newer aircraft emissions profile is significantly lower.

The aviation industry and airline manufacturers are continuing to work on a sustainable aviation fuel initiative. That is a global initiative. It is not one that the ACT government is involved in. We do not refine any aviation fuel in the territory. This entire area is scope 3. I do not want to see double counting of emissions. Someone else's scope 1 and 2 emissions are often our scope 3.

There are elements here that would be difficult to capture, and that is one of the complexities with scope 3 emission measurement. Until it is viable and defensible, in terms of how you go about it and whether you are in a position to accurately measure, it is largely an academic debate at this point. The scope may appear, in the coming decades, to be able to more accurately capture all scope 3 emissions. As it relates to aviation, I do not think that is a major priority for the ACT, but it may well be at a national level.

To be very clear, I am not interested in ACT grandstanding on an issue that is federal and international, when all of the work that is necessary to underpin all of it will be undertaken at a national and international level. We have enough things that we need to get on with locally, so I would not be advocating diverting ACT public sector resources to that task. That will be undertaken at a national level and internationally.

What I am comfortable with is that the trend in emission reduction in aviation is, in fact, faster than in some other areas of transport. I think that is a reflection of a cost driver. It is in the industry's interest to do this, because aviation fuel is their biggest cost, so it does not need government intervention, and it does not need ACT government intervention, because it would be meaningless.

Let us focus on the things that we have more control over; and, of all of the things we need to do in this space, in responding to the climate emergency, dabbling in scope 3 emissions for the aviation sector is a long way down the list. It might make for a question in estimates, but it does not make for a sustainable pathway to the ACT getting to net zero emissions by 2045.

We know what we have to do. We have set out a massive work agenda. We are working faster and harder than any other jurisdiction in the country. But let us focus on the things we have control over, and there is a lot of work to do there.

MS CLAY: What policy work or budgetary support are you putting into encouraging rail, road and shipping options for freight and passengers, given that we have quite a lot of budgetary and policy work going into air freight and passengers?

Mr Barr: Shipping is pretty difficult in an inland city. Shipping, again, is not within our jurisdictional responsibility. With rail, we are pursuing a Canberra-Sydney rail corridor, but it is not a freight corridor. Again, the Australian government have responsibility in relation to rail freight. They own most of the rail network or it is owned by the states. We have nine kilometres of rail on one line coming in from Sydney to the ACT. Whilst there may be some capacity in that regard, it is principally a passenger service.

Road freight is obviously a very big area of national policy interest, and we have national heavy vehicle registration and other requirements. There is policy development work on hydrogen as an alternative fuel source for heavy vehicles. We, together with other jurisdictions, are participating in that work. Most freight coming into the ACT would come by road, and it will come in heavy vehicles.

Our air freight is coming in planes that are already flying here. It is not additional; it is filling the bellies of planes that are already flying here or that might fly here with a

business case that utilises the same aircraft for the people and the freight sitting in the belly.

Of all the areas of work in relation to emissions reduction, we are having an argument here about a tiny fraction. I do understand the fixation on it, but it is such a cheap and easy point to try and score. That is the disappointing element when there is so much more that we could be focused on.

MS CLAY: I want to be really clear. We have a policy on developing Canberra airport as a freight hub, and that is ACT jurisdiction, but our policy on developing other types of freight is Australian national jurisdiction. Do I have that straight?

Mr Barr: No, you have wilfully misinterpreted what I have said. Freight development is principally road-based. In order to get to the airport to be exported, it will have to come on roads. It will not be rail; we do not have a rail freight network that can connect freight from the Canberra region to Canberra airport.

We already have a policy framework on road transport emissions. Heavy vehicle, that crosses state borders, is national. There is a heavy vehicle registration scheme; it is national, not territory. We do not have a lot of heavy vehicles registered in the ACT because we are not a place from which there is a lot of exporting; mostly, things come in here.

The freight strategy for Canberra airport is that things would come in here from the Canberra region rather than being freighted to Sydney and Melbourne—further travelling on the road network, further congesting that road network and contributing to further emissions.

The principal argument for exporting out of Canberra airport is that it is a shorter road journey, so it reduces emissions to come out of Canberra. That is why we are pursuing it; and, if we can get the freight story right, it gives us the opportunity to bring the passenger element in as well. That is the tourism and economic development strategy brought together.

THE CHAIR: One of your favourite topics, Mr Barr, is a stadium.

Mr Barr: Yes.

THE CHAIR: Yesterday you mentioned that one of the reasons why you are not considering a stadium is because of content—being at the moment Raiders and Brumbies. As I understand it, you have visited Parramatta stadium?

Mr Barr: Yes.

THE CHAIR: I have been there as well. Obviously, to make that viable, they have really worked on creating content to ensure that they have enough content to run all year round. I think they have over 50 different types of content, not just games but concerts. The stadium has been designed in such a way that it is much easier for businesses to lease space there, without having to open up the whole stadium and everything else. My question is: have you considered the future possibilities of a new

stadium here in Canberra, beyond just the Raiders and Brumbies, and what that would bring to the territory?

Mr Barr: Yes.

THE CHAIR: Is that something that you would consider in terms of the build and nature of it, and would you consider that anytime soon or has that been put on the backburner?

Mr Barr: We are actively considering all of those questions, so let us step through them. As I understand it, the live music component that Parramatta stadium has attracted is in the handful. It is not like there are 100 rock concerts a year at Parramatta stadium. There are not even 100 stadium shows in Sydney or Melbourne. Let us not overstate that capacity.

The number of touring acts who can fill a stadium is reducing. As the baby boomer bands play their last shows and retire for the last time, the number of touring artists that would sell 25,000 tickets in Canberra is diminishing. We currently have a venue that could host that many people and there is not a lot of promoter interest. We have been testing the market in that regard. Elton John will only have so many farewell world tours. As much as it pains me, the members of the Rolling Stones are now dying. We lost Charlie Watts over the course of the pandemic—those sorts of big artists. There are only so many tours that Harry Styles or Taylor Swift will undertake. U2 and Coldplay are getting old, too.

What is happening in the live music space is that venues that are smaller, still in the thousands but not in the tens of thousands, are where that touring market is at, particularly for a jurisdiction of our size. I do not discount that a football stadium could host possibly a handful of those sorts of stadium-level shows in a year. But let us not kid ourselves: it is not 50 in Canberra; it is not even 10.

THE CHAIR: No, I am not suggesting it is 50.

Mr Barr: The next part of your question is: can it also be a multipurpose business event-type venue? Yes, that is part of any business case. One of the issues, which goes to the particular challenges of the Civic pool site, without significantly moving Parkes Way, is that the stadium design has to be really squeezed and very steep.

THE CHAIR: It would pretty much have to replicate Parramatta, and I noted that it was at the maximum angle at which you could build.

Mr Barr: That is correct. One of the other challenges is that, even doing that, it does not leave a lot of space for 25,000 people to enter and exit the venue. On that site, you would effectively have to close most of the roads around it in order to allow people to safely enter and exit the venue.

There are a number of logistical challenges in that regard that make it, as I indicated yesterday, really challenging—not impossible, but really challenging. Every time you get to one of these very specific elements of how this will function in practice, the advice to me is that there are inevitably a lot of very challenging compromises that you

would need to make. Each one builds on the other to make it less and less functional and less and less multipurpose, to achieve the sorts of outcomes that you have talked about.

THE CHAIR: If the Civic site is not the right site for it, if you were to build a new stadium, would the Civic pool—

Mr Barr: If land was not an issue and all of the existing realities were not an issue, if you were designing a city from scratch, and you had the capacity to have a multipurpose facility, in an ideal world, yes; unfortunately, we do not have that ideal set of circumstances. In essence, this boils down to a series of compromises, and looking at what is a good outcome as opposed to a perfect outcome. I have sought not to make the good the enemy of the perfect in this regard.

THE CHAIR: Has the government been approached in terms of interest in building a new stadium, by a private entity or—

Mr Barr: It is fundamentally uneconomic, so any approaches are laced with, “Sure, we’ll build it, if you give us,” and it is often development rights, a major public subsidy or under some sort of public-private partnership arrangement and an annual availability payment. When you assess them against the public sector comparator of the government simply borrowing at our cost of borrowing and doing a straight design and construct procurement, all of the private sector offerings have a premium on top because you do not make money—even in Sydney or Melbourne, most of the stadiums do not make money; they need public subsidy. In the case of the ACT, it is—

THE CHAIR: Sport is not cheap, yes.

Mr Barr: Another factor that we need to look at is that, in the end, what you build then has operating and hiring costs. Another great concern I have is that, in seeking to build the perfect, you might in fact price the Raiders and the Brumbies out of being able to use it; you will then have defeated the purpose, and you would be back in the realm of an even higher public subsidy just to unlock the gates to use the facility.

I have been on the record as identifying this as an issue—that we will need to renew our stadium infrastructure. But having been through the journey on this and looked at it in detail, it is very attractive at first glance. With each step of detail that you get further into, the more challenging it becomes. In looking at this extensively, I am increasingly of the view that it is more difficult to deliver a good outcome on that Civic site, so we do have to explore some of the others.

THE CHAIR: Site aside, it was built in Parramatta; we have other stadiums being built around the country. How is it different here compared to, say, New South Wales, and Parramatta?

Mr Barr: As in picking up the Parramatta model?

THE CHAIR: No, I mean in terms of funding and building it, putting the site aside.

Mr Barr: It is interesting to look at the procurement in those other jurisdictions. They

were largely straight state government-funded, off their budget. They did not go into complex public-private partnerships. With stadiums, in large part, if you have an unencumbered site, you can just pick up an existing design and drop it in. It is not as if rectangular sports stadiums are not being built; that is correct. In an unencumbered site, if you just had a greenfield site, you could just drop in someone else's design and, if there were not other external things to consider, that is possible. I do note that other jurisdictions have largely done that, budget-funded.

There was an analysis of the \$850 million that the New South Wales government spent knocking down the Sydney football stadium. They used the same architect and essentially rebuilt the same capacity stadium, updating for technology and putting more women's toilets in. There was an analysis that suggested you could have addressed many of the issues at that stadium, not by knocking the whole thing down but by spending about \$20 million on improving it. You would not have got the perfect stadium, but you would have had a better one.

This opens up the question: given the perfect might be impossible to achieve, what are the good and very good outcomes that may be possible in a more cost-effective way? That is why we have explored effectively the unencumbered site at Exhibition Park, where you could have sufficient space. It has its pros and cons as well. Almost everyone has an opinion on this; I am aware of that. We have explored that.

The other viable option that was looked at was when Australia made the ill-fated bid for the 2022 Football World Cup. There were options looked at within the AIS precinct. Those options have a reasonable level of development behind them and are ones that remain on the table for the territory government to consider.

Again, I have made no secret of our interest in working with the commonwealth and the Australian Institute of Sport on a precinct revitalisation plan there. That includes the AIS Arena, which the commonwealth have now committed around \$15 million to improve, to bring it from the 20th century into the 21st century. It is possible to have a similar conversation with them about their asset that is Canberra stadium.

THE CHAIR: Going to your last point there, what discussions have you had with the federal Labor government? Have you approached them?

Mr Barr: Yes. We engaged with the former federal government as well, with the Sports Commission. We had been engaged with the previous federal sports minister. I have spoken with the new federal sports minister. Ms Arthy and her team have been meeting with the Sports Commission team. They have, independent of the territory government, had a project of AIS campus renewal that they first put out about four or five years ago. They further refined it in 2019 and put it before the previous federal government. I think you can read a lot into the fact that nothing happened for three years. We did have a pandemic, so I am prepared to excuse that, given the federal sports minister was somewhat preoccupied with aged-care issues, because that was his other portfolio.

We will continue that engagement. I am very supportive of the AIS remaining in the ACT, with a renewed footprint within Bruce. I think there are partnership opportunities for the territory government, together with the commonwealth, through the Sports Commission and presumably the Suburban Land Agency, in their urban renewal

capacity, to be able to work together on an AIS precinct renewal plan. We are not yet at a point to make any public announcements about that, but we are working towards that.

THE CHAIR: At the moment location is probably one of the biggest issues in terms of a stadium—possibly where that would go, where it would fit. There is then the economic side of it, the cost of building it, economic return and content. You are currently having discussions with the federal government on the future of the AIS, and potentially on co-funding a potential stadium?

Mr Barr: I do not know that the federal government would necessarily, off their own budget, be co-funding. But, as part of a precinct redevelopment plan that generated some revenue, the Sports Commission made public in 2019 that there is a lot of excess land in that precinct. There is a lot of opportunity for a refreshed but more compact AIS campus and facilities. Part of the revenue that would support renewable would be to redevelop some of that—

THE CHAIR: To offset.

Mr Barr: under-utilised land, as a potential offset. It could also, as I have indicated publicly, be a location for some of the commonwealth housing initiatives—key worker housing, and sustainable and subsidised community housing—and could also potentially be a site for some of our build-to-rent projects. The campus is big enough also to sustain hotel accommodation, restaurants, bars and cafes. We could produce quite an exciting new sports, recreation and sports medicine precinct that would also provide some well-located land for additional housing. A number of problems and issues could be resolved in a comprehensive package in this location.

THE CHAIR: Hopefully, if you get the land for a song, or at a reasonable rate, it would make it viable.

Mr Barr: Yes. Given that the refurbished arena will be in that location, it would make sense to have other key infrastructure in that location.

MS CLAY: I would like to ask about mountain biking. We have asked a few questions during estimates on mountain biking. We are a bit concerned that Canberra has the great bones of this amazing tourism package, but it is falling by the wayside. We have a million dollars in the budget for Stromlo Forest Park improved parking. That has been moved to the 2023-24 budget, and \$2.886 million was meant to be completed for June 2023 and it is now for June 2024. Why are there delays on those bits?

Mr Barr: They, in large part, relate to challenges within the infrastructure market. We touched on that; there are difficulties with supplies, services, access to labour and the like. We have also adjusted those funding profiles, reflecting when we think the money will actually be spent. There is always a difference—if you like, a lag—in the financials from the physical, in that often final payments for particular projects are made after a defect period, at the conclusion of construction. The movement has mostly been from one fiscal year to the next. I will invite Mr Saddler to talk further about this project.

Mr Saddler: I am aware of the privilege statement. Thank you for your question. A lot

of that money, Ms Clay, involved reprofiling. Some of that money was for the design of the car park, and the other money was for the construction of the car park. Currently, a DA is sitting with the government to pass the car park construction.

MS CLAY: In the PAGA we have a couple of commitments on mountain biking. We have a Labor commitment about building a flow trail from Stromlo Forest Park to the Cotter, and we also have a Greens commitment to make Stromlo Forest Park a premier mountain biking destination by finishing the master plan. Do you think we will be able to deliver those?

Mr Barr: The Greens commitment sits within the Greens appendix. Completing the master plan would be a very expensive exercise, so I do not think that will happen in the next two years. The elements of the master plan are certainly being funded, but it is a long-term vision, not a two-year or four-year vision in that regard. We will continue to make smaller scale investments through the Better Infrastructure Fund. There is an annual allocation across territory venues and events, and Stromlo Forest Park benefits from that.

We have made the decision, based on the advice from Mr Saddler and his team, around which things we should prioritise. Clearly, we have completed the Stromlo swimming facility. That is one element. There are opportunities within the precinct for some private investment to be facilitated as well. There will be steps progressively towards that.

To throw back to some previous conversations in this session, there is a lot of competition for scarce public works expenditure at the moment, so we have to balance those competing needs. It is easy to make sweeping commitments when you do not have to finance them; but, when you do, you need to be more circumspect about time frames and ability to deliver. We have a constrained budget circumstance and we have a constrained industry capacity, and we have a lot of significant infrastructure that we need to deliver. But we continue, year on year, to make progress on Stromlo Forest Park.

I also want to make progress on the National Arboretum, Exhibition Park, Manuka Oval and Canberra stadium. Even just in that sweep of territory venues and events, there are a lot of competing demands for scarce capital. In short, we have a master plan, but it is not one that was intended to be delivered in four years.

MS CLAY: I certainly hear the good advice about sweeping election commitments. As a new politician, I think that is a good lesson. I am interested, though, because we had a Labor commitment for \$1.2 million for the flow trail, and we have not done that, but we have done a \$3 million car park. Why was the choice made for Stromlo that it would be better improved with the car park, and the flow trail maybe is not going ahead?

Mr Barr: No, I would not read anything into that. We are only halfway through this parliamentary term. The recommendation in relation to car parking came as a result of extensive consultation with all of the user groups. It was clearly part of the master plan, and it enables a range of other elements of that plan to be delivered. It was the number one issue that was identified by the user groups. Again, I will ask Mr Saddler to talk a little bit about his detailed consultation with all of the different users of the park.

Mr Saddler: Yes, there has been heavy consultation done with the SSCC. That is a group of eight sporting groups that are inside the Stromlo Forest Park. We have also consulted with the aquatic centre, Property Group, and Sport and Recreation.

There are some significant workplace health and safety issues with the current car park. There was parking willy-nilly in the dirt car park. There were some significant car park washouts when it rained. A lot of cars were parking on Dave McInnes Road, on either side of the road. It was discussed with government that the number one priority was to make sure that we formalised the car park there.

In the design there are 513 car parks. They are much larger than normal car parks because of the four-wheel drives, trailers and bikes. The number one issue was the workplace health and safety issue around the security of people wandering through the carpark and in Dave McInnes Road.

MS CLAY: Will Labor be funding the \$1.2 million commitment? Will we be getting a flow trail?

Mr Barr: We made a reasonable election commitment that had the potential to be delivered. There are two more budgets in this parliamentary term, and I am working my way through the delivery of parliamentary and governing agreement items and election commitments.

The Labor Party made commitments that we believed we could deliver. Sometimes there are lessons learnt, particularly as you become more involved in government and have to make competing choices, and have to deal with emerging issues such as the one that we have just touched on, that mean being a little more circumspect and a bit more realistic about election promises is always a good idea.

The parliamentary and governing agreement outlines where there were shared commitments and where we were able to work together very effectively to combine two policy platforms. That was very successful in probably 90 per cent of the issues. But we seem to spend a lot of time talking about the 10 per cent where we disagree. Fair enough; you were elected to this place to focus on the 100 per cent of things that you took to the election, and I respect and acknowledge that. Equally, there are times when, either as leader of the Labor Party or as Treasurer of the ACT, I have to push back against unrealistic suggestions or expenditure proposals.

As I try to accommodate, and in taking steps forward in these areas, sometimes the time frames that are set are impossible to deliver. Again, I have noticed—I will make this observation, gratuitous as it might be—that over the many years that I have worked with the Greens party, in each electoral cycle, you develop a better understanding and your election commitments are less wild than has been the case previously. That is a learning journey for anyone who is new to this place. I made those mistakes when I was first elected; 15 years on, I have learnt that you are much better off promising things that you can deliver.

DR PATERSON: My question is in respect of the Canberra cycle tourism strategy. The growth in the mountain biking and leisure cycling sectors in the strategy is pretty substantial over the decade. But we have had COVID, and I imagine that has had a big

impact. How is that strategy getting back on track and where is it at, particularly in respect of stage 2, which we are in at the moment? A big part of that is attracting cycling events to the ACT.

Mr Kobus: Yes, the cycle tourism strategy makes some projections on what is possible from a cycle tourism perspective. Mountain biking is absolutely a core component of that. The strategy outlines the opportunity for Canberra as a place for cycling in general, and particularly recreational cycling. We have some fantastic facilities, and ease of access around many areas, including the lake precinct, for example, for visitors to the city to enjoy on bikes, and connect to trails more broadly.

The impact of COVID was not helpful in terms of progressing a lot of the strategy. There has been a bit of a pause in implementation of the recommendations. We have a cross-government working group that has re-formed and is collaborating on reassessing the priorities of the strategy and look at how we can meaningfully move forward with a number of those actions, including promotion of Canberra as a cycling destination.

The advantage of the cross-government group is that it gives an opportunity to connect areas of government that have responsibilities for different aspects of bringing that to life. We have heard some examples of what is happening at Stromlo park, the arboretum and other places. Transport Canberra and City Services are also part of that group.

From a tourism perspective, we have already started the process of promoting Canberra as a cycle destination. We have done some media partnerships. We hosted a visit from an organisation called *Trail Towns*, that ran a TV series on the iconic mountain biking destinations around Australia. Canberra featured as part of that; it aired on SBS. Mountain biking was heavily featured in our recent winter campaign, where we used mountain biking as a mechanism to promote the breadth of Canberra's experiences in winter—encouraging people to embrace the outdoors and get out there, both for families and for more serious mountain bikers.

Through a number of our grant programs, we have supported tour operators that have a focus on the mountain biking sector, to enable them to access new audiences, grow their businesses and acquire new assets. An example of that would be the operator who runs shuttles from the bottom of Mount Stromlo to the top. That now provides a great service in terms of transition of people who visit Stromlo to access some of the gravity-style experiences available to people with mountain biking.

Spring brings new opportunities. In the months ahead we will continue to advance some of those actions and ensure that, for our core audiences—mountain biking is quite a niche area—we have plans in place to get a message to those audiences about the experiences available in this city for mountain biking.

DR PATERSON: Again, looking at the table, the leisure cycling cohort is significantly bigger than mountain bike riding. What is the profile of people who come to Canberra to leisurely cycle on our trails?

Mr Kobus: I think from a leisure cycling perspective, and with Canberra being a majority drive destination, a lot of visitors to the city do travel with bikes as part of that trip. It is a great advantage for us, with the majority of our market from regional New

South Wales and Sydney having easy access. I think we are seeing that in terms of visitors post-COVID. Anecdotally, we see through our visitors centre at Regatta Point the number of interstate travellers that come through and have bikes as part of their travelling kit.

The leisure side of it is usually a mechanism that a lot of the market use to experience a city, rather than it being a pursuit in and of itself. They will use their bike to access our national attractions and other parts of the city. That is why it is such a great opportunity for Canberra. It is very accessible by bike. A lot of the couples that are travelling and a lot of the families that come through the visitors centre use bikes. We have bikes for hire at the Canberra visitors centre. I think we have about 12 bikes that we hire out. On some days those are hired out two times over. So that is an experience that people create. That is the leisure part of it.

The thing about cycling is understanding the market, where people's interests lie and how you communicate an experience that is relevant to them. For mountain biking it is very much about people pursuing that particular interest, and then a whole set of things need to come together to make sure that the experience that they are looking for, and want, connects to that interest. It is access to great trails, it is knowing that there are good places to stay and it is easy access to mountain bike trails. They will come specifically to pursue that activity, rather than do many other things while they are here.

DR PATERSON: As part of the strategy, it says that the development of a five-year marketing plan is needed.

Mr Kobus: Yes. We started the development of that five-year marketing pre-COVID, and now the process of reassessing that is happening. Some of the things I outlined before are part of that marketing plan. Our winter campaign heavily featured mountain biking, for example, and partnerships with people like Trail Towns, and businesses that can provide the in-destination connection.

If we promote it, we have to be able to deliver the experience when people get here, so it is about enabling the industry to be part of it. That is for not only tour operators but also our accommodation industry, so that they are prepared and understand how to cater for people who have special interests. That marketing plan will evolve in the months ahead, as we understand more clearly how to communicate to our domestic audience about cycling.

DR PATERSON: When this cross-government working group do their work to reassess the strategy and re-pitch some of the targets or objectives, will you be seeking further significant investment in this strategy?

Mr Kobus: That is probably a matter for future budget processes. At the moment, the implementation of any actions in the strategy is being managed with our existing resources. For example, when it comes to marketing Canberra as a place for cycling, we have to balance how much we invest in that, commensurate with how we profile any number of the experiences that we have in this city. That is an important mix to get right.

DR PATERSON: Thank you.

MS CLAY: I am interested in the cross-government working group. That sounds like a really good idea. One of the problems the community has had is being bounced around between sport and rec, TCCS and tourism. Which agencies are on that cross-government working group?

Mr Kobus: We have the Chief Minister, Treasury, Economic and Development Directorate, so VisitCanberra is a part of it. Sport and rec is a part of it. Our venues, Stromlo Forest Park and the Arboretum, are a part of that group as well. We also cross over to EPSDD and Transport Canberra and City Services.

MS CLAY: So Parks.

Mr Kobus: Yes.

MS CLAY: Great. And when did that get formed?

Mr Kobus: It was formed pre-COVID and then paused. We have probably had two re-gatherings of that group since just before the end of the financial year and the start of this new financial year.

MS CLAY: There are quite a lot of things we can do to help mountain biking that do not tap into our constrained construction pipeline, and there are quite a few that are outstanding. We are cutting down our forests because we have put a value on the wood, but we do not currently put a value on the recreational trails built there. There is now a standing recommendation from the committee about that. There are quite a few things in the 2021 *Canberra Mountain Bike Report*. I think Dr Paterson ran through some of those. Some of the ones that are being drawn to my attention are a website and apps to help people navigate and learn, and more events and tourism coordination. Is that what the working group is doing?

Mr Kobus: Some of those activities. Where the working group comes together is in having a shared understanding of the activities that are happening across government so that we can coordinate better. For example, from our perspective at VisitCanberra, if we understand some of the activities that EPSDD or Transport Canberra and City Services are doing, we can ensure that the message that we are putting out to the market is aligned with activities that are happening in other parts of government. It is not necessarily driving the policy but aligning thinking and shared understandings and options for partnering on—

MS CLAY: Has it engaged with the issue that we have put a dollar value on the wood in our forest, but we do not put a dollar value on trails?

Mr Kobus: We have not discussed the dollar values. We have not engaged on that issue, at the moment.

MS CLAY: Okay; thank you.

THE CHAIR: I might just draw your attention to the future jobs fund. I see in the budget papers that there has been \$12 million, I think, allocated for that. Is this money

to be spent on administration, as well as on creating jobs? What does it cover?

Mr Barr: In any program there would be some administrative element. But this is principally grants, venture capital and other things that Ms Arthy has already touched upon. I think the government can manage its own administration costs outside. There is no need to draw on the fund for that. But entities that might access the fund may need some of the grant money for elements of administration. I guess it depends on how you define administration, Mr Milligan. One person's administration is another person's accountability and performance evaluation et cetera. Ms Arthy, do you want to add anything further?

Ms Arthy: Thank you. There is a very small element there for one staff member, I believe—I think it is a senior officer grade C—to assist with administering what is a very large fund. As the Chief Minister said, we have a base allocation that we will be using to administer most of these.

If I can correct something I said earlier, when I was answering Dr Paterson's question, one of the elements of that \$12 million I had incorrectly identified as an ICON grant with CBRIN. It is actually an innovation co-investment grant, which is the equivalent of the Priority Investment Program that I was also mentioning, and we are looking at what the next generation is. I just wanted to correct that while I was here.

THE CHAIR: Do you have, roughly, an estimate of how many jobs this \$12 million could help create?

Ms Arthy: Not based on the current construction. The way that we tend to administer, if I take as an example the Priority Investment Program, is that we go out and seek what the businesses themselves and the universities say about how many jobs that would be creating. Then we would bring that back, and that is how we would use it as part of our assessment of a project to say, "Well, which one would have the greatest impact on employment?" So while we do not have a target as such within this, we are very much looking at how, as we roll this out, we monitor the impact on jobs so that we make sure that we contribute to the targets that the government has set.

Mr Barr: The venture capital element would be the most difficult to assess, from this vantage point. In terms of a headline jobs figure, with some of the other programs that Ms Arthy has touched on, part of the evaluation criteria for the proposals will be to assess that so that we will be able to report with a much greater degree of certainty and so that, once projects are funded, we will be able to give information in relation to jobs that are supported. Given that there are a number of co-investment funds here, I would argue that what they leverage, in addition to the public funding, would also be part of the jobs story.

THE CHAIR: So is that how you are going to measure the success?

Mr Barr: Well, that would be one factor. There is also an overall economic contribution and then, under our wellbeing framework, we would also assess against some of the wellbeing indicators. I think this is a discussion that, interestingly, we have not had in this 2.5 days.

Regarding the economic diversification element, Pegasus, in their report, view diversification solely through the prism of public versus private, not diversification within those streams. So, hypothetically speaking, if you had one private and sector employer in one industry that increased its share of total economic output then, according to Pegasus, that would be more diversification.

We put this in the government response—that, even within existing shares of the economy, as in public versus private, there is room and capacity to diversify within the private sector, in whatever share of the economy that is. That can be on a very narrow industry base—for example, some economies are almost 100 per cent reliant on tourism. Other economies are almost 100 per cent reliant on mining and resources. A diverse economy has a range of different industry sectors that contribute. So when we are talking about economic diversification, we are talking about not just the relative shares of the public sector's contribution to gross state product, or the private sector's contribution, but how many different industry sectors are contributing. That, I believe, is true economic diversity.

One of the other elements and opportunities that there is in the economic development strategy is to diversify the industry sectors that contribute to the overall economy but also to the private sector's contribution. Equally, there is room for diversification within the public sector. Again, you can see some logical examples of this. In some regional economies the only public sector contribution comes from the Department of X or Y. It might be Agriculture or Resources or it might be that the only government contribution is local government plus a Centrelink office, for example.

I would argue that the ACT public sector has quite a degree of diversity, given all of the different areas of public sector activity that occur in the ACT across all of the different federal departments, the different areas of ACT public sector activity, public sector research, universities et cetera. I felt the need to put that on the record, given that we have not really explored that. That is what we are seeking to achieve in diversifying the economy; it is not just about the relative share of public versus private to either state final demand or gross territory product.

THE CHAIR: Was the future jobs fund part of an election promise in 2020?

Mr Barr: It was, yes.

THE CHAIR: And what was that amount? Was it \$12 million or—

Mr Barr: No. The \$12 million builds on last year's budget and we intend to, over four budgets in this term, acquit our election commitment in relation to this area. Again, it was a measured and deliverable commitment with a view that it would be progressively implemented over four or, in fact, five budgets in this parliamentary term.

THE CHAIR: Is there a total for the forward estimates as well?

Mr Barr: There is in the budget papers. I can get that number for you, probably before the end of the hearing.

THE CHAIR: Okay.

MR BRADDOCK: I am interested in why output classes under Economic Development were discontinued and consolidated into one. Can you please provide me with the reasoning behind that decision?

Mr Barr: Yes. There was some feedback, through budget estimates processes and otherwise, that the output classes previously reflected some historic distributions between former portfolios. There was a lot of confusion in last year's budget estimates, and the one before, about which minister was responsible for which output class. So we had a bit of a rethink after the conclusion of that budget round and looked at the interlinkages between some of the different output classes. The recommendation to me, which I agreed with, was that we would be better served by consolidating, and that is what we have done. Ms Arthy might talk a little bit further about why she briefed me in that regard.

Ms Arthy: Thank you, Chief Minister. Under the previous formation I think I had six or seven separate outputs. When we are dealing with economic development matters there is no one single output that deals with an issue. For example, with the sporting partnerships that we were talking about earlier, there are elements there from sport and recreation, from tourism and from our venues area, as well as it being a general part of our diversification strategy. So there were three separate outputs, which made it very hard to attribute what elements of those achieved an outcome.

Another one is around how we deliver events. Of course, we have Events Canberra. We also bring in artsACT and we bring in VisitCanberra. They are all separate outputs. Again, it was very hard to attribute what elements because they were all interlinked.

The other one which really brought it home to me about how we could streamline this is workforce attraction. When you think about workforce attraction, we have business, we have skills and we have our university partnerships. We also have an element which is about how we market and brand Canberra to attract workers. We were really finding it very hard—and this is very pragmatic. When we were looking at writing even our annual reports, we would look at our big ticket items and think: “How do we actually report that under such a diverse set of outputs?”

In collapsing them, though, we are not losing the details. We have kept the same accountability indicators. We plan on publishing what the indicative budget allocation is for each of the former areas, so we are all very transparent on that, but it just enables us to have a bit more flexibility to deliver the government's outcomes in a much more integrated way. I am already starting to see that now, particularly around workforce attraction, where it is actually much easier to bring resources together to be able to deliver something under one output.

MR BRADDOCK: Okay. Thank you.

Mr Barr: Whilst you are looking at a possible further question, Chair, Ms Arthy has a couple of other pieces of information to update you. I can update that the future jobs fund is \$30 million. That is the commitment.

THE CHAIR: It is \$30 million?

Mr Barr: Yes.

THE CHAIR: Okay. Excellent.

Ms Arthy: You asked earlier about the GWS economic impact. I have now got it for the 2019 season, which was the last full season that we had that we have available. It is \$2.32 million, and that was for three men's premiership matches. That did not include the AFLW or the pre-season match that was delivered.

THE CHAIR: All right. Are there details with that that you could possibly table for the committee?

Mr Barr: We will provide some information for the committee.

Ms Arthy: We will provide extra information. Is there any particular information you are after?

THE CHAIR: Just what areas are looked at, I guess, and the economic benefit.

Mr Barr: Sure. Yes.

Ms Arthy: Okay; sure.

Mr Barr: Generally, the information will be the number of people who came from interstate and average spends; those sorts of things.

Ms Arthy: Yes. Usually, yes.

THE CHAIR: Anything that you have got would be useful. If you could take that as a question on notice and provide the information, that would be very good.

Mr Barr: We can, yes.

Ms Arthy: Yes. I can also advise that it is Nielsen that does the reports. You were asking earlier about who does that; it is Nielsen.

THE CHAIR: Excellent. Thank you very much. We will now draw this session to a close. We thank the Chief Minister and directorate staff for your attendance today. If witnesses have taken any questions on notice, could you please provide answers to the committee secretary within five working days. The committee will now suspend for a break.

Hearing suspended from 10.32 to 11.45 am.

Appearance:

ACT Electoral Commission

Cantwell, Mr Damian AM, CSC, Electoral Commissioner

THE CHAIR: Welcome to the public hearings on estimates 2022-23. In this session we will hear from the ACT Electoral Commission. Welcome, Commissioner and staff.

Mr Cantwell: Thank you.

THE CHAIR: Please be aware that today's 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, could you please use these words: "I will take that as a question taken on notice." This will help the committee and witnesses to confirm questions taken on notice from the transcript.

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

We are not starting with opening statements. Given that this is a short 30-minute session, what I suggest is that we do one substantive question and just two supps so we can move through and give everyone an opportunity to ask a question in this session. Having said that, I will pass my substantive to Mr Cain.

MR CAIN: Thank you, Chair. Commissioner, I notice one of your priorities for this financial year includes an uplift in the functionality, security and reliability of your IT systems. It is my understanding, and I reference budget statements A, at page 3, that you have \$608,000 allocated for capital injections. Are you confident that you will be able to spend that money, and on what do you plan to spend it?

Mr Cantwell: Thank you for the question. I acknowledge and understand the privilege statement. In response to the question, yes, I am confident that the moneys budgeted and allocated for that purpose will be spent accordingly and as planned, notwithstanding any unforeseen events which might preclude delays in supplies and services or vendor arrangements. I do not foresee that at the moment.

The purpose of the continuing improvement program to our ICT systems that enable our electoral services is essentially to ensure that we achieve the highest degree of functionality, integrity, security and reliability of those systems. It is something which, of course, is very important to our core role in the delivery of electoral services. As we prepare for the 2024 election, we will focus those funds to ensure that those outcomes are achieved.

If you wish to, I can ask my deputy, Ro Spence, to speak to the specifics of the particular systems and the sort of work which is underway.

MR CAIN: No. I will go to a supplementary. You say you feel confident that you will be able to spend that \$608,000, yet in the previous financial years, going back as far as 2018-19, there has been significant underspend. Firstly, when you have a series of rolling underspends on capital injections, what is different for this financial year that you are confident you will be able to spend it?

Mr Cantwell: I am more confident than otherwise because I see that the early proactive work that we have anticipated needs to be done and planned and forecast with our respective vendors allows for those circumstances, going forward, perhaps more so than has been the case, particularly with the COVID pandemic impacts. We were able to properly foresee such impacts—along with, probably, most organisations.

This time I think we understand it a bit better. We collaborate with our vendors in a proactive sense to ensure that we understand where those potential delays might be. We undertake a routine program of engagement with the vendors and suppliers, as well as with our own ACT DDTS and other agencies, to ensure that, progressively, the security and integrity of those systems are what we want them to be. So, in essence, I am more confident because we are probably better prepared and alert to potential issues that might interfere with that program modernisation.

MR CAIN: Given these underspends over successive years, and noting that you are confident about going forward, is the system secure and have there been breaches?

Mr Cantwell: There have been no breaches of IC technical systems in terms of electoral integrity, if it is that to which you are referring. Again, as the core of our electoral integrity it is very important to everything we do and plan; hence the modernisation centred around that and the four lines of action, as I said—two of those being security and integrity.

We also have a number of ways by which we leverage off other support in this space. We will pursue a meeting with counterparts at the federal level and other agencies to assist us in determining the sorts of risks and threats to our ICT-enabled systems and to leverage off the support and capabilities that they can provide to us, as well as other electoral jurisdictions, to ensure that we are, firstly, aware of the environment and that we can properly address those risks with actions to ensure the integrity of our own systems.

In essence, I think we are in a pretty good space. We are also looking to continue the development and delivery, inside the elections ACT team, of an electoral integrity assurance panel. We seek to engage a range of independent advisers and assistants to assist us to think about the sorts of risks and how to ensure, as best we can within the resources available, the integrity of our systems.

MR CAIN: Thank you.

MR BRADDOCK: I want to ask about penalty notice fines for failure to vote offences. I notice that back in your submission on evaluating the outcomes of the 2020 election you were recommending an increase. I am trying to clarify that because when I look at the fines across all the Australian jurisdictions they range from \$20 to about \$100, but

the level of turnout is remarkably consistent. I am just wondering: what evidence exists that an increase in the fine actually leads to a change in voter turnout or voter behaviour?

Mr Cantwell: Thank you for the question. The first point I would offer you is that a measure such as the imposition of fines is our least preferred option. We prefer to facilitate and encourage voter participation and for people to execute their democratic right to vote. We have a range of communication measures and other initiatives to encourage people to take part.

But voter fines, where they are applied, serve the purpose of reminding people that there is a penalty associated with ultimately not voting and not taking part, as is required by law. The process by which non-voters, or those who are apparent non-voters, are dealt with includes a rigorous sequence of notices, before they are summonsed to appear before the court and dealt with and prosecuted by the DPP in the courts.

If you asked for evidence that would indicate the utility or the integrity of those fines or how they operate in practice, it is one of a number of measures which a voter would need to consider in deciding to take part or not in the democratic process, as required by law. Our recommendation to increase those fines was based upon a couple of things. They have been set at the current level for some time. It is our view, as a commission, that the amount of money for the penalty is set so low that it probably warrants consideration of that level of money being increased to perhaps offer a larger impediment or to be a larger factor in someone's consideration as to whether they are going to vote or not.

In this case, post the 2020 election the number of non-voters dealt with in accordance with our processes was whittled down to just over 1,100 voters, I think, who actually went through the ACT courts. From a starting figure of over 23,000 that was not a bad response. But I think that was also attributable to the processes of notices and opportunities for people to offer valid and fair reasons as to why they should not be prosecuted for not voting.

MR BRADDOCK: I entirely agree. I would much rather see an engage-educate model as the way to get positive voter turnout. I am still not seeing any evidence that any change in the final amount actually leads to a change of voter behaviour. If you take the Northern Territory as the exception, it seems to be far more an issue of disadvantage or accessibility. They are actually the major factors that impact voter turnout, because they are in the 70-odd per cent range.

Mr Cantwell: Again, I think there is a matrix of actions and reactions at play here. I will point out also that the percentage of non-voters in the ACT has increased over the years. Our election report reports that from the 1995 election onwards. In the 2020 ACT election it was recorded as 2.7 per cent of non-voters, eligible voters. I think our recommendation is also based on wanting to address what was seen as a trend of non-voter participation. Our numbers of non-voters are pretty consistent across jurisdictions, so this is something which I think jurisdictions need to continue to consider—how to best deal with this. One of those actions, apart from the increased communications and education programs to which I have referred, is the punitive response—that is, if you are not going to vote or if you ignore the notices or if you fail to give a valid and sufficient reason, as required by the act, then the potential is for you

to be dealt with through the courts, as has been the case for a number of non-voters in the last election.

MR BRADDOCK: Have you had any systems or programs in place to reach out to those persistent non-voters to identify why that is the case and maybe proactively address that?

Mr Cantwell: We look at the responses that are provided. We have to deal with everyone individually, of course. Everyone has to be considered individually. Circumstances are considered. We see trends as to why that is the case. The statute provides me, as the commissioner, with a fair bit of latitude to interpret a fair and sufficient reason. Particularly in the COVID-affected election of 2020, I undertook to consider those reasons, appreciating the circumstances that some people found themselves in.

We continue to look at those voter trends very carefully and we compare our statistics and trends with those across other jurisdictions of like circumstances and learn from those lessons and share our own experiences. To my opening point on this matter: we will continue to reinforce the positive aspects of taking part in our democratic processes. We enjoy the highest rate of enrolment participation here in the ACT and we do whatever we can to sustain that very enviable position.

MR BRADDOCK: Are there any new non-punitive measures that the Electoral Commission is taking to encourage the number to stay high or are we sticking to the old tried and tested ones?

Mr Cantwell: We are always open to innovation and new ideas, and early and proactive engagement with community organisations. Indeed, the message that we continue to facilitate throughout our community engagement programs is: teach the young what our process is, what the Hare-Clark process is about and the value of democratic engagement—how your voice counts and how your vote matters. That is the emphasis we take with the youth that we engage with and the community groups that we engage with routinely, and that is the message that we will keep using, going forward.

We are also looking at other ways in which we can modernise our information campaigns. That is one way in which we could probably improve the way in which our message resonates amongst our ACT eligible electors. There are a number of groups we need to focus on in particular. We took some actions at the last election, for example, led largely by the initiatives of our deputy, Ro Spence, to further the participation rates of our homeless or the underprivileged members of our society. We will continue to develop those programs to make sure we reach out as best we can to those who may not appreciate the opportunities that are provided to them by way of the electoral services that we offer.

DR PATERSON: My question is in relation to this year's budget. You outlined that boundary redistribution is one of your priorities.

Mr Cantwell: That is right.

DR PATERSON: As a dedicated member for Murrumbidgee, we have boundary

vulnerabilities in the north, with Deakin and Yarralumla, and in the south, with Kambah, and we have got the massive development of Molonglo, so I have a great interest in this redistribution, how it works and when it might happen.

Mr Cantwell: The legislation sets the requirement for the redistribution process to occur, effectively between the Assembly elections. In this case, we kick off on 20 October this year. That process is initiated with the establishment of the redistribution committee, a four-person committee. The membership of that committee reviews input from the Australian Bureau of Statistics, and we very carefully look at the democratic trends and numbers across the ACT electorates. The end point, or the aim of the redistribution process, is to ensure a level playing field across all electorates. There are set standards at the point where we conduct the redistribution or conclude the redistribution. It must be within 110 per cent and 90 per cent of the estimated voters across each electorate. As we finalise the report and as that is conducted, and as we plan from that point forward, the margins are reduced to 105 and 95 per cent.

We very carefully look at the data provided by the ABS during and up to that process and make sure that we include that in our initial considerations. Public suggestions are part of that process. We invite suggestions as to the redistribution and we have an information campaign to make sure that people are aware that it is occurring. Then there is a commentary period on those suggestions and there is the process of making our proposed redistribution plan. That is also followed by another commentary period. There is, by law, a very thorough and quite appropriate engagement of the community across all aspects of the redistribution process. There will then be formed an augmented redistribution committee. That then makes the final determinations.

At each step there is ample opportunity for members of the community to make sure their voice is heard in this space. There are some innovative ways by which they can do that as well, as part of the redistribution process. Ro Spence manages the program whereby members of the community can go online and can look at the potential redistributions, based on data provided by the ABS, and click on the little boxes and make them all go green. They will go green if they meet the required legislative quota, as anticipated at the time. We can track those. They can submit those to us. We can see those as part of the community submissions.

DR PATERSON: Is consideration given to what is best for representation? For example, Kambah is a massive suburb but it is split between two electorates. I would argue that they probably do not get the best representation because of that. In the decision-making process, do you weigh up: “Within this year’s redistribution, it may not be in the best interests to redistribute that suburb and we will wait another four years”?

Mr Cantwell: There are a number of factors that we need, by law, to duly consider. I refer quickly to an extract from the act. The redistribution committee must consider:

- (i) the community of interests within each proposed electorate, including economic, social and regional interests; and
- (ii) the means of communication and travel within each proposed electorate; and
- (iii) the physical features and area of each proposed electorate; and
- (iv) the boundaries of existing electorates; and
- (v) the boundaries of divisions and sections fixed under the *Districts Act 2002*.

So, yes, we have to do what is required by the act here. Those are the things that we must do. We absolutely consider all those factors as we consider what the community impacts might be. We see those reflected in redistributions past and we make sure that the community is invited to talk to those particular things which we must consider.

DR PATERSON: You said that the committee will begin its work on 20 October. How long does that process normally take and can members have input into the consultation?

Mr Cantwell: All members of the community are invited and able to make a contribution or commentary and suggestion in the process. The actual length of the process is determined, ultimately, by the range and degree of community proposals and comments and suggestions, and whether or not, once the augmenting commission sees there is a need for a different proposal to that which is proposed by the commission—I should say the committee in the first instance—there will be public hearings associated with any concerns that might be raised by the public.

So it is a bit of a pinball process. For the 2020 election I think we concluded and were able to table the redistribution report after August, in the year following the year in which that process was initiated. I would anticipate that, pending the changes the community might wish to see or propose, the process should take about the same time, but we will see how that plays out. I do note that the area which you have referred to in your question is one of those growth areas and we need to be alert to those demographic changes as our community grows and expands across those areas.

MR CAIN: Commissioner, I make reference to the JACS report following the inquiry into the ACT election and the Electoral Act. The report, as you know, was issued in August last year. I note that you responded to eight of the 52 recommendations. In particular, recommendation 11 from the committee recommended the public release of electronic voting code and system documentation. This was similar to a recommendation made by Professor Teague, Drs Conway and Haines and Mr Wilson-Smith in their submissions to this inquiry. What is your response to that recommendation?

Mr Cantwell: Whether or not we will apply the protections afforded by a non-disclosure agreement having to be signed by members of the community who would wish access to the code is a matter for the commission to consider further. We have not determined which option we will take in that regard. The context here is one of assurance to the public of the integrity of our electoral process and to avoid the potential for misinformed or misdirected perceptions informed by commentary from people who do not know of the detail or are not in a position to make an informed comment.

Those matters I have under consideration. The initiatives to which I referred earlier, such as our own internal electoral integrity advisory panel and the task force that we will need to shortly enlist and leverage the support of some federal agencies to determine, test, prove and validate the integrity and security of our systems and the code that operates beneath them, are the factors we will have in mind when I consider how we approach that matter again for the 2024 election.

MR CAIN: So do you intend to follow through with that recommendation: that there be a public release of the electronic voting code system documentation? Is your answer yes or no?

Mr Cantwell: I have that matter under consideration. I have not decided yet whether or not to do that. Let me make sure I accurately answer this question. The code is and always has been publicly available. For the 2020 election there was a requirement for a recipient of that code, firstly, to sign a non-disclosure agreement.

The initiative for that was proposed initially by a colleague of Professor Teague. We took up that suggestion as a way by which we could ensure that Elections ACT and any other concerned parties had the time to consider what the information being presented to us about the code was, so that we could duly consider it and make a response. So my answer is that the code has always been available. Whether or not we impose a non-disclosure agreement for the 2024 election is yet to be determined.

MR CAIN: I notice that in your response to the committee report in December last year you selected eight of the inquiry's recommendations to address. Do you mind explaining why you did not address all of the 52 recommendations?

Mr Cantwell: No, that is a misrepresentation. All of the inquiry report recommendations were considered by the commission. The way that the response to that report was framed addressed a number of those recommendations which, in the commission's view, were particularly important in terms of the delivery of electoral services and the integrity of those processes. So the report addresses each and all of those recommendations and makes a considered response to each of them, but, for ease of reading and targeting those particular issues which we think are important from the commission's viewpoint, in response to the inquiry report we emphasised those particular aspects.

MR CAIN: Regarding this budget that we are contemplating, do you believe that this budget provides you with appropriate support to effectively fulfill your mandate?

Mr Cantwell: I do.

MR CAIN: So you would be expecting to complete the capital works and to maintain all of the priorities that you have listed, including the redistribution?

Mr Cantwell: Yes, I do. As the economic outlook is expressed in the ACT budget papers, there are always factors at play that might impact upon any organisation's performance and delivery of its objectives in that period.

MR CAIN: So there are some initiatives you would really like to get on to that current resourcing does not allow for?

Mr Cantwell: The priorities and the imperatives have been addressed. If they had not been then we would have taken action to make sure they were properly articulated in other ways. I appreciate the opportunity given to me here both to express the confidence that we will deliver the programs and services that we are budgeted to provide but also to highlight where potential risks or other events might occur that will warrant further

consideration for budget enhancement. We are engaged—with an appropriate, independent viewpoint—in considerations of potential legislative change that will impact upon the 2024 election. They might carry some budgetary implication if they are taken through to the Assembly and enacted, so we need to be alert to that potential.

A recent internal organisational review—I think I referred to this in the last or a recent hearing—of the capacities of Elections ACT, and the resulting report, identified a requirement that we should build capacities in cyber protection, community engagement and communication and human resource services within our own Elections ACT team. Those things will require some budgetary enhancement, but of course we will look very carefully at the extant budgets and appropriations that are forecast through 2024 and beyond, and we will make sure we get the very best value from every dollar that is assigned to us in the delivery of our services.

Like any other organisation, if we think we need more resources to deliver our core business, in the course of changing circumstances, we will certainly take appropriate actions through the budget protocols.

DR PATERSON: I think in the last hour there was an article in the news about the Australian Electoral Commission taking TikTok to task over misinformation. This is an expanding area of concern. In preparation for the 2024 election, are there any increased resources or thought processes going into this type of issue?

Mr Cantwell: We worked closely with the other jurisdictions and, in particular, the AEC in the development of a protocol between the electoral management bodies and the social media companies. The AEC has been the leader in this space. They did a lot of work proactively by engaging with the right level of leadership in those social media companies and global representations to, firstly, ensure that there is an understanding of the role of social media in this space in providing a platform for misinformation and to revisit carefully the potential for action to be taken by social media companies to manage how misinformation or the like is being portrayed on their platforms.

I think the news story we see today is a good story because it reinforces the benefit of that early engagement with, in this case, TikTok. I know there have been other cases whereby such engagements have proved very fruitful. I think we are in a better position than if that had not been the case—that is, we have now got an understanding from not only our perspective but also the social media representatives in Australia and overseas of the potential for misinformation in the democratic process to unduly undermine public confidence in the processes.

So what are doing about it? We leverage off that good work which is done by the AEC and others and we share and contribute to that protocol. We will engage, at the right level, at the right time, with the local Australian representatives of those companies to build upon that process and the good work that has been done by other agencies like the AEC. Something else we are doing is seeking to build the capacity of our small team to monitor such social media posts. It is limited at the moment, and that is one area in which we do need to build capacity as part of community engagement enhancements.

I think the representative from the AEC who was quoted in the article also referred to

the fact that there is every right for someone to engage in the political process and speak about what they wish to speak about, and engage and understand and talk about the democratic processes that we facilitate. But, as perhaps typified by the example in that article, sometimes action needs to be taken early to prevent the inappropriate use of those social media posts and the spread of misinformation.

THE CHAIR: We will draw this session to a close. I thank the commissioner and staff for their attendance today. Naturally, if any questions have been taken on notice, could you please provide any answers to the committee secretary within the next five working days. The committee will now suspend and reconvene at 1.30 pm.

Mr Cantwell: Thank you, Chair.

Hearing suspended from 12.17 to 1.30 pm.

Appearances:

Vassarotti, Ms Rebecca, Minister for the Environment, Minister for Heritage, Minister for Homelessness and Housing Services and Minister for Sustainable Building and Construction

Community Services Directorate

Gilding, Ms Louise, Executive Group Manager, Housing Assistance

Nielsen, Mr Shane, Executive Branch Manager, Business Transformation and Systems

Aigner, Mr Geoff, Executive Branch Manager, Client Services

THE CHAIR: We will kick off the hearing for this afternoon. Welcome to this public hearing of the estimates committee 2022-2023. In this session we will be hearing from the Minister for Homelessness and Housing Services. I welcome Ms Vassarotti and officials.

Please be aware that the proceedings today 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, it would be useful if witnesses could use the words, "I will take that as a question taken on notice," or words to that effect. This will help the committee and witnesses to confirm questions taken on notice from the transcript.

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

As we are not beginning with opening statements, we will go straight to the first substantive question. I will give mine to Mr Parton.

MR PARTON: I thought we might start with the nitty-gritty. I am looking at budget statements G, page 49, table 35, accountability indicators, regarding client service visits for Housing ACT properties. In 2020-21 the interim outcome was almost 2,000 less than the targeted 11,000. In 2021-22 the estimated outcome is 5,785 less than the target. Why is it that 5,785 properties did not receive an inspection? In our office we balanced this against stuff that we got from city services, for argument's sake, about playgrounds. They suggested that the 500 playgrounds in Canberra received more than 26,000 safety inspections a year. Why is it that we are not able to meet these targets in your area?

Ms Vassarotti: Thank you very much for the question, Mr Parton. I acknowledge the privilege statement and I understand it. Mr Parton, you would be aware that, in relation to our client service visits, the operations of that activity have been significantly impacted by the periods of lockdown that we had over the past couple of years. That has particularly impacted on our ability to meet the target in terms of client service visits.

Client service visits are a really important element of the work that Housing ACT does, and it is a good opportunity for Housing ACT staff to touch base with tenants to ensure that things are running smoothly, and that maintenance issues are being addressed. We absolutely see that it is an important part of the activity. However, with lockdown in particular, that significantly impacted on the ability to meet targets. At the time, there was obviously a gap when people were not able to go into homes and conduct those client services.

That has had quite a significant role regarding impact. When there has been a gap across a service, there has been a need to triage and to ensure that the people that are our highest priority are getting this service. That might mean that some of those client service visits are actually longer than a traditional one would be. I will go to Mr Aigner, just to provide some additional—

MR PARTON: If you feel that that is required, because I think that you have covered that first part of the question sufficiently.

Ms Vassarotti: Okay.

MR PARTON: With the greatest respect to Geoff, I am not sure that we need to hear from him, in this instance.

Ms Vassarotti: I am glad that I could answer the question, Mr Parton.

MR PARTON: Is COVID still, at this stage, impacting the ability of Housing ACT to undertake those inspections?

Ms Vassarotti: I will hand over to officials. My understanding is that there is some ongoing impact in terms, particularly, of clients with vulnerability. There might be particular limitations in terms of conducting those client visits. There is also that process of managing the backlog.

MR PARTON: As we go to Mr Aigner, is there any option for, or is there even any point in, online inspections as an alternative inspection method?

Mr Aigner: I acknowledge that I have read the privilege statement. As Minister Vassarotti said, the client service visits are a very important part of service delivery in Housing ACT. It is an important part of understanding client welfare and property condition.

Over the coming year, COVID will impact client service visits only insofar as we have people absent. We are prioritising client service visits. We are trying to get people into homes as quickly as possible. We are placing houses which have not had a client service visit for more than a year first, so they are our overall priority. It is an important part of understanding where people are at—making sure they are connected to supports and that they are okay with their rental payments, and looking at how things are going with the community. We have a significant focus on that, but we are impeded by staff absences. We are trying to work around that, where possible.

MR PARTON: With so many properties falling below standard on a number of

fronts—we had the example of a property with young children living in squalor for years—would not at least one, or more than one, inspection a year identify those issues sooner? I feel that we have a number of properties that, for whatever reason—and I know COVID has played a role—have fallen through the cracks of the framework that has been established, and the framework is not being fully implemented.

Ms Vassarotti: Some significant work has been going on in terms of ensuring that the properties that are people's homes are adequate and are being kept up to a standard. Client service visits are one way that we identify issues around property conditions. These are homes that people are living in, and often issues are identified by the tenants themselves.

I would point to the fact that there has been significant investment, both last year, with an \$80 million investment, and this year with significant investment, in repairs and maintenance. That is something that sits with Minister Berry. A significant effort is going into identifying key issues and ensuring that we are responding. Client visits are an important element of that. It is not the only element. Again, I will ask officials whether there are any gaps in terms of the other things that we do, in terms of responding to the issue that you raise.

MR PARTON: In closing on this line of questioning, how often are inspections meant to be scheduled for each property?

Mr Aigner: I apologise; I did not fully answer your question last time, Mr Parton. You asked about online visits. That is something that we did look into very early in the pandemic, and we made a decision about it, for a number of reasons, including clients' technology access and our ability to get a sense of what is going on in the property. Issues around domestic violence and mental health are not really conducive to that channel. As I said, it is something that we did look at.

Client service visits are not the only way that we check in on client welfare. We took over 50,000 engagements through our contact centre in the past financial year. We had 10,000 people walk through the door. It needs to be remembered that client service visits are only one type of visit. There are countless thousands of other visits that we do, in order to do welfare checks.

Going to the last question that you asked, Mr Parton, our goal at the moment is one client service visit per year, within the constraints that we have. We are looking at how we have higher frequency, and record the other visits we do, which we have not been able to do so far. We are looking to do that over the coming years, so that we get a full sense of how many times we are interacting with a client, both on a routine basis and in responding to any issues they may be facing,

DR PATERSON: Further to that, even if a client does get one visit a year, if there is maintenance that needs to be done on the property, what then is the follow-up and in what types of time frames is there follow-up from your one visit?

Ms Vassarotti: I am really happy for officials to answer that. That is something that, again, strays into Minister Berry's portfolio, but there is a clear step-through process when maintenance issues are identified. I think that we can answer that question.

Mr Aigner: Thank you, Minister. On the first instance, we direct clients to interact with our total facilities manager program around new maintenance issues.

DR PATERSON: The client has to then contact them for the maintenance, not the person who conducted the—

Mr Aigner: It could happen on a client service visit but, just remembering the frequency, issues will come up between that yearly interval. If the housing manager is there and the tenant feels uncomfortable or incapable, for one reason or another, of making that call themselves, we ask the housing manager to put the call through to programs or put the email through to programs. In some instances we will do a follow-up for similar reasons. If we are concerned about the client's agency, capability or whatever, we will support the client around that process, but the vast majority are clients interacting directly with programs to lodge a maintenance request, to follow it up if necessary, and even to make a complaint if that is necessary.

Ms Vassarotti: So just to wrap up the conversation on this issue, particularly around the frequency of client service visits, I think it is important to recognise that as a social landlord, Housing ACT is trying to get the balance right in terms of respecting the fact that these are people's homes. Often people in the private rental market talk about inspections and the like being quite an intrusive process. We have numbers of quite vulnerable people who are dealing with particular issues. So, certainly, in our approach to client service visits we are trying to get the balance right in terms of providing a really good human-based service to people, but also respecting that these are people's homes that they should feel comfortable with and not feel like they are being checked up on every few months.

DR PATERSON: We have talked about the maintenance side but, on the social side, if you identify, through the once-a-year engagement with the client, that there may be some problems in the house, or some social services that are required, is it on the client to follow them up, or will Housing engage with those services?

Ms Vassarotti: Again, I will look to officials in terms of the details of that but, absolutely, this is not just about property condition; it is about checking in with tenants about how we are travelling and, if there is an identification of the need to rope in further services, that absolutely happens. In terms of recognising self-agency and self-determination, I think that it is always good practice to be able to support tenants to reach out to services that they might need themselves, but there are referral processes, and I will ask if officials have anything to add in terms of some of those formal processes.

Mr Aigner: Thank you, Minister. Yes, there are a number of ways we deal with that, Dr Paterson. On a client service visit or through an interaction on the phone, the first wave of response is the housing manager, and they can respond to the simpler things or the issues that are easier to deal with, given that they have a large portfolio of clients to deal with. If they identify something which might require a bit more work in terms of connection to specific supports, or welfare or financial issues, or broader community engagement problems, we may engage episodically with what we call a TSCCO, which is a tenant support community and connection coordinator. They will work with the

housing manager and the tenant around sourcing those supports and getting them the help they need for that interim, until they have sorted it out.

If it is a longer-term issue, and we know that that kind of support is required for probably the balance of the tenancy, that tenancy will be escalated into what we call an HP or a practitioner. They will have a much smaller case load and are more familiar with dealing with more complex clients. They understand more deeply the issues around domestic violence, mental health, incarceration, exits from AMC et cetera, and will hold a smaller portfolio to deal with that type of client set. And all of that is interacting with the sector, where appropriate.

MR BRADDOCK: I would just like to ask some questions about complaints, and by this I mean complaints from neighbours or other members of community about ACT Housing, or about its tenants. Can you provide some detail in terms of how many we get—the sorts of numbers? Are there any trends in there?

Ms Vassarotti: Sure. I might make a couple of opening statements and then again ask for some of the detail to be provided by officials. In terms of the work that is done with public housing tenants, these are people living in neighbourhoods, and, as is the case in all situations, there are various times when neighbours have some challenges in terms of working with each other. It is interesting that often the expectations of public housing tenants, and the management of public housing tenants, seem to be higher within the community. So we certainly get situations where people look to Housing ACT to solve problems that would never come to a private real estate agent.

In terms of the Residential Tenancies Act, there are three things that we ask tenants to do—to pay their rent, to look after their property, and to be good neighbours. That element of being a good neighbour is really important. But certainly the issue of complaints coming in about housing tenants is something that Housing ACT looks at. It looks at the obligations under the Residential Tenancies Act, particularly around that need to be a good neighbour.

So there is a really clear process that Housing tries to manage internally. If that is not able to be resolved, and if there is a complaint that ends up being substantive, there is an escalation process that is gone through. The end point is going to the ACT Civil and Administration Tribunal. But in terms of the numbers of complaints, I think I will go to Mr Nielsen.

Mr Nielsen: In relation to the numbers you reference, complaints in the past financial year had reduced from 3,266 in the 2020-21 financial period to 2,520. Those are broken down in regard to disruptive behaviour, maintenance, tenant-responsible maintenance, and property condition. The vast majority of the trend that you were referencing, has been a reduction in disruptive behaviour or neighbourhood issues, going from 888 to 631, and also tenant-responsible maintenance reducing from 745 to 533, in the past financial year.

MR BRADDOCK: Do we have any idea as to what is driving those drops in complaints?

Mr Nielsen: I will comment, and perhaps Louise Gilding would like to add. I would

suggest that the vast majority of that is around the increase in the spending on maintenance. Obviously, the \$80 million that was committed by government has seen a significant number of work orders being able to be done, as well as not just the response but the forward planned work that has occurred. We suggest that that is a significant reason as to why we have seen that downward trend. Obviously, the other one that has come through—disruptive behaviour or neighbourhood issues—saw another significant reduction. Geoff may have another response in relation to that.

Mr Aigner: Yes, I am happy to add to that. Louise, if that is okay?

Ms Gilding: Yes.

Mr Aigner: We have had systems in place over the past two years, where we were able to track our response times around complaints, so that we do not get into a situation where we are getting complaints about how the complaints are being handled. So we track complaint turnaround time. At the moment we are hitting complaint responses within our target of 21 days of 90-plus per cent. Every housing manager in the tenancy team is tracked around their ability to manage complaints within the KPI.

MR BRADDOCK: Are you seeing a corresponding decrease in the number of complaints being escalated and ending up in ACAT as a result of these new management systems?

Mr Aigner: Yes. Complaints do not tend to end in ACAT. They end up more in our own systems. Do you want to speak to that?

Mr Nielsen: No, go ahead.

Mr Aigner: That is the internal escalation process, from a first level to a second level. But ACAT is not generally a destination for those kinds of complaints.

MR BRADDOCK: Fair enough. How are you going about countering the stigma of having Housing ACT as your neighbour or in your street, because that is a repeat issue that I sometimes tend to hear about?

Ms Vassarotti: Yes, it is a really good question, Mr Braddock. I think that one of the really important things with the salt-and-peppering approach is that we are really looking for public housing to be a normal part of the social and neighbourhood structure. There is work that needs to be done in terms of countering the stigma, including providing information in terms of thinking that there are, across the city, about 11,500 people that are in public housing properties, and more than 20,000 tenants. So this is a really normal part of living in this city. Public housing tenants that we have are fantastic contributors to our community and fantastic neighbours across the community as well.

We have done quite a lot of work in terms of supporting tenants to contribute to and participate in the community. I would point to some of the programs that we have, such as the tenant participation grants, as one way that tenants can pursue some of their interests within the community as a way of embedding them into the community. They are quite small grants that support households to pursue some of their dreams and issues. But in terms of other work, I will ask Ms Gilding to draw on that a bit more.

Ms Gilding: Thank you, Minister. I have read and understood the privilege statement. I will just add to what the minister is saying. We have lots of great stories about tenants, and you can find them on our website. We regularly have tenants who write into us, thanking us for the housing assistance that has been provided to them, but also wanting to tell their stories. You will find them on our website.

We do our best to provide them more broadly, and it would be great if more of those stories about tenants—and how they are just normal people like every member of the community—could get out there. But we do have challenges in that space, because often the good-news story is not the one that gets told.

DR PATERSON: Just in respect of complaints, Minister, you and your office have been very helpful in responding to complaints and working with constituents. But it is because they are not getting an adequate response to their complaint in the first place that I feel I have to then advocate for them. I question actually whether people are getting a response to a complaint. But, also, if they do, it is “It is privacy restricted; we cannot tell you anything.” I think that that is not what people want to know. They just want acknowledgement that, firstly, what is happening is not okay; and, secondly, that there are active steps. You speak about escalation, but from an external perspective, the person who is making the complaint does not see any escalation. They are just viewing it as a brick wall of bureaucracy. I am wondering if there are other ways that we can work with people who make complaints and give them information and provide them with supports, and do it in a way that does not breach any privacy, and which de-escalates a situation rather than what I think is happening.

Ms Vassarotti: Thanks very much for that reflection, Dr Paterson. I will put on the table that it is really challenging, because of the complexity of people’s lives. Privacy is actually a real life issue. I know that even in the correspondence that we have between offices we really try to be as forthcoming as we possibly can, but we operate within the constraints of a privacy framework, which is there for a reason in terms of people having a right to privacy. In my understanding of how the system works, Housing ACT is actually pretty responsive in terms of reaching out to complainants and having a conversation in terms of, “This issue is being addressed,” but they are not able to go into the detail of how those issues are addressed.

Often in terms of complaints, people are coming because they are distressed and are in a situation. There are often two, three and sometimes four different perspectives of what has happened and what the rights and wrongs of the issue are. We often see experiences where public housing tenants are blamed for the behaviour of other people that are not tenants—they are maybe residents that are just walking down the streets sometimes—but because they happen to walk past a home where people know public housing tenants live, they get blamed for that behaviour. So it is really complex.

Again, I will ask officials if they have additional information to provide. I think Housing ACT is really open to looking at ways that we can improve the processes to make it a better experience for people, and there is a significant business transformation process going on, but I think that some of these tensions are tensions that are very difficult to resolve. Particularly for someone who has gone to the point of making a complaint, of escalating a complaint, it is sometimes the case that unless the complaint is dealt with

in a particular way—often in their mind it is about a tenant being moved from their property, which would often be outside the Residential Tenancies Act—they would be quite dissatisfied with the response.

DR PATERSON: Minister, I would argue that there is a big gap between the ACT Housing complaint response and ACT Policing. ACT Housing says, “That’s a matter for ACT Policing; please refer to ACT Policing.” ACT Policing basically says, “We can’t prove that that person yelled at you or was abusive or was partying all night and throwing bottles or whatever,” and they are not really interested in following up on those types of “minor”—if you like—complaints. I speak to a lot of people who fall in that gap. They are just beside themselves because the neighbourhood is greatly disrupted by some of the activity. It is more than disruptive behaviour; it is abusive, sometimes. So I guess I feel like there is a gap that we are not hitting the mark on in that respect.

Ms Vassarotti: From my perspective, I think there is a really interesting issue in that, for a lot of the situations that I see come through our office, there is an expectation that Housing ACT is responsible for issues that sit outside the Residential Tenancies Act. People get really frustrated by that, but Housing ACT is not able to respond to issues around criminal matters unless they actually intersect with the Residential Tenancies Act. There are some complaints that come into Housing ACT that they have no jurisdiction over and no power to deal with. Like Policing ACT, Housing ACT is not sitting next to a particular property at any time of the day or night. We do need to work with members of the community in terms of collecting the information that actually enables the substantiation of a claim around a breach of the Residential Tenancies Act.

I absolutely accept that it can be really difficult. I have lived in neighbourhoods with neighbours that have not been good neighbours, who have been really disruptive to the rest of the community. In my case, they were people who sat within the private rental market. This is not something that happens only in public housing properties. However, as I think I said earlier in the hearing, there seems to be a different expectation in terms of how public housing tenants are responded to as opposed to private housing tenants, and I think that is something we need to think about as a community. I think that that actually relates to the comments and questions that Mr Braddock was asking in relation to stigma around public housing tenants. I am not sure if there is anything more to add.

MR PARTON: I just wanted to follow up on this discussion about complaints and the complaint process that in some way echoes a little of what Dr Paterson was saying. What we get back from constituents in this space is that they feel that there is an uncoordinated response from Housing ACT generally. If I can, I will give an example. The last thing I want to do is to say anything that would identify this person, so it is going to be relatively vague. This person had severe water damage to a public housing property and ended up, for a period of time, couch surfing and was effectively homeless with children while Housing was dealing with this situation, which has gone on now for many, many months. For the fourth time, today a carpet layer was going to come out and put carpet down in the property, but was advised that the mould had not been dealt with, “So we can’t lay carpet and we have to go away again, for the fourth time.”

There just seems to be this completely uncoordinated, detached process, which is exacerbated by the fact that this particular tenant, try as she might, cannot get hold of her Housing manager. It just goes to message bank. I have obviously escalated this to a

ministerial level to the other minister, but I feel that with your portfolio space, you end up cleaning up some of the mess that is created, because these problems, in terms of complaints, go to you. I just wonder how you would, as minister, respond to that broader narrative?

Ms Vassarotti: A key thing is that this is a complex business. I will put it on the table that we absolutely do not always get it right. Things fall between the cracks. Often, there is a range of situations, particularly in dealing with the repairs and maintenance issue, which sits with Minister Berry. Things do sometimes go wrong. We cannot pretend—

MR PARTON: Often.

Ms Vassarotti: Think about it, though, Mr Parton. All of us in this building tend to see when things go wrong. We have 11,500 properties so, while it feels like a lot, a very small proportion comes across our desks. I am not minimising that experience for people, because these are people's lives, these are people's homes, but in the context of the business that is being run, there is a lot that is going right that we often do not hear about. What I would say is that in Housing ACT, certainly from my part of the business in terms of the tenant experience, there is an absolute commitment to continuous improvement and to looking at how we do things better. I think the business transformation work that is happening, by its nature, is something that we need to bite off chunk by chunk.

Some of the beginnings, in terms of the new website, probably does not look like much. It is a fairly small step in some ways, but as the first way that people come in and engage—and find an easy way to make complaints or an easy way to get their maintenance issues dealt with—they will see that it is quite significant. But it is actually only the first step. I might just draw on Mr Nielsen in terms of some of that business transformation work, particularly if there are particular pieces of that project that are really looking to this issue about how we join up the work of Housing ACT. There is absolutely work happening in that area.

Mr Nielsen: Thank you, Minister. As the minister referenced earlier, there is a large transformation project going on within Housing ACT. An initial part of that has been looking at the way complaints are managed, recorded, tracked and subsequently resolved through the system. As we are starting to build that, we are starting to create those linkages, not only within Housing but also programmed in the complaints that they are doing and then starting to create those linkages. That is a long piece of work and that really broadens. Community Services has a broader complaints-handling and management practice framework that we have been adopting and working through.

The minister was also referencing another piece—the way we do communication with our clients and with our tenants. We have recognised that there is some improvement that we can make to the way the website is structured to make information much easier to find, so we have done quite a significant piece of work. Only in the past month we released a new version, making it easier for clients to come and find information. We are working with our tenants' consultative group and people within the community to be part of that process so they can tell us: what is the information you need to find quickly and easily? Then we are continuing to build on that as well. All these are pieces

in isolation, but they are brought into a broader piece, which, as you have suggested, tries to create greater linkages and understanding as to the whole scenario with our clients. Then we can go out there and understand all the pieces, to provide the best support for them and their needs.

DR PATERSON: Minister, this question is about the service needs and gaps for young people who are experiencing, or are at risk of, homelessness. I am wondering what is being done or if there has been some budget focus on this in this budget.

Ms Vassarotti: Thanks very much for the question, Dr Paterson. In answering your question, I think it is important that we reference the significant piece of work that is happening across the specialist homelessness sector, not just youth homelessness. We are actually undertaking a significant piece of work around commissioning for the specialist homelessness services sector, and young people is a specific element of that. That is a process that has been going on for a little while. We started with a ministerial roundtable that happened last year. We had about 45 CEOs from different parts of the sector participating in that commissioning process.

Following that, we have had a series of workshops looking at particular issues. We have had some deep-dive sessions where we looked at some of the subsectors, and youth homelessness was one of those sectors. We have also looked at the central intake service and how that works; issues around gender-based services; and issues facing people from the LGBTIQ+ community. That has culminated in a fantastic process, where people have come together with some really good ideas about where some of the gaps are and how we might, as we reconfigure the sector, ensure that we are meeting all of those gaps. Where we are at in terms of that process is that we will be moving to the next part of the commissioning service, which will see us with new service agreements for the specialist homelessness services sector from June next year.

In terms of youth homelessness, there are other programs that have been happening in tandem, particularly within Minister Stephen-Smith's portfolio. I think one of the most significant ones is the Ruby program, which I think we are going to launch very shortly. That will be a fantastic early intervention service. That is really about ensuring that we are providing support to young people so that they can have a little bit of timeout and we can de-escalate things and people do not find themselves in a specialist homelessness service.

There is also work that is happening on the new youth employer program as part of the CIT program. So there are some specific programs. There is the great work that happens within the specialist homelessness sector. Particularly Barnardos and the Salvos do some great work in that area, but we are really doing a deep-dive to see if there are gaps. With the newly reconfigured specialist homelessness services sector that comes out of the commissioning process—which is something that has been co-designed—we will see ongoing focus on ensuring that no young people are falling through the gaps.

Homelessness, in any circumstance, is horrendous, but the thought of our young people having nowhere safe to sleep is something that is really distressing. As we know, if you have experienced homelessness as a young person, your life trajectory can be significantly hampered, so it is a key piece of focus through that work that we are doing with the sector.

DR PATERSON: Given that over the past couple of years there has been a significant rise in the cost of living, and the rental market is incredibly tight and very expensive at the moment, is there a close eye, in terms of monitoring data, on homelessness in the ACT? Are we seeing increases in that?

Ms Vassarotti: Through the COVID period we did see an increase in homelessness, and that was one of the reasons for activating some significant additional resources into the specialist homelessness sector, and there was a period when we saw incredible work happening across the sector, in terms of being really creative around new services and new responses.

Again, as part of the commissioning process, we are looking at the issue of how we count and monitor. Some really important work has happened, particularly through the rough sleepers working group. There are other models in other jurisdictions, in terms of different ways of counting homelessness, and that is a discussion that we have been actively engaged with. I know that officials have been discussing that. There have been discussions within the sector.

So, again, as part of this broader commissioning process, we are ensuring that we are doing a really good job with the monitoring. That is why the centralised intake service has been a really important service in terms of understanding who is seeking assistance. Because our data collection is probably better than that of other jurisdictions, that does have an impact when we look at things like our performance across jurisdictions, but we are pretty confident that we have a much more robust process in terms of who we are counting. We are particularly looking at whether we can improve that, particularly around visible rough sleeping.

DR PATERSON: Do you have data that you could give to the committee—over the past year, for example—on what the levels of homelessness are?

Ms Vassarotti: We do have some statistics, particularly those that have come through OneLink. I think they are on the website, are they not? They are publicly available, so we can provide those for you.

MR PARTON: I want to get onto the broader issue of wait times, which obviously is on your side of the portfolio. It is difficult sometimes to draw the line between the two housing ministers. I know my question here is likely to drift somewhat into the other minister's area, but it is almost impossible not to. The RoGS report showed that there were 11,063 public housing dwellings in 2011 but only 10,859 in 2021, so there had been a fall. In the corresponding period, I think the population of the city went up by just under 100,000 people. So we are talking about a growth rate in population over that time of approximately 23 per cent, but the Housing ACT stock had fallen by two per cent. If you factor that in, it suggests that that is a shortfall of about 3,000 properties. The question I am asking is: why has there been a steady increase in waiting times for both allocation and transfers in the ACT? I would have thought the answer is obvious, in that it is a lack of stock.

Ms Vassarotti: Mr Parton, I can absolutely forgive you for asking a question that might go into the corresponding minister's portfolio. I recognise that it is challenging and that

there is lots of overlap. We have talked many times before—both ourselves and also with Minister Berry—in terms of the fluctuation of stock, particularly with us actually going to increase the level of stock by 400 and renewing 1,000 properties. This is why numbers are fluctuating, and we are at the lowest ebb in terms of the numbers of stock at this point in time. We are working through a process which will see an increase in stock. Notwithstanding the issue, we do have population growth. I am absolutely committed to working with Minister Berry and other members of the government, and with the commonwealth government, in terms of how we can increase that number of properties.

But we are still in a situation where we have twice the level of public housing stock than other jurisdictions. From my perspective, I am looking at that waiting list and thinking about that waiting list every night. It is a waiting list that has increased over the last period because of an increase in demand. That is not just about what is happening within public housing; it is a broader issue around housing affordability, not just in the ACT but across Australia and most of the OECD, and we are working to deliver more housing within our public housing stock. We have made a specific commitment that we are working towards, but we will see some fluctuations in the numbers of stock at a particular time. But I want more, as well.

MR PARTON: Minister, honestly, you talk about the fluctuation in available stock at a particular time, but even with the best possible scenarios put into play, including the extra 400, you are going to fall far short of providing what is required. I understand that there is a heavily political nature in this question, but I do not understand how, as one of the housing ministers, you can possibly reconcile the statement that you made in the lead-up to the election, that you are going to provide a home for all, because, very clearly, you are falling a mile short.

Ms Vassarotti: I am absolutely working hard to do everything that I can, Mr Parton, to provide a decent home for all, to eliminate homelessness. I am doing everything that I can. We are not going to solve it just within the homelessness sector. We are not going to solve it within the public housing sector. We need to look at a range of levers in order to deal with that.

Some of the announcements that have been made in this budget are around things such as build to rent. I have great optimism that they will provide some significant additional things. We cannot do this on our own. We need to look to the commonwealth government. Things such as forgiving the historical debt and being able to tap into the Future Fund in terms of housing stock are mechanisms through which we will work to do this. This is not something that we are going to solve today or tomorrow. It is not something that, within my portfolio responsibilities, I am going to solve solely in the next six months, but it is absolutely something I am working on and something that I am not resiling from. It is something that we all need to work on in order to achieve it.

MR PARTON: Are you at all embarrassed by the fact that you went to the electorate, in the lead-up to the election, and promised a home for all, and that you are now one of the housing ministers and you are not within a bull's roar of getting anywhere near it—indeed, we are going backwards?

Ms Vassarotti: I am not embarrassed at all. I am absolutely committed to doing

everything that I can to deliver a home for all. We need to work as a government, we need to work as a parliament and we need to work as a community, in order to deliver all of that. Absolutely, I have not resiled from that position at all.

MR PARTON: Right; thank you. We put a question on notice in June last year regarding the size of housing managers' portfolios, and my understanding is that the advice we got was that those portfolios ranged between 211 and a maximum of 245 properties. I think that is the advice that we were given. I just want to ask: how does that work practically? How do housing managers communicate effectively with over 200 tenants?

Ms Vassarotti: I will go to officials to ask the substantive question about how the housing manager role works and how they engage with tenants, but I will also say that we have housing tenants and there are additional roles within the organisation, particularly the senior practitioners. That is a group of highly specialised housing managers that work within the portfolio, particularly providing support for households that have complex needs. So it is not that every housing manager has a specific portfolio and that it does not matter how complex are a household's needs. There are some tenants that have very minimal needs and do not really need much interaction at all.

MR PARTON: Yes. I am sure that is most.

Ms Vassarotti: Most of them. Certainly the way that Housing ACT manages support means that, particularly for households that need additional support, we have quite a highly specialised group of workers that work with it. They also need other things as well. There are OTs to look at the needs of particular households, as well. So, again, it is not just that there is one housing manager dealing with 200 households and there are no other supports; it is very much a team. But I will look to Mr Aigner to provide some further details about how it works operationally.

Mr Aigner: Thank you, Minister. Thank you for the question, Mr Parton. I will not hide from the fact that housing manager jobs are not easy jobs.

MR PARTON: No.

Mr Aigner: It is a good sized job, but, as the minister said, the majority of our tenants have, so to speak, one touch a year with a client service visit. They are getting on with their lives. We do not need to interact with them, and they are doing fine in their houses. If we take as a proxy indicator of that the number of people who have had no rental debt—that is sitting at around 86 per cent—that is usually a good proxy for—

MR PARTON: Sorry; is that 86 per cent?

Mr Aigner: Yes, 86-ish.

MR PARTON: "Don't quote me," he says!

Mr Aigner: That is usually a good proxy measure for the number of people we do not have to engage with. Most people are just getting on with their lives. As the minister said, the housing manager is not the only person that is the possible interaction point

with Housing ACT. We are trying to create more channels to interact with housing, and that could be not only the central access point but also our new client engagement team. That is a call centre, which is expanding. We have new technology in that call centre, which is able to measure grades of service, abandonment rates and average handle times. All of that is dramatically improving with new technology and processes.

The housing manager is not on their own in interacting with tenants. Added to that, as my colleague Shane indicated earlier, we are doing a lot of business process re-engineering work, which is looking at how we give more time back to housing managers to do what they should be doing, which is to be out in the field interacting with tenants. Some of the early work we have done around that is, for example, taking a lot of rebate calculations and all the rebate work away from housing managers and putting that in a central team. We are looking at taking more administrative work off housing managers for things like booking client service visits. There is a whole suite of work that is coming over the next year, which is looking to give even more time back to housing managers so that they can interact better with clients.

The numbers that you have quoted on portfolio size, Mr Parton, may have slightly changed because we did a wholesale rebalancing of portfolios at the end of the financial year. Looking at portfolio size, we are looking at location to make sure that there is an equitable spread of work across our housing managers so that the job is more doable. All of this work that I am talking about is about trying to spend more time with clients and less with paperwork. We are trying to push self-service, where that is possible for clients, and having one-stop shops so that you do not have to interact with a whole lot of people and have to tell your story multiple times—everything is in a system—and we are offering digital as another channel so that we are not so dependent on housing managers and personal interactions all of the time. And there is a measurement of all the work that we do so that every role in housing has some kind of measure of performance. All that performance is about how we are serving tenants.

THE CHAIR: We might move to another substantive question, if we can, just to give committee members another opportunity to ask questions—

MR PARTON: Yes, of course.

THE CHAIR: —because the responses have been so long. No disrespect, there.

MR BRADDOCK: Okay. I am interested in how much ACT Housing spends on litigation and tribunals each year. Are you able to provide such numbers for me?

Ms Vassarotti: I will look to officials in terms of the costs around litigation. I would note that getting to ACAT is something that we see as a last resort, but there is a lot of work and effort that is put into trying to resolve issues prior to getting to ACAT. Certainly, the organisation takes their responsibilities as a social landlord really seriously, but at times there is a need to go to ACAT in order to get directions and ensure that people are meeting their obligations under the Residential Tenancies Act. I will look to officials in terms of whether we have any data in relation to that.

Mr Nielsen: Apologies, I will need to take that on notice. The reason I say that is that it will be a combination of working with ourselves, GSO but also ACTIA, our insurance

agency, because when a potential liability is above a threshold, they become involved in that process as well. If it is okay, I will take that on notice and bring that information back to you, and just ensure that it is collated between the three parties.

MR BRADDOCK: Okay. I will come back to you, Minister. In terms of that work we are doing, are we looking at alternative dispute resolution or other forms of settlements?

Ms Vassarotti: Certainly, in terms of the work that happens prior to a decision being made to take it to ACAT, quite significant work goes into trying to resolve complaints. Again, I will look to officials to talk to some of the detail in terms of what happens.

Mr Nielsen: Thank you, Minister. Thank you for the question, Mr Braddock. A lot we try to sort out at the housing manager level. When we get a complaint, or whatever the trigger is—there is an issue around debt or property condition, antisocial behaviour—the housing manager engages with the tenant and the other disputing parties try to understand the issues, get the background and find a resolution there.

There is an option to escalate that to mediation; it is not always taken up. Really, the last resort is escalating it into a tribunal matter, and ACAT, and engaging with the GSO. We really try to avoid that. That is not good for the client and not good for Housing either. Most of what we deal with is on the ground between the tenant and the housing manager.

MR BRADDOCK: Are you able to provide the figures for how many get resolved, for example, at the mediation level versus progressing to ACAT or similar?

Mr Nielsen: We could provide you with figures on escalations around NTRs and NTVs and matters that turn up at ACAT. I cannot give them to you today. I am happy to take that on notice, Mr Braddock.

Ms Vassarotti: It is probably useful to reflect on what goes to ACAT, as well, and the resolution of ACAT matters. Again, we will see in the figures what goes to ACAT. It is often around access orders. Often there has been an inability to access the property to identify if there is an issue. That is one issue. Often a negotiated settlement has gone to ACAT around something such as debt, and the resolution will be around a payment strategy, not a notice to vacate. It is certainly not a tool that Housing wants to use very often, and we would absolutely want to resolve everything before that process, but sometimes getting the third party arbitrator involved actually enables a resolution that works for everyone.

DR PATERSON: Just really quickly, I have a question on the tenants' consultative group. How many have you got on that group, and how does that work? What have been some outcomes from that group?

Ms Vassarotti: I do not have the details about how many people are on that group, so I will look to officials. We see the tenants' consultative group as a really important mechanism to ensure that Housing ACT has a direct line to tenants. It gets really good feedback. Unfortunately, because of COVID it has not met in person for a little while—it has been meeting online—but I have been to that meeting a number of times and really found it a particularly helpful group.

I know that the consultative group was really helpful in terms of doing some testing for the new website to ensure that it was responsive. It has been really helpful in terms of getting some on-the-ground knowledge about how things like repairs and maintenance are being responded to. It has been useful in talking through some of the challenging things that we have been working through in terms of housing issues. The required relocations was a topic of conversation when I was having a conversation with them. So it is a very helpful mechanism, but in terms of the actual numbers of people—

Mr Nielsen: I am sorry, I will need to take that on notice. It is between 10 and 12.

DR PATERSON: I can take 10 to 12; it is all right.

Mr Nielsen: I am sorry, yes. They were recently re-endorsed with a new group, and we have made a very conscious decision, over the past 12 to 18 months, to ensure—as Mr Aigner and the minister have talked about—that they are right in the middle of the process for engineering work that we are doing. They are actively involved in that. We seek their feedback. They are a part of that design process. We have talked about the website. We are looking at the way we are approaching reimagining Gateway, the interactions, and tenant communications. They are actively involved, and it has been a very good group, right in the middle. We encourage—but they are also very forefront to give us their views and also to share that with the broader community, which is just as important for us as well. It has been an excellent group.

THE CHAIR: On behalf of the committee, I would like to thank Minister Vassarotti and her officials for their attendance today. Naturally, if there were any questions taken on notice, please provide answers to those questions to the committee secretary within five working days.

Ms Vassarotti: Thank you.

Short suspension.

Appearances:

Office of the Commissioner for Sustainability and the Environment

Lewis, Dr Sophie, Commissioner for Sustainability and the Environment

Grimes, Mr Sean, Director, Sustainability, Environmental Assessments and Reporting

Gardner, Mrs Miranda, Director, Complaints and Investigations

THE CHAIR: Good afternoon, and welcome to this session of the estimates committee 2022-23. In this session, we will be speaking with the Commissioner for Sustainability and the Environment and staff. Before we start, I have a few housekeeping matters I wish to draw your attention to. All mobile phones are to be switched off or put on silent mode. Please respect the stated room limits and physical distancing requirements that are in place in this building as part of the Legislative Assembly's COVID-safe measures. Please allow the cleaner to clean the desk and seats between witnesses. Please practice good hand and respiratory hygiene.

Witnesses are to speak one at a time and directly into the microphone for Hansard to be able to hear and transcribe them accurately. The first time witnesses speak, please state your name and the capacity in which you appear. Please be aware that the proceedings today 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, it will be useful if witnesses could use the words, "I will take that as a question taken on notice," or words to that effect. This will help the committee and witnesses to confirm questions taken on notice from the transcript. Can I also remind witnesses of the protections and obligations afforded by parliamentary privilege, and draw your attention to that privilege statement.

When you speak for the first time, please state your name and the capacity in which you appear and also confirm, for the record, that you understand the privilege implications of that statement. As this is a short session, only 30 minutes, we will work along the lines of one substantive and two supplementary questions, so that we can get through as many questions as possible, and everyone gets an opportunity to ask those questions.

MS LAWDER: I would like to talk a little bit about your impressive report on the *State of the lakes and waterways in the ACT* that was released recently, and to ask about an ACT government response. Have you had formal or informal feedback so far from the ACT government on the recommendations in your report, and what formal requirements or obligations are there for the government to respond to the recommendations in the report?

Dr Lewis: I have read, and I understand the privilege statement.

Our state of the lakes report was tabled in the Assembly on 2 August, and the government response is required within six months of that tabling date. So we do not have a formal response to the recommendations that were outlined in the state of the lakes report; nor would we expect one for some time. Particularly given how comprehensive and substantial those recommendations are, responding to those will

take time. We have had various meetings with stakeholders—such as the National Capital Authority—regarding those recommendations, and we have discussed the implications of the report, but that is in an informal sense.

MS LAWDER: The report itself went through a whole lot of recommendations from previous reports on various lakes and waterways, some of which have had recommendations agreed to and worked on, some of which have not. Who is responsible for keeping track of all of those recommendations and making sure that the government is held accountable for them, and is responding to them in some way?

Dr Lewis: That is a very good question. Something that came up throughout the background research for the lakes report is that many of the gaps that we found within the management of the lakes and waterways were issues that had been identified previously or over time. And some of those were through these formal reporting or investigative mechanisms.

In formal reviews, reports or investigations, we saw similar recommendations or opportunities identified over a period of time. One thing our report did was, essentially, collate that into the one place and examine those recommendations that were being made repeatedly. As to whose responsibility it is to track those recommendations and the responses to those, it really depends on the type of report or investigation or whether it is a statutory report in which those recommendations have been made. But one thing that came out was that for many of these reviews, reports or audits, there was essentially no formal process after a recommendation or opportunity had been identified. There was no formal process by which there was significant accountability around delivering on a recommendation.

MS LAWDER: Finally, I want to ask about collaboration between OCSE and other parts of the ACT government. For example, would you say that having a dedicated Office for Water will improve that communication and collaboration, being a single source of information? An example of where I feel there could have been better communication was the wetlands in Lake Tuggeranong, which were installed and then were washed away in a rain event, tethered to the bank for quite some time and then reinstalled elsewhere in the lake. Your report does not appear to reflect the actual sequence of events, which took place quite some time ago. I thought that, perhaps, that was an opportunity for better communication from somewhere in the ACT government to keep your office informed while you were undertaking this important report.

Dr Lewis: There are many facets to that question and that specific example of wetlands.

MS LAWDER: I was trying to get as many in as possible.

Dr Lewis: Yes, I appreciate that; I love that. In terms of the question around the value of the Office for Water, within our report—it is not all bad news—we did identify that there were some really good things that were happening, but one thing was that the management of the lakes and waterways falls within numerous directorates, entities, agencies and jurisdictions, and that is a really complex management structure, and some things do fall within gaps. We suggest that having a single entity that is responsible for managing the lakes and waterways would improve that governance arrangement. So in terms of the Office for Water, I would hope that that would go a long way to addressing

those recommendations that have not been acted on yet and various other management issues.

In terms of the relationship between my office and various government directorates such as EPSDD and TCCS, I did not find that when undertaking the research for this work, and requesting and retrieving information, we had issues with collaboration. I would be very happy if Sean and Miranda from my office wanted to chip in with differing experiences, but through the approach of requesting information from directorates and gaining the information that we needed regarding the physical condition and the management approaches, policies and strategies, we did not feel that we had issues with collaboration. We had a lot of examples of where things were not working well or, in contrast, where things were working well.

MS CLAY: Commissioner, I noticed that one of the accountability indicators has changed. We had an indicator in there that monitored commissioner-initiated investigations and completed complaints. I think we have dropped that indicator now. I am just wondering if that was an important indicator to keep in there, to make sure that everybody is across all of the work that the commissioner does?

Dr Lewis: That accountability indicator was changed in consultation with the office to better reflect the work that is undertaken by the office. In previous reporting years, we have found that we have not had any commissioner-initiated investigations to report against that indicator. Typically, the work that is undertaken by the office will be ministerial-directed investigations or what we call background reports. If the office perceives that there is an issue that requires examination, we usually undertake that as a background report rather than a statutory report—a commissioner-initiated investigation—and explore that, which we did with our environmental volunteering report. We have also done that with some work on biodiversity offsets. That then may form the basis for discussion around a ministerial-initiated investigation, or part of our *State of the Environment* report. In essence, that indicator was not being reported against for work that we were undertaking because that is not a usual part of our work program.

MS CLAY: Sure. That makes really good sense. Have we got the right indicators in there at the moment, to be reporting against what work actually happens, do you think?

Dr Lewis: Yes, I think we do now.

MS CLAY: Yes, great. It is interesting that you mention the environmental volunteerism one. That was quite an interesting background report.

Dr Lewis: Yes; that is right. That is the language that we have used to distinguish those from the statutory reports, which are tabled through the Assembly and require a formal response. Background reports are essentially work that we self-initiate and we undertake for various reasons. It may be a gap in knowledge that we have identified or a lack of data, and we think that we are well placed as an office to begin that work.

MS CLAY: That one did identify a lack of data, didn't it? It put a dollar figure on the hours of volunteer labour, and that was quite an interesting finding that came out of that report. So that was initiated by you because you saw a gap?

Dr Lewis: Yes. That came from the 2019 *State of the Environment* report. One of the things that was found within that 2019 report was that there was very little information about the contributions being made by environmental volunteers. We wanted to look at that in a more comprehensive fashion and to accumulate data around that. One of the findings in the background report, which is now on the website that is available for anyone within Canberra to look at, was that we estimate that the environmental volunteers of Canberra are contributing around \$21 million to Canberra through their volunteer activities.

MS CLAY: Thank you. That was a useful piece of work. It fed into a committee inquiry, and I think that was good. Thank you.

MR BRADDOCK: Do you envisage any commissioner-initiated investigations in the next 12 months?

Dr Lewis: Maybe if I speak more broadly to our work program for the next 12 months, that might be useful. We are due to deliver our *State of the Environment* report for 2023 at the end of next year—December 2023. So for the bulk of the time up until then, the team will be focused on scoping and assessing indicators and working out what will be included in that report. We also have some other background work that we are undertaking—background report work. We received, recently, a complaint from a community member that is likely to take a significant amount of time for us to investigate comprehensively. At this stage we are not expecting that we will initiate any investigations, given that we have three major pieces of work that we are undertaking.

DR PATERSON: Commissioner, your lakes and waterways report raises concern about the many concrete stormwater channels across the ACT, noting that these are not as healthy as the creeks. In the report, you say that there is work being undertaken by a researcher at ANU to install infrastructure made from natural materials to help flush these channels. Is this a viable long-term outcome for ACT's many concrete stormwater channels?

Dr Lewis: Within the *State of the lakes and waterways* report we have a chapter on Ngunnawal knowledge. That chapter brings together a brief summary of how the Ngunnawal have cared for this country, and particularly the waterways, for millennia and have a deep understanding of the health of the waterways and how they can be best managed. As part of that chapter, we did show a case study by an ANU researcher, Dr Kate Harriden, who has been undertaking work on bringing together various indigenous knowledges, including Australia's First Nations knowledge, and from overseas. Within that case study we highlighted examples of how that researcher had used natural materials to slow down the movement of water through Canberra's concrete channels in particular trial areas. That was an example, on a very small spatial scale, of what can be done by bringing together different management approaches.

The suggestion in using that case study was not that that could be applied throughout Canberra as a singular approach, but that the naturalisation of these concrete drains and waterways does have the positive effect of slowing down the water as it is moving through the city and also removing pollutants. I might get Sean to elaborate on that.

Mr Grimes: I have read the privilege statement and I understand it.

The concrete channels do not have the range of biological processes that a natural one would. So they do not remove pollutants, and they do not provide any substantial habitat and biodiversity, but their main function is to remove floodwaters very quickly.

DR PATERSON: Yes.

Mr Grimes: While we do note that, we understand that it would be a big program—you would essentially have to remove the concrete channels and put in a natural channel. It is something that other jurisdictions, overseas, are more likely to do. It is a big, big, program. It is just one of the options to help improve water health.

DR PATERSON: Have you noticed a difference in how new suburbs, like in Molonglo for example, are dealing with stormwater?

Mr Grimes: Yes. Molonglo came out quite strongly in the report. There are a lot of issues with, particularly, sediment runoff with the new suburbs. The issue we have there is that there is no lake or substantial water body to intercept those, which means the high sedimentation rates that are going down drainage creeks will end up in the Murrumbidgee. So yes, we have noted those issues. It was quite a substantial part of our report as an issue currently and one will get worse in the future.

DR PATERSON: Thank you.

MS CLAY: Commissioner, I am wondering how many complaints you have received from the community in the last 12 months?

Ms Gardner: I have read and understand the privilege statement. We only received one complaint in the last reporting period. We were also still working on a complaint from a previous reporting period.

MS CLAY: Do you think there is a need for more education, or do you think complaints are usefully being channelled elsewhere, to other agencies?

Ms Gardner: You mean more education about the—

MS CLAY: More education about the role of handling complaints.

Ms Gardner: Yes. To be honest I think that probably would be helpful if people understood that the commissioner is here to act as a resource for them to look into issues more deeply that they are concerned about and that they perhaps have not been able to get answers to by going to other parts of government.

MS CLAY: Awesome.

Dr Lewis: I think there are two elements there. One is that there is probably a lack of community understanding that we are available and can receive complaints about the management of the environment of the territory. The other is that within our legislation it is quite specific about what matters we do investigate in terms of complaints; so in

terms of the complaints that we formally receive, they have to meet those specific requirements for us to investigate those. So I would love the office to receive more complaints from the community as a way of engaging with the community. But I also would not expect we would receive a high volume, because of the specifics within our legislation.

MS CLAY: Sure. Thank you. I am delighted to hear that you would like to receive more complaints. I do not think we have heard that in Estimates before this!

DR PATERSON: I do not know if it is appropriate, but are you able to detail what those two complaints are?

Dr Lewis: Yes. I think we can. So the complaint that we are investigating that went through multiple reporting periods was in regard to the EPA's response to wood heater smoke and the impacts on human health and amenity. We also received a formal complaint regarding the culling of kangaroos.

DR PATERSON: Right.

Dr Lewis: We have also—

MS LAWDER: Sorry, what was that one?

DR PATERSON: The culling of kangaroos.

Dr Lewis: And we have also recently received a complaint regarding tree plantings.

MS LAWDER: How does that small number of complaints compare with the trend over five or whatever years? Is it pretty similar?

Dr Lewis: Yes. I would say it is fairly consistent, yes.

MS LAWDER: Thanks.

THE CHAIR: Did you want to respond?

Ms Gardner: I was just going to say I think, yes, this is typical of the last few years. But we are finding that the complaints we are getting are quite substantial. So they are ones that take quite a lot of research and work to resolve.

MR BRADDOCK: Just a supplementary about that tree planting complaint. What was that regarding? Is it about the species selection and the location of planting or?

Ms Gardner: Yes, both of those things. It was regarding the planting of trees to replace heritage trees that had been cut down to make way for a development. The question is around the location of the trees and their impact on solar accessibility for the development, and also the species selection.

MS CLAY: I am interested in the wood heater smoke complaint. I would have thought that would usually go to the EPA.

Dr Lewis: That was regarding the EPA's response.

MS CLAY: Got you.

Dr Lewis: All the complaints that come to us have to have previously been brought to a government agency or entity and they must be regarding the management of the environment of the territory.

MS CLAY: Thank you.

MS LAWDER: I want to ask a couple of questions about another report you published this year about environmental volunteering in the ACT. I think that was in early February, so you are still waiting for a government response to that, a formal government response?

Dr Lewis: That is one of our background reports, so that does not require a response. It does not make formal recommendations.

MS LAWDER: While I appreciate you are an independent office, I note that an Assembly committee also did an inquiry into environmental volunteering which must have taken place in a similar period. I am wondering whether that is good use of all of our resources—to have different bodies investigating the same topic. Do you have any view on that?

Dr Lewis: The inquiry into environmental volunteerism and our background report were coincidental—it was a coincidence in time—and they were conducted independently. Our background report into environmental volunteering commenced following the publication of the *2019 State of the Environment* report. That background report took 12 or 15 months I think, to bring together, in terms of speaking to the volunteers, having workshops with stakeholders, with government directorates, with the volunteering groups, and acquiring all of the statistics around the financial and economic contributions of volunteers.

In short, I do think that is a good use of resources. We are well placed to examine that from a perspective that is not aligned with the government directorates nor the volunteers. I think the coincidence of the timing of those two speaks to how important our volunteers are to the management of the ACT's environment.

MS LAWDER: Very good. I did find a number of opportunities in that report. Who would be responsible for implementing some of those recommendations or opportunities?

Ms Gardner: As Sophie said, this was a background report and not a statutory report. This is a formal classification of report that we have come up with in recognition of the fact that we sometimes need to do a detailed investigation into a matter which has not been triggered by a ministerial request or by the commission making a decision that something needs a statutory report. So it is not something that is specifically provided for in the legislation.

In identifying opportunities in this background report—while there is no requirement for government to make a formal response—we see it as an opportunity for the government to see what we have uncovered, have a think about how they might be able to apply those to their own processes, and also potentially note that this is likely to be a matter that is revisited in the *State of the Environment* report, when there could be statutory recommendations to respond to.

MS LAWDER: Thanks.

THE CHAIR: We will draw this session to a close.

Thank you, Commissioner, and I also thank your staff for attending today. Naturally, if any questions have been taken on notice, please provide answers to the committee secretary within five working days.

The committee will now adjourn for a short break and reconvene at 3.15.

Hearing suspended from 2.59 to 3.14 pm.

Appearances:

Vassarotti, Ms Rebecca, Minister for the Environment, Minister for Heritage, Minister for Homelessness and Housing Services and Minister for Sustainable Building and Construction

Environment, Planning and Sustainable Development Directorate

Ponton, Mr Ben, Director-General

Rutledge, Mr Geoffrey, Deputy Director-General, Sustainability and the Built Environment, Environment, Water and Emissions Reduction

Burkevics, Mr Bren, Acting Executive Group Manager, Environment, Heritage and Water

THE CHAIR: In this session, we will be hearing from the Minister for Heritage and directorate staff.

Witnesses are to speak one at a time directly into the microphone for Hansard to be able to hear and transcribe them accurately. The first time a witness speaks, they will need to state their name and the capacity in which they appear.

Please be aware that the proceedings today are being recorded and transcribed by Hansard and will be published. The proceedings are also being broadcast and web-streamed live.

When taking a question on notice, it would be useful if witnesses could use the words, "I will take that question as a question taken on notice." This will help the committee and witnesses to confirm questions taken on notice from the transcript.

Can I also remind witnesses of the protections and obligations afforded by parliamentary privilege and draw their attention to that privilege statement. The first time that you speak, please confirm for the record that you understand the privilege implications of that statement.

As we are not going to opening statements and this is a short 30-minute session, we will keep to substantives with two supplementaries.

MS LAWDER: Minister, I want to ask about the commissioned snap review into the ACT Heritage Council. You expressed some concern about how it was working with government staff. Can you elaborate on these concerns? Have you received any information so far from the Nous Group, given it was a very, very short period for the review?

Ms Vassarotti: Thank you very much Ms Lawder for the question. As I noted publicly, I did become quite concerned in relation to some of the operations of the council and Heritage ACT. I was concerned about some of the issues around resourcing and timeframes, and then had additional information that was provided through directorate staff and some discussions with the council chair. I felt it was important to get to the bottom of what any issues are. Obviously, the issue of resourcing was one that I was working with the directorate on, but I felt there was a need to look at some of the

operational procedures, the policies, how government arrangements were being worked on.

I directed the directorate to commission an independent review with the Nous Group. That review has commenced. I understand that interviews have commenced with council members. I have had really positive responses from council members in terms of the commissioning of the review and people noted they were happy to participate in that in a constructive manner. I do not have information regarding any feedback from Nous yet. I am expecting that by the end of September. I look to the officials to provide some further details in terms of where the review is up to. The review has commenced, interviews have started, and I have not received information yet. I will ask Mr Burkevics to provide any further information.

Mr Burkevics: Thanks very much, Minister. I have read and acknowledge the privilege statement. Thank you for your interest in the matter of the review of the Heritage Council, Ms Lawder. It is obviously critical for council to deliver its functions under the act and to have a strong and cohesive relationship, both internally and with staff of ACT Heritage. As the minister has indicated, there has been a very positive response to the review, as we look to the best ways to move forward in a cohesive and strong fashion to deliver the high levels of requests of both council and of Heritage at the moment.

I keep in regular contact with Nous, following their engagement in early July, and it was a pleasure to have Nous aboard with this body of work. They have been providing support in other work that has been very, very useful to council and ACT Heritage business activities and planning days. In speaking to Nous this morning, I am advised that five of the interviews with council staff and/or heritage staff are complete. Six are confirmed; two are pending. As the minister has indicated, there has been a very, very strong and positive response to this process and the report is on track to be delivered for the minister's consideration next month, in September.

MS LAWDER: Thanks. How many complaints did you receive on this matter, Minister? Were they in the very recent past or is it something that perhaps has taken place over the period that you have been minister?

Ms Vassarotti: I would not categorise the information that was provided to me as complaints per se. There was certainly, in terms of my regular engagement with directorate staff, information provided just in terms of the workings. These are passionate and professional people working on a very important issue in an area where there was really significantly increased pressure in terms of workloads, because we have seen such a significant increase in the workload. That information was provided to me. I had a discussion with the chair and deputy chair in terms of their experience. As a minister's office often does, we get feedback from members of the community as well, particularly on issues such as the length of time frames around some of the matters that were being dealt with. It was actually about bringing together all of that information, I have to say, over a relatively short period of time.

The issue of workload has been something that I have been paying some attention to. I was concerned last year, because we missed our benchmark time frames last year. So it was a conversation I was having with the directorate. That is why we were having a discussion about how we could deploy additional resources into the unit in particular to

support that. There was information provided., but—and this is why the independent review was commissioned—I wanted to be really clear in terms of respecting the independence of the council. I think that it is really important; that it sits beyond political interference.

In terms of my obligations around supporting the council to be able to meet their obligations under the act; I felt there was enough information that was provided to me that I required some independent eyes to give me some advice in terms of what I could do in my role to support the council and the staff to fulfill their really important obligations.

MS LAWDER: Finally, on the mechanics of the review itself, will it be publicly available or will you table it in the Assembly? What will the response process look like? How will we know what recommendations may be adopted or not? In terms of the budget, where does the funding for the review come from within the existing budget? And how much is the contract for?

Ms Vassarotti: In relation to the resourcing, the resourcing for the review will happen within the general operations. That has been something that has been managed by the directorate, so I will ask directorate staff if they are able to provide information about the quantum. It was absolutely within the procurement guidelines. In the context of departmental budgets, it was something that was able to be supported through general operations resources.

In relation to the findings of the report, because I do not know what is in it, I think that we absolutely need to look at it whether there is sensitive information in it; we will have to consider how we manage that. Certainly, in terms of my approach, I thought that it was important for it to be on the public record so that people know what is happening. That will guide my approach. I think that it is important to let people know, if not the full report, a summary of what the findings are. Again, I am waiting to get the findings.

On what is likely to happen, this is a very short, sharp review, and I would not be surprised if it leads to a need to do some ongoing work. We have certainly had interest from the community about providing their perspectives on engagement with the issue of heritage. We are having this conversation in the context of a planning review, which interacts with the Heritage Act as well and so I suspect that there will probably be some ongoing work. There is already work that I have flagged in terms of a review of the Heritage Act. I have talked in the public domain about the issues of how we balance the really important needs in terms of heritage conservation with some of our evolving needs around climate and environment protection and how we have a system that those two butt up against a lot. I would like us to get to a point where they can work much more cooperatively.

So I suspect this will be a really first stage in terms of making sure that we can support the council and the staff to do their work under the current act. But there is probably more work to be done in terms of ensuring that we have a really contemporary act that is responding to the needs of our evolving city in a way that really does support the protection of heritage, of which there is a great amount of heritage in the ACT, whether it be First Nations or cultural heritage.

MS LAWDER: Was someone going to add something about the cost of the—

Ms Vassarotti: Sorry, costs. Yes. Thank you. Sorry, Ben.

Mr Ponton: I have read and understood the privileges statement. In terms of the budget, first of all, in terms of how we fund this type of work, the minister is absolutely correct in that we do have internal resources. As part of our internal budgeting we do always provide for unexpected reviews or internal audits and those sorts of things as issues arise. So there is certainly internal funding available within our existing resources to undertake this work. I understand the cost of this work is in the order of \$20,000 to \$25,000. I have just looked over my shoulder just to confirm that that is—yes, it is in that order.

MS LAWDER: Okay, thank you.

Mr Ponton: It certainly does not exceed 25,000.

DR PATERSON: Are the terms of reference public for the review?

Ms Vassarotti: I think they are. I think we would be able to provide those to you. They are certainly not secret, so we are happy to provide those to you on notice.

DR PATERSON: How will the consultants conducting the review manage the fact that it sounds like there are very small numbers of staff you are talking about and interviewing in terms of identifying—I imagine there is going to be—it has the potential to be quite personal, given such a small workplace. Is that being accounted for or considered?

Ms Vassarotti: That is certainly some of the reason for why we are reserving our need to have a look at the report before we determine how much or little we are able to make public, because there may be sensitive information that could impact on people's privacy. The issue of ensuring that everybody's emotional health and wellbeing is protected has been a really key focus of this review and so that has absolutely been a key discussion point with the consultant. Again, I will ask officials to elaborate on those discussions.

Mr Burkevics: In terms of moving forward with the review, of course the confidentiality of the information provided not only by staff but by council members is a core part of the review, and so that was made clear. The terms of reference were developed and emailed to all council members as part of the invitation to engage with Nous. So they were given a copy of those and they are on the record with council members.

DR PATERSON: How are staff being supported through this quite challenging period?

Mr Burkevics: Yes. Again, thank you. It has been a really, really challenging year for staff of ACT Heritage, not only the workloads, with COVID and all other matters, and of course then the tensions and relationship matters that we need to figure out and better manage and move forward. All the staff were very quickly—I think it was day 3 for me in this role, where it was very, very clear that we needed to move quickly to support

some staff that were doing it tough.

We engaged a provider that does a lot of work for the ACT Parks and Conservation Service with their welfare and critical incident support. They were of great service. They engaged straight away and we continued to offer those staff not only that direct contact but also through the employee assistance provider, as well as sort of any formal mechanisms that kick in through worker's comp, if they decided to go through that line.

So yes, there are a number of mechanisms. I have personally spoken to the staff on a regular basis and I would say that I certainly get the impression they are all in a recovery mode. They are enjoying some time off. I think the message that I am getting is they are in a positive frame of mind, glad the review is underway, looking forward to contributing positively to that and getting back to work as soon as they are ready.

Mr Ponton: In relation to support, the minister mentioned the resourcing. We have been working with the minister in terms of resourcing, in terms of reallocation of internal resources. We have injected a further five FTE into that team. Some of those are temporary secondments for a year and the others are permanent. That is through just looking at the government priorities across the directorate and working out where we could reallocate those resources with people who had the relevant skills and experience.

DR PATERSON: Thank you.

Mr Burkevics: To add to the DG's comments, I think it has been a real indicator of the flexibility of public servants from across the division. All of the different skill sets that exist across Environment, Heritage, Water have been engaged and have swung into action; so staff from Parks and Conservation, staff from Conservation Research with specific GIS, ArcGIS mapping skills, have all swung into gear, to help Heritage in their time of need and process some of the work that exists. So full credit to those staff that have really gone above and beyond their workloads already to help out at this time.

THE CHAIR: Are you able to clarify whether or not this report will be publicly available or will it depend on what is in it?

Ms Vassarotti: It will depend on what is in it. Certainly my commitment is to provide a summary of the work that has been done and the recommendations moving forward. But I just need to ensure that we have a look at it and ensure that we protect sensitive information.

THE CHAIR: And when can we expect that?

Ms Vassarotti: Well, as, you know, I—

THE CHAIR: Potentially, if it is to be published.

Ms Vassarotti: Well, it will be shortly after I receive it.

THE CHAIR: Right, okay.

MR BRADDOCK: Moving onto a new topic. I am interested in terms of how we are

prioritising First Nations heritage around the Canberra region to ensure that is protected.

Ms Vassarotti: It is a really, really good question. It is something we have been thinking about quite deeply. We are really lucky within EPSDD, particularly to have the expertise, wisdom and experience of the Dhawura Ngunnawal Caring for Country Committee, which provides a really key role in advising directorate divisions, including Heritage. We are really lucky that we have a fantastic representation of First Nations knowledge on the Heritage Council, including Caroline Hughes, one of our Ngunnawal elders who also sits on the Dhawura Ngunnawal Caring for Country Committee.

The particular issues that we are looking at in terms of the heritage space are issues such as the protection of cultural artefacts. That is on our work program—looking at our cultural heritage resource plan and engaging strongly with the committee in relation to that, as well as other members of the First Nations community. There has been consultation recently; really positive engagement with First Nations community members on that plan, with more to occur.

We are looking at some of the issues that sit underneath the Heritage Act, particularly around the nomination of registered Aboriginal organisations. That is an issue that we are reflecting on in the context of some of the discussions that are going on with local First Nations communities at the moment. So we are reflecting deeply on what is an appropriate response; in the context of some of the discussions that are happening around things like native title, where we are not sure if we can move as quickly as we might have wanted to, because we also want to respect some of those processes that are going on. We have been engaging with the committee on that.

I really value that as a minister both in this portfolio and with the environment portfolio, I have been able to have some really deep conversations with the Dhawura Ngunnawal Caring for Country Committee, including them hosting me on country a little while ago, which was a really moving experience.

I would like to give a shout out for all EPSDD in terms of their real commitment to embed First Nations knowledge into the work across the different divisions. Heritage is no different. There is a growing number of staff working within the directorate—that support is being provided to the directorate. Things such as the committee and the secretariat support for the committee, the First Nations Ngunnawal Rangers Program, are all ways that you are starting to see an embedding of First Nations' wisdom in just the practice of EPSDD, which is really fantastic to be part of.

Mr Ponton: Minister, if I might also add, just to build on that. In the last 12 months we have also created a position of Aboriginal Engagement Manager. That person works, in terms of all engagement and relationships, in terms of all council and ACT heritage business.

MR BRADDOCK: So does the Ngunnawal Language Program sit under heritage?

Ms Vassarotti: The Language Program?

MR BRADDOCK: Yes, the Ngunnawal Language Program.

Ms Vassarotti: No.

MR BRADDOCK: I am just trying to clarify the AAs. Thank you.

Ms Vassarotti: Yes.

Mr Burkevics: Mr Braddock, just one minor thing to add to DG and minister's comments. I think some really exciting work is going on about the protection of artefacts that have been collected over the last few years around Canberra's part of development or other works and how best do we return those to country with the Ngunnawal people. So there is some very exciting and joined up policy work that is underway—quite complex, of course, policy work that is underway to determine the best way of—with the Ngunnawal people, of returning these artefacts, you know, in a protected way, back to country.

MR BRADDOCK: Just to clarify, are we talking about any remains at all?

Mr Burkevics: Not that I am aware of. But a range of scatters, for example, and other associated artefacts that have been collected across the territory.

MR BRADDOCK: I thought that would be the case. I just wanted to ask.

DR PATERSON: Minister, considering your joint responsibilities across sustainable building and heritage, how are conflicts between these two areas managed? So for example, if you have a private residential house that is heritage declared you may struggle to make sustainable adaptations or builds to the house, because it will not fit in heritage requirements. How do you think we go forward managing those two things?

Ms Vassarotti: Yes look, it is a really good question, Dr Paterson. I think, as I flagged before, it is an area that we do need to look into a little bit more. I am really keen to have that conservation. I know members of the council are really interested in that conversation as well—particularly around adaptive reuse. The best heritage buildings are buildings that are used and are meeting the needs of us in our contemporary settings. So we need to be confident that our heritage guidelines are protecting what is important but also making sure that these are buildings that work for us and that are accessible and climate wise.

I think there is more work to be done in that area. I think that is an area of work I am really excited to be doing. There are really interesting things happening in other jurisdictions around this area. Again, as I said before, I want us to move away from a perception that one has to get prioritised above another. I think we can get to a point where it can work—both of those things can work together. So it is a work in progress.

I think certainly, as we get into the forward program, we are talking about things such as developing a heritage strategy, which we have not had for some time in terms of setting a forward work program. I would guarantee that is going to be high up on the list.

DR PATERSON: With this heritage strategy, when will that be released?

Ms Vassarotti: So we have not commenced work on that, because we are working through a period of getting the council into a position where they are solidly able to meet their obligations. As soon as they are at that point, we will commence discussions on that.

I think it would be really useful that we involve the community in some of that conversation as well. In terms of ensuring that heritage is not something that is just owned by a small group of experts that have particular professional expertise. That heritage, across the city, is something that is really owned and celebrated by the local community that we all work together to protect.

DR PATERSON: Thank you.

MS LAWDER: I would like to go to the accountability indicators and the development application. I know it is sort of related to the previous conversation that we have had about the Heritage Council.

It would seem to me it has been some time since the Heritage Council have been meeting—if they have ever; I am not too sure—those performance indicators. What did you inherit when you took over the position, in terms of advice about what resources might be needed for this area, given that there had been concerns about the backlog and processing time for quite some time?

Ms Vassarotti: I want to suggest that there has been some significant work. If we look at the issue of the heritage register, over a period of a few years there has been a really significant effort to bring down the number of applications in that. I think it is important to recognise there has been a significant increase in workload. And there has been a significant effort put into particular areas to address the issue of workload.

Just to give you a bit of flavour; when we look at 2014 to 2015, the number of council advices was sitting at 436. That crept up: in 2018-19 it was 663, so a fair increase, but not huge. In 2019-2020 it went up to 904; so a really significant jump quite quickly over the last couple of years. So that is where we have seen a really significant increase in timelines, particularly around the development application areas.

So there has been an increase in workload. There has been significant effort put in terms of responding to the issues. But we did see a particular spike over the last couple of years. And that is why we have really put a lot of effort in now.

Mr Ponton: Minister, if I could perhaps add to that.

Ms Lawder, I mentioned those five FTE earlier: those five FTE are helping with that. Since Ms Vassarotti started in the portfolio we have been having those conversations around that trend we were starting to see in terms of the increased number of referrals. Of course that is likely because we are seeing more redevelopment in those areas, or people moving in and wanting to undertake extensions or whatever to make the homes meet their needs.

Those additional resources are as a result of those earlier conversations to make sure that we can address what we are seeing in terms of not being able to achieve as well as

we would like, the response in terms of DA referrals.

Another piece of work that we are doing is looking at the processes internally to see what we can do to make that more efficient, looking at delegations and those sorts of things. So we are certainly very alert to this issue. We are, as I said, looking at this from a number of different angles to see what we can do to further improve.

As the minister said, in terms of the backlog, we went from a peak of 320, I think it was, to 77 is the current number. So we have made that progress, whilst we have been getting a whole lot more nominations and DA referrals and still managing to work through that workload.

Ms Vassarotti: The other element that I note is the Conservation Management Plans. Again, as we are looking at some major redevelopments, that has also been a significant point of focus for the council and the staff team. There have been two really significant ones. One, recently, is around the Canberra Brickworks, which is a really exciting project that will really have heritage central to it. The other is looking at the Sydney and Melbourne Buildings in terms of a Cultural Management Plan to really support the building owners and tenants for those buildings. That is another key piece of work. And again, it is a piece of work that has been growing. We are also looking at things such as the Kingston Arts Precinct. There is a whole range of heritage elements to some of our major projects as well. Because we are at a point where we are rejuvenating and renewing parts of our city, this is an area that is suddenly a lot bigger than it was even a couple of years ago.

MS LAWDER: Perhaps take this on notice. The accountability indicator talked about the numbers that are dealt with within 15 working days of referral. Are you able to provide advice on the percentages that may be 30 days, 60 days, 90 days or more than 90 days?

Ms Vassarotti: It is probably something that we will need to take on notice. I have been on the record saying that I think the delays are unacceptable and we need to do something about that. I also note that it is private owners that are actually disproportionately impacted by this issue. We do know at this point that many owners are waiting over 60 working days, which is three months. That is a long time for a delay. Some are having to wait between 80 and 120 working days. That is from four to six months. That is not acceptable and that is something that we are really looking to improve. In terms of the specifics, we can take that on notice.

Mr Ponton: I am happy to take that on notice, but, perhaps in answering that—because I am mindful of what we have just been talking about in terms of the workload of the Heritage team—could I say that it requires a whole lot of additional work for them to do. Could I ask: how far back are you looking, Ms Lawder, because to do, say, 12 months, if that is not readily available, it would take somebody—

MS LAWDER: The last 12 months will be fine.

Mr Ponton: What I am saying is that it could be a case of taking somebody offline, doing—

MS LAWDER: It is the accountability indicator that says 64 per cent.

Ms Vassarotti: Could we take the workings that sit behind that?

Mr Ponton: Yes. I am hoping it will be a really easy answer.

MS LAWDER: It says it has increased significantly over the past few years. In my experience of nearly 10 years it does seem to have been increasing quite steadily. It has not been a recent occurrence, in my experience.

Ms Vassarotti: The figures that I have, in terms of total counts of advice, show that we have gone from 436 in 2014-15 to 970 in 2020-21. That is the total advice. So we have got that. But we can certainly provide—

Mr Ponton: If it helps to not take that on notice, would it help if I told you that 94 per cent of the advice was provided within three working days or, when it is late, within three working days after the 15 days? Ninety-four per cent of the time they get it within a further three days—that is, 18 days.

THE CHAIR: Ms Lawder, would you still like them to take that question on notice or are you happy with that response?

Mr Ponton: Only because I am very mindful that I will be taking somebody off working on referrals to—

THE CHAIR: That is irrelevant, if Ms Lawder wants her question taken on notice.

MS LAWDER: I would like to know how many took more than 60 days and 90 days.

Mr Ponton: All right.

THE CHAIR: Thank you. On behalf of the committee, I would like to thank Ms Vassarotti and officials for their attendance today. If any witnesses have taken any questions on notice, would you please provide answers to the committee secretary within five working days. Thank you.

Short suspension.

Appearances:

ACT Audit Office

Harris, Mr Michael, Auditor-General

Smith, Ms Caroline, Chief Operating Officer, Professional Services

THE CHAIR: For this session, the committee would like to welcome the Auditor-General and officials from the ACT Audit Office. Please be aware that the proceedings today 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, it would be useful if witnesses could use the words: "I will take that as a question taken on notice." This will help the committee and witnesses to confirm questions taken on notice from the transcript.

I remind witnesses of the protections and obligations afforded by parliamentary privilege and draw their attention to the privilege statement in front of them. When you first speak, could you confirm for the record that you understand the privilege implications of that statement.

We will go straight to questions. Once again, given that this a 30-minute session, a short session, we will stick with one substantive question and two supplementaries. I will pass my substantive to Mr Cain.

MR CAIN: Thank you, Chair. Good afternoon. I note that on pages 32 and 36 of budget statements A you mention that your employee expenses were less than the budgeted amount, by \$0.738 million, as a result of staff turnover and non-availability of suitable candidates. How much has this impacted your ability to produce reports?

Mr Harris: Thank you, Mr Cain. Good afternoon, all. I have read the privilege statement and I understand it. It has not materially impacted our capacity to deliver our program. It has caused us to use more short-term contracts and consultants from other auditing firms than we would actually like, although we had no choice in that. There is a worldwide shortage of qualified audit staff and qualified financial staff, like CFOs, for example. Competition is pretty fierce out there, not least of all from my good friend and colleague the commonwealth Auditor-General, who has a penchant for pinching good staff from time to time!

The short answer is that it has not materially affected our ability to meet our deadlines, but it has impacted on the workloads of staff in meeting those deadlines, which we have been managing by providing additional leave and additional technical support. The online capacities that we have now and the ability to go into agencies' accounts directly through digital methods have helped offset part of that impact.

MR CAIN: What required skill sets are you particularly looking for? Just broadly describe the skills you are looking for, and does that include legal?

Mr Harris: In financial audit we are essentially looking for people who obviously understand financial statements and generally have an accounting background, so they

are generally a member of one of the professional accounting bodies. They also need good experience and an understanding of the accounting standards and the auditing standards—there are two different sets of standards—and a bit of common sense. A legal background is not necessary, because their job is essentially to interpret the statements in relation to the standards that are set by the accounting bodies and the auditing bodies.

MR CAIN: Are you estimating that you will be able to get that staffing for 2022-23? What FTE equivalence are you hoping to accommodate?

Mr Harris: Our standard headcount is 45. We have not met 45 in the last 12 months. The figure of 48 that is in the papers reflects an increase in short-term consultants that we bring onto the payroll from time to time. It is difficult to answer your question, given the state of the market, but we are in active discussion with one of the recruitment firms to look at more innovative ways of marketing ourselves as a destination. One avenue of attack is to go to the graduate intake. Unfortunately, the big four firms and the federal National Audit Office take the bulk of graduates that come out of the process. Nevertheless, there are opportunities. We will probably not get the full headcount, but we will have enough.

MR CAIN: If you need legal advice on an aspect of a report, how do you go about acquiring that?

Mr Harris: Initially, we would go to the Crown Solicitor or, if he had a conflict of interest, which is frequently the case—

MR CAIN: Do you mean the ACT Government Solicitor?

Mr Harris: Yes. Clearly, he acts on behalf of the government. There are some instances where he is already in the process of providing advice and therefore has a conflict of interest. In that case, we would go to the commonwealth Crown Solicitor. It is rare for us to go outside one of those two, and it is extremely unlikely that the commonwealth Crown Solicitor would have a conflict of interest.

MR CAIN: Thank you.

MR BRADDOCK: On page 29, where you have your 2022-23 priorities, I find it interesting that, amongst those priorities, there is nothing about vetting the lessons that come out of the Auditor-General reports to the ACT government, in terms of awareness-raising, feeding back on lessons learnt, checking whether the government has actually done what it said it would do in response to the Auditor-General reports. Is that an important function of the Audit Office?

Mr Harris: That is a good question, Mr Braddock.

MR BRADDOCK: Thank you.

Mr Harris: Yes and no is the answer to that question. The reason I say yes and no is that there is a responsibility for me to report to the Assembly and to the public accounts committee, and any other committee, for that matter, that I interact with, and I do that

through the reports that I table. There is a debate to be had, I think, about where the line is between my responsibility to follow up on recommendations and the Assembly and its various committees' responsibility to hold the government to account for those recommendations. I think the line somewhere is a joint responsibility, where I need perhaps to more actively track what is happening to recommendations and perhaps provide separate advice to the public accounts committee or any other committee, for that matter, as to whether or not I think sufficient action has been taken so that the Assembly itself can follow up on those things and hold the government to account. It is not listed as a priority and perhaps it should be, so I will contemplate that.

MR BRADDOCK: Thank you. I note that the ACT Ombudsman produces a report, basically called: "Did they do what they said they would?" Firstly, does that cross that line you just described? Is that something we need to contemplate in the Auditor-General space?

Mr Harris: One of the challenges we have with following up, particularly performance audit recommendations, is the passage of time. In a lot of instances, action has been taken in a different way to the way in which the recommendation was framed, and sometimes our performance audit reports are looking over a time frame which covers a number of years. So it is not beyond the realms of possibility that, when you go to follow up a recommendation, you may be two, three or even four years past the event and either policy has changed or circumstances have changed.

I know COVID is an overused example, but a set of recommendations that came out in early 2019, because of what has happened in the intervening two years, may be completely irrelevant now and there may not be cause to follow up. That might mean that the form of report that we provide says that and actually closes off the loop by saying, "Time has fixed it. It is now not relevant policy." I do not know.

MR BRADDOCK: Thank you.

DR PATERSON: Has there been a case where you have re-audited a particular policy or program or department?

Mr Harris: We do not audit policy.

DR PATERSON: Okay.

Mr Harris: Yes, but generally with different criteria or a different scope. We will frequently go back to an area of activity—housing is one that springs to mind—and look at different aspects of a particular area of activity or look at the same area of activity with different criteria, a different scope and different objectives. Procurement is another current, live example where we are doing multiple audits but we are looking at different aspects of procurement, either a broad spectrum of procurement activity or, as in the case of CIT, for example, a particular area of procurement activity.

DR PATERSON: Are there any conflicts between an inquiry by the Integrity Commission and your inquiry, particularly if they are concurrently happening?

Mr Harris: The commissioner and I have frequent conversations to try to ensure that

that does not happen. He is examining a different question to the question I am examining. The Integrity Commissioner is asking the question, “Is there corruption or maladministration involved in this particular activity?” whereas I am almost entirely looking at process and procedure and machinery-type questions.

I am not looking for corrupt activity. If I happen to find it, I will do something about it, but my primary purpose is to examine whether or not things have been done efficiently and effectively and can they be improved? Sometimes we appear to come to different conclusions. The Dickson land swap is a case in point. But that is partly because we are looking at the thing through different lenses. He is examining things with a particular question in mind. His evidence requirement is a legal evidence requirement, as opposed to mine, which is a requirement to look at evidence in relation to the auditing standards.

DR PATERSON: Thank you. I read somewhere about how you do financial audits, performance audits and I think there was one other—personnel audits? No. There were three types of audits that I read on your website.

Mr Harris: Limited assurance—is that the other one?

DR PATERSON: It might be. I will have to go back and have a look. Is there any way, in terms of how you manage your workload, to prioritise, even between financial audits versus other types of audits, to provide a range of different audits?

Mr Harris: On the financial side, we have roughly 130 mandatory audits—every set of financial statements, every performance statement for every territory entity, and that is roughly 130, or thereabouts. That is essentially a 12-month workload and our financial auditors pretty much spend all of their time doing that. We also do some grant acquittals, for example, where the commonwealth provides money for roads. That is an example in point. We need to do an audit of that expenditure to satisfy agreements with the commonwealth, and there are several of those that we do. Universities are included in that.

Where we have flexibility is on the performance audit side, and we do a variety of types of performance audit. Some are quite long and complex and detailed; some are quite short. The Court Transport Unit is an example of a very short, quick one, and it had a very specific objective in mind.

We also do—which you will see shortly—what are called limited assurance reports. They are not full-scale audits, so we are not setting out to give absolutely positive assurance that nothing is wrong. That is what statements of performance audits are: they are limited assurance audits that basically say that what has been presented is accurate and is reflective of what happened, but we cannot give you any other guarantee. They are sort of a step down from full-blown audit opinions.

We also have flexibility on the performance audit side to do other documents. That is perhaps the best way of describing it. The National Audit Office and some other audit offices do better practice guides which give guidance to entities about how they should do things, or how we would like them to do things is perhaps a better way of putting it—things of that sort. Until I get a full complement of staff, it is a bit hard for me to do much more than I am doing at the moment, although we are trying.

MR CAIN: Regarding the funding in this budget, do you think you have received adequate funding to accommodate the schedule of activities for this financial year?

Mr Harris: If you are asking an auditor-general if he would like more money, the answer is yes. I have got enough money to do the job that we are doing at the present time. I have got a very healthy bank balance at the moment as a consequence of not having a full complement of staff last year. Once I get a full complement of staff, that bank balance will disappear fairly quickly. But, no, with the staff complement I have got, there is enough resource at the moment to deliver the program that I am committed to and hopefully a little bit more than that. If I were to expand my staff level significantly, I could do a lot more, but that would require more staff.

MR CAIN: That is your first impulse, to say, “Yes, we would have more.” What would you particularly target, if you did have more, that you feel you are not able to get to at the moment with the expected funding?

Mr Harris: I would target more performance audits and I would also target a higher level of support for the Assembly and Assembly committees.

MR CAIN: What type of support do you have in mind for the Assembly?

Mr Harris: We provide a fairly high level of support to the public accounts committee, but we do not provide broader support to parliamentary committees like the estimates committee, for example, or the education committee or the justice and community safety committee. We do performance reports that cover the broad range of committees. We do not interact that much with the other committees, except by invitation, and we are always happy to do so, of course. The public accounts committee will, from time to time, refer matters to other committees.

From my point of view, if you look at other jurisdictions—New Zealand is a classic example, where we have just visited—there is a broader level of support provided by the Audit Office to the parliament by way of access to our expertise, to our research, to our databases, to the information that we hold, to better inform committees as to their examination of the material that they are looking at.

MR CAIN: What would that support look like? Again, you would like to do more of that, by the sound of it, to support, say, the Assembly’s standing committees. What would that actually look like?

Mr Harris: If I had the answer to that, I would tell you, but, as we sit here at the moment, I do not know what that would look like and we would need to have a conversation with the Assembly itself, through the Speaker and through the public accounts committee.

MR CAIN: In what way do you, for example, support the public accounts committee?

Mr Harris: We are frequently providing additional advice, answering questions, doing research, exploring areas where we might change the program, expand the program—those sorts of things. It is background information that allows committee members to be better informed about the questions they are asking. That is what I am contemplating.

MR CAIN: So you do see a role to provide more support to the other committees, and that would be an area where you could do with some extra funding?

Mr Harris: If that is what the Assembly would like. It is not an area that I have explored in any detail yet.

MR CAIN: I am sure the committees would like to explore it with you.

Mr Harris: I am sure they would. At the end of the day, I am appointed by the Assembly and I report to the Assembly. From my point of view, I have an obligation to provide whatever information and support the Assembly requires. I guess what I am saying is that I am ready to do that if that is something the Assembly would like to pursue.

MR CAIN: As chair of JACS, I look forward to your visit.

MR BRADDOCK: I know you consult with individual members as part of developing the forward audit program. Do you also consult with the committees themselves?

Mr Harris: Yes. I think we do write to the chairs of committees. I would need to check that. I would not like to definitively say we do, because, off the top of my head, I cannot actually say that. I will check that.

MR BRADDOCK: Thank you. Secondly, a comment you have made in the past is that, let's say, the members are not necessarily forthcoming with ideas. I hope that has been addressed.

Mr Harris: Slowly. Until now, my consultation with members has been limited to chairs of committees, the chair of the public accounts committee, the Speaker, the Leader of the Opposition, the Leader of the Greens, and the Chief Minister, and obviously other members of the public accounts committee. This year I am going to actually meet one-on-one with every member of the Assembly, and I am hopeful that one-on-one private meetings might bring forth some things that perhaps they do not want to put in writing or do not want to say in other fora.

MR BRADDOCK: Some members of committees might invite you to come and meet with them as well.

Mr Harris: Could do. I am always happy to do that. We will start that program of meetings in about a month, I think.

MR BRADDOCK: Thank you.

MR CAIN: Regarding audit topic criteria, auditability is one of the criteria that you list to assess potential audit topics: definition of auditability, complexity of subject matter and the availability of acceptable audit criteria, performance standards and reliable information. Has auditability ever been assessed and meant a topic was not looked into that would otherwise have been of interest?

Mr Harris: Not whilst I have been Auditor-General. We have had instances where we have thought our initial approach was not an auditable operation and we have changed the scope or the criteria. For example, when we start an audit, we will have a scope and a set of criteria in mind. We will go and look at the subject and research it to find out what the evidence base looks like, and associated matters. If it turns out that the evidence base is not sufficient or there is not enough material against the standards, or something of that sort, we will go back and reassess the scope and criteria. So it is more a case of adjusting the scope and the criteria to fit what we find by way of evidence base to make sure it is auditable, rather than not doing it at all.

MR CAIN: Right. So you are not aware of any conclusion that something was not auditable?

Mr Harris: The standards will not allow us to do that.

MR CAIN: Yes. In terms of refining the scope to maybe bring it into auditability, have any of those instances been where the government itself could not provide the reliable information or where you expected to find reliable information from the government but could not find it?

Mr Harris: Not to my knowledge, bearing in mind that this is the very early research part of the program.

MR CAIN: Thank you. I have a couple of quick ones. I note that you are meant to have a strategic review each term.

Mr Harris: Yes.

MR CAIN: The last one was in February 2020, so when are you expecting to do that?

Mr Harris: Appointment of the strategic reviewer is the responsibility of the Speaker, not mine. I do not do that. That is done at arm's length and that will need to start in about 12 months time.

MR CAIN: I notice, regarding FOI disclosure logs, that there is an entry on your page, and the only one there is from 2018. Is that actually the current state of your FOI disclosure log?

Ms Smith: Yes. I acknowledge the privilege statement.

MR CAIN: The Special Minister of State, as you would be aware, is responsible, broadly, for access to government information. What relationship does his office have with you with respect to administering FOI applications?

Mr Harris: We do not have any direct relationship. The FOI rules as far as we are concerned are a little different to other people. But we do not have a direct relationship.

MR CAIN: There is no oversight role that the Special Minister of State plays with respect to FOI and your agency?

Mr Harris: No minister of state has any oversight over what I do. There are two controls over me. One is the Auditor-General Act and the other is the Assembly itself.

MR CAIN: I guess FOI disclosure logs are part of it and are required administration of every government department or agency.

Mr Harris: True.

MR CAIN: So it is not an oversight of your audit role but oversight of your administrative requirements under the FOI Act. I am touching on that.

Mr Harris: I see where you are going, but—

MR CAIN: But the Special Minister of State does not engage even at that level with you?

Mr Harris: No.

MR CAIN: Thank you.

THE CHAIR: On behalf of the committee, I would like to thank you for attending today with your staff. The committee would like to also thank other ministers, statutory office holders and officials for attending today. If any questions have been taken on notice, could you please provide answers to the committee secretary within five working days. If any members would like to lodge any questions on notice, could you please do so within five working days of the hearing. Today's hearing is now adjourned. Thank you.

The committee adjourned at 4.17 pm.