

**LEGISLATIVE ASSEMBLY FOR THE  
AUSTRALIAN CAPITAL TERRITORY**

**SELECT COMMITTEE ON ESTIMATES**

**(Reference: Appropriation Bill 2003-2004)**

**Members:**

**MR B SMYTH (The Chair)  
MRS H CROSS (The Deputy Chair)  
MRS V DUNNE  
MR J HARGREAVES  
MS K MacDONALD**

**TRANSCRIPT OF EVIDENCE**

**CANBERRA**

**WEDNESDAY, 28 MAY 2003**

**Secretary to the committee:  
Mr Derek Abbott (Ph: 6205 0199)**

**By authority of the Legislative Assembly for the Australian Capital Territory**

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

**The committee met at 9.05 am.**

Appearances:

Mr B Wood, Minister for Disability, Housing and Community Services, Minister for Urban Services, Minister for the Arts and Heritage, and Minister for Police and Emergency Services

Department of Urban Services

Mr G Davidson, acting Chief Executive  
Mr H McNulty, acting Executive Director, City Management  
Mr A Phillips, Director, Finance  
Mr B MacDonald, General Manager, Road Transport  
Dr M Cooper, Executive Director, Environment ACT  
Ms M Hillson, Director of Arts and Cultural Services

Cultural Facilities Corporation

Ms H Elvin, Chief Executive

Department of Disability, Housing and Community Services

Ms S Lambert, Chief Executive  
Mr B Hutchison, Executive Director, ACT Housing  
Ms P Brown, Manager, Child Health and Development Service  
Ms B Overton-Clarke, Director, Policy, Corporate and Community Services  
Ms L Ford, Executive Director, Disability ACT  
Ms R Hayes, Director, Disability ACT  
Dr C Adrian, Executive Coordinator  
Mr I Hubbard, Chief Financial Officer

**THE CHAIR:** I welcome the Minister for Urban Services to day eight of the Estimates Committee's hearings. We will deal with output class 1, municipal services. Minister, I recall that money was allocated in last year's budget for the maintenance of municipal assets. Is that money still in this year's budget? Has the asset management plan been finalised?

**Mr Davidson:** Yes. Additional money was included in the roads output. The money that was previously in the forward estimates—of the order of \$4 million—was included in output 1.2 in this year's budget.

**THE CHAIR:** Has the management plan been put together?

**Mr McNulty:** Our asset management plan for roads and stormwater assets is currently being finalised. It is being reformatted into a format that the department set in its business rules as the appropriate format for asset management plans. We are also undertaking a total revision of the capital works component of the asset management plan. That work, which is in draft form at the moment, will probably be finalised next month.

**MRS DUNNE:** Mr McNulty, you said that you are reformatting your management plan, but that should not change its substance.

**Mr McNulty:** No.

**MRS DUNNE:** It should not change what is to be done as opposed to what was proposed.

**Mr McNulty:** The substance of the non-capital works component is not changing; it is just a formatting exercise. However, we are taking a more strategic approach to programming and to the identification of capital works needs. That will form a part of the asset management plan.

**MRS DUNNE:** What does that mean in relation to day-to-day maintenance?

**Mr McNulty:** It does not mean anything in relation to routine maintenance. Maintenance standards that were established in the previous version of the asset management plan for things such as potholes and the roughness of roads have not changed. Those targets have not changed.

**MRS DUNNE:** What has changed? What is your strategic approach?

**Mr McNulty:** At the moment, our strategic approach to identify capital works programs could be improved. We are looking at significantly improving capital works programs. The process that we are undertaking at the moment is all about identifying and prioritising capital works projects.

**MRS DUNNE:** But you said that nothing would change.

**Mr McNulty:** The asset management plan has two components to it: the recurrent maintenance part involves spending money on outputs, and the capital works part involves identification, rehabilitation and reconstruction—much more significant maintenance tasks. Our targets for day-to-day maintenance have not changed; we have a more strategic approach to identification, rehabilitation, reconstruction and those sorts of works.

**MRS DUNNE:** What does that mean?

**Mr McNulty:** It means that we will be able to better identify needs and prioritise projects, so our capital works will be much better targeted.

**Mr Davidson:** Hamish referred earlier to the recurrent part of the plan, which sets out service levels to be achieved to ensure the long-term durability of assets. Current funding in the budget moves us closer towards achieving all those service levels that have been defined as essential to achieving that durability.

**THE CHAIR:** Mr McNulty, we heard on the radio this morning that a handshake is a binding contract. Does the Department of Urban Services issue contracts on the basis of a handshake or a nod and a wink?

**Mr McNulty:** No, it issues contracts on the basis of a tender, a letter of acceptance, and a contract.

**THE CHAIR:** So no work would start and no payments would flow until the contract was signed.

**Mr McNulty:** Without checking every contract, I cannot guarantee that that has happened. But our standard procedure is to have all the paperwork done before work commences.

**THE CHAIR:** The standard procedure is to go through the tender process, get the necessary approvals and write up the contract. The work would not commence and payment certainly would not commence until such time as a contract was signed.

**Mr McNulty:** A contract is formed once a letter of acceptance is issued. Once you have a request for tender, a tender and a letter of acceptance, a contract is formed at that point. While the signing of a contract is obviously desirable, it is not essential for the contract to be in place.

**THE CHAIR:** When would payments commence—before or after the contract was signed?

**Mr McNulty:** Payments would commence after work had commenced. I cannot think of an instance when we have started work without contract formalities being completed.

**THE CHAIR:** Is it possible to check whether, in the past 12 months, the Department of Urban Services started work before contracts were signed?

**Mr Wood:** I do not know whether you require us to go back and check every contract. Mr McNulty has been careful in this respect. I think the answer to your question is no, that is not the way in which it is done. I very much doubt whether anything has slipped through.

**THE CHAIR:** Mr McNulty, could you satisfy yourself and indicate to us whether any major contracts were done on a nod and a wink? Would work normally commence and would payments flow only after contracts had been signed?

**Mr McNulty:** We certainly do not operate on a nod and a wink.

**Mr Davidson:** The Department of Urban Services enters into an awful lot of contracts in a year. For that reason we have fairly robust procedures in place to ensure that all approvals are obtained.

**THE CHAIR:** I am referring to significant contracts of over half a million dollars.

**Mr Davidson:** That would apply to nearly every contract.

**Mr Wood:** I do not think we want officers going back over dozens of contracts.

**THE CHAIR:** No, I do not want to waste the time of departmental officers. Are you able to assure committee members that, to the best of your knowledge, normal processes are being followed?

**Mr Wood:** I think you have that assurance.

**THE CHAIR:** Mr McNulty said that he would check. I am happy for Mr McNulty to check.

**MRS DUNNE:** Mr McNulty, you said that no moneys would be expended before work had commenced, so no Department of Urban Services contracts specify that a deposit has to be paid before people are able to commence work. Many standard building contracts specify that an initial payment has to be made before a builder can commence work on a residential-type building. Is that the way in which it works?

**Mr McNulty:** Generally, with our construction contracts—and I would have to check again to make sure that this is correct—no money is paid until a contractor is on site and is doing stuff.

**Mr Davidson:** You would receive a progress claim for part of the month.

**Mr McNulty:** The first progress claim might be for site establishment, but the contractor has to be there.

**MR HARGREAVES:** My knowledge of progress claims is rusty. We have heard evidence to the effect that it is not uncommon to have four progress payments—25 per cent, 50 per cent, 75 per cent and 100 per cent. My memory of other contracts is that those payments, which are periodic, are usually made after somebody has checked to ensure that the work has been completed to a certain standard and there is some sort of quality assurance. Are progress payments made up-front so that capital is available for a company to get on with the job, or are payments made only after a certain period has elapsed and a certain amount of work has been completed?

**Mr McNulty:** As I just said, generally it occurs after the work has been completed. Progress payments are made by the contractor to our superintendent, who certifies that it is appropriate for the department to pay. On that certification we pay.

**THE CHAIR:** We will deal now with output class 1.1 and work our way through the classes. Note (3) for the line item about the number of public library loans states that this measure was previously reported under output 1.5 in budget paper 4. A figure of \$2,550,000 is reflected in that budget paper.

**Mr Davidson:** We thought that we finished output class 1.1 the last time we appeared before the committee.

**MRS CROSS:** No, we are continuing it today.

**Mr Davidson:** I apologise. When we last appeared before the committee we moved from output 1.1 to output 1.2.

**Mr Wood:** We thought we had dealt with output 1.1; we did not know that it had been recalled. We will get the relevant officers here if you give us time.

**MR HARGREAVES:** Is it possible to place any questions on notice?

**Mr Davidson:** I thought we had completed output 1.1 and that we were three-quarters of the way through output 1.2.

**THE CHAIR:** You could be right.

**MR HARGREAVES:** It seems as though there is a misunderstanding. If questions could be placed on notice, it would be helpful.

**THE CHAIR:** Unless something significant arises, we will move on to output 1.2. If members have any questions relating to output 1.1, we might have to recall departmental officers.

**MRS CROSS:** Page 182 of BP 4 deals with quality/effectiveness and the percentage of customers satisfied with the management of infrastructure services. The 2002-03 target was 76 per cent and the estimated outcome was 70 per cent. The 2003-04 target is 76 per cent. Could someone explain how those figures are reached?

**Mr McNulty:** We set the targets. The outcome is derived from the Artcraft customer satisfaction survey.

**MRS DUNNE:** Has that survey been published in the last couple of years? I know that it has been published in the past.

**Mr Wood:** It has been published. I am not sure of the date on the current survey. We will determine what that date is.

**MRS CROSS:** If the survey result was 76 per cent, why do you not round off the figure to 80 per cent as an indication that you want to improve your services?

**Mr McNulty:** The target for the current financial year is 76 per cent, the survey result was 70 per cent, so I guess we are still striving to achieve 76 per cent.

**THE CHAIR:** How did you determine that figure of 76 per cent? Is that the national standard?

**Mr McNulty:** No, it is not a national standard; it is our standard. I would need to obtain some advice to establish exactly how that mechanism is set.

**MRS CROSS:** It is just a strange number. I congratulate the department and the minister on achieving a 100 per cent success rate in repairing major traffic light faults within 24 hours. Our street lighting system is now operating at a capacity greater than 95 per cent. Page 182 of BP 4 refers to new assets achieving acceptable standards of design and construction. The targets and estimated outcomes achieved were all 100 per cent. Mr Tonkin told this committee that a 100 per cent success rate was not achievable, so I congratulate the minister and his department on that achievement. Page 182 of BP 4 also refers to the number of complaints from a given catchment in a five-year ARI storm event. The targets and estimated outcomes were less than 10 on every occasion, which is amazing.

**Mr McNulty:** I think that reflects that it has not rained.

**MRS CROSS:** I think your department should receive an award. Your department must have a formula that you should share with Mr Tonkin because he does not believe that these figures are achievable. You just proved Mr Tonkin wrong. The reference in BP 4 to planned maintenance is interesting. Under the headings "Quantity" and "Territorial Roads" on page 182 of BP 4 there is a reference to lane kilometres of planned maintenance. The target for 2002-03 was 90, the estimated outcome was 52 and the target for 2003-04 is 77. Can you explain to me why there is a difference?

**Mr McNulty:** Last time we were here we said that we originally had a target of 90 kilometres but, based on events that occurred throughout the year, we changed our priorities. I think the priority went much more towards streetlight maintenance and community path maintenance. As a result of putting more money into those activities we maintained fewer territorial roads.

**MRS CROSS:** Did that cause concern in your department, or did it jeopardise the lives of people using those roads?

**Mr McNulty:** I guess it is a risk management exercise. We assess the area of greatest risk and we direct the greater proportion of our funds to that area. Quite clearly, our greatest public liability risk is people falling over on footpaths.

**MRS CROSS:** Does that indicate that the quality of our roads is improving and that those roads need less maintenance?

**Mr McNulty:** No, I do not believe it indicates that at all. We are making ongoing risk management decisions about how best to allocate the funding that we have.

**MRS DUNNE:** A point that was made last week is that every time you put off road maintenance it means that the next time you do road maintenance you have to spend more money because roads have deteriorated further.

**MR HARGREAVES:** The same thing could be said about cyclepaths and walkways. I understood Mr McNulty to be saying that a risk management decision could result in more damage to people, so the department decided to put more money into that project, recognising that it had to put more money into road maintenance later. Mrs Cross referred to page 182 of BP 4, which refers to lane kilometres of planned maintenance. The target for 2002-03 was 20, the estimated outcome is 20 and the target for 2003-04 is 51. Does that mean that you now have to go back?

**Mr McNulty:** Yes. For a number of years we have concentrated on the territorial road network at the expense of the municipal network. This year we are reversing that trend.

**MRS CROSS:** That reflects quite a big change. You have more than doubled the figure.

**Mr McNulty:** We are engaged in a constant balancing exercise. Where do you put the money in order to achieve the best result? That is what we are always trying to do.

**MRS DUNNE:** Mr McNulty, could you briefly explain the difference between the classes of road—territory and municipal roads, et cetera?

**Mr McNulty:** In a state jurisdiction, territorial roads—the main highways and distributor roads throughout the suburbs—are managed by a body such as the RTA. Collector roads and residential access roads are municipal roads. There is a similar break-up to the break-up in the states. Generally, we recognise the fact that territorial roads, which carry the heavier traffic loads, need to be treated differently to municipal roads.

**MRS DUNNE:** Are roads like Macarthur Avenue territorial roads, or do they fit into the municipal road category?

**Mr McNulty:** I do not have any plans with me.

**Mr Davidson:** Belconnen Way would be a territorial road.

**Mr McNulty:** Northbourne Avenue, Commonwealth Avenue and Adelaide Avenue are all territorial roads.

**MRS DUNNE:** What about the Tuggeranong Parkway?

**Mr McNulty:** Tuggeranong Parkway is also a territorial road.

**MRS DUNNE:** What about feeder roads in the suburbs?

**Mr McNulty:** They are municipal roads. Without a map in front of me, I cannot tell you exactly where the boundary is for individual roads.

**MRS DUNNE:** I refer to domestic services in output 1.2. The first issue, which relates to traffic lights, does not refer to the repair of traffic lights. Has the ACT started to look at new traffic light technology? Do we still use incandescent bulbs?

**Mr McNulty:** In a lot of cases we do. But we are starting to implement LED traffic lights, especially at the more highly trafficked intersections.

**MRS DUNNE:** The other day I was having a discussion in the car with members of my family who wanted to know why those traffic lights have dots on them.

**Mr McNulty:** Because there is a whole series of light emitting diodes.

**MRS DUNNE:** So they are the LED models.

**Mr McNulty:** Yes, they are the LED lights. We have also upgraded to the latest version of traffic signal control software.

**MRS DUNNE:** Does that mean you can get green phases?

**Mr McNulty:** Yes.

**MRS CROSS:** What does that do that is different?



**Mr McNulty:** It is different. It allows us to operate streetlights in the most efficient way we can. However, it does not necessarily allow us to operate green corridors down Northbourne Avenue. That is determined on the different traffic flows in each direction and on the large number of intersections. We would love to be able to do that, but if we did it would create untold havoc on various side roads. We have to perform a balancing act by ensuring that there is free-flowing traffic in Northbourne Avenue and also allowing people to access other roads and side roads.

**MRS DUNNE:** I would like to pursue that issue later. I refer again to LED traffic lights. When did you introduce LEDs?

**Mr McNulty:** It would have been in the last year or so. I cannot be specific on that.

**MRS DUNNE:** What was the motivation for introducing LEDs?

**Mr McNulty:** They probably have a better life and a lower maintenance cost and, in my view, they are more visible.

**MRS DUNNE:** But they are also supposed to be more energy efficient.

**Mr McNulty:** Yes.

**MRS DUNNE:** So you would be burning 10 to 15 watts.

**Mr McNulty:** Absolutely, yes.

**MRS DUNNE:** You might want to take my next question on notice. What is the difference in cost between a standard incandescent globe with a red or green screen over it and a LED system?

**Mr McNulty:** Do you want the actual capital costs for those lights?

**MRS DUNNE:** Yes. Do you know what it is?

**Mr McNulty:** Absolutely not.

**MRS DUNNE:** If you take this question on notice, I would like you to undertake an analysis of the whole-of-life costs of LED lights compared to the whole-of-life costs of incandescent lights.

**THE CHAIR:** One particularly inefficient set of traffic lights is located at the intersection of Adelaide Avenue and Carruthers Street. You might have to take this question on notice. Late in the afternoon you have to wait for two or three light changes before you can drive through that intersection. Is that usual or is that as a result of afternoon traffic flow?

**Mr McNulty:** I do not know. Are you referring to the Adelaide Avenue and Carruthers Street intersection?

**THE CHAIR:** I am referring to the Adelaide Avenue and Carruthers Street overpass. Anyone wanting to turn off to Curtin would have to wait for three or four light changes before he or she is able to get through that intersection. I drive through that area a lot. A constituent of mine has also referred to that issue. A second constituent referred to the extra sets of traffic lights on Wentworth Avenue and their impact on the Kingston foreshore development. Residents in Narrabundah and Griffith to whom I have spoken are concerned about the traffic flow in that area. They are concerned that these additional sets of traffic lights will impact on Kingston foreshore residents and that the traffic flow will be much slower in the morning. Have traffic studies been carried out to determine whether traffic slows down on Wentworth Avenue?

**Mr McNulty:** All the work that has been carried out has been based on traffic studies. I do not know what the impact of those lights will be in the longer term, but I can find out. Clearly, the decision that has been made is that that is the best traffic solution, given the intersection imperatives.

**THE CHAIR:** It would be helpful if you could take that question on notice.

**MRS DUNNE:** You also have to provide statistics relating to the whole-of-life costs of LED traffic lights. I asked that question mainly out of a desire to pursue energy efficiency. Some of the stuff that I have read indicates that it costs a lot less in the United States of America to operate LED lights. America is spending a lot less on electricity to run its traffic lights.

**MRS CROSS:** Page 182 of BP 4 refers to the cost of street lighting. The target for 2002-03 was \$8.685 million, the estimated outcome was \$8.952 million and the target for 2003-04 is \$8.113 million. Is that the cost of new street lighting or is it the cost of maintaining street lighting? Why is there a reduction of about half a million dollars in 2003-04?

**Mr McNulty:** That is the cost of maintaining the existing streetlight network and the energy cost. Electricity costs are also paid out of that allocation. So there are no new lights.

**MRS CROSS:** It is the cost of maintaining existing lighting.

**Mr McNulty:** That is the cost of maintaining the existing streetlight network, yes.

**MRS CROSS:** Why has that figure been reduced by half a million dollars?

**Mr McNulty:** That probably reflects the fact that street lighting was one of the projects that received funding that was diverted from territorial road maintenance. We put in extra money this year and we are hoping to see the benefit of that next year.

**MRS CROSS:** You are not reducing the number of streetlights and we have not heard about any special deals being done in relation to the cost of power, so why is there a reduction of half a million dollars?

**Mr McNulty:** We spent a lot more money than we envisaged this financial year.

**MRS CROSS:** Is there a reason for that?

**Mr McNulty:** Yes. We identified the need to spend more money on the streetlight network.

**MRS CROSS:** What need was that?

**Mr McNulty:** I do not know the details, but I suspect it was because bulbs and cables were failing in parts of the network. We had to spend some money replacing cables rather than fixing the lights.

**MRS CROSS:** So it received a bit of a facelift.

**Mr McNulty:** No, it was done in an attempt to keep them working. When lights fail because bulbs have blown we can easily fix them. However, it is much more difficult to locate a cable fault and it is more expensive to fix it.

**MRS CROSS:** So you recabled the lights.

**Mr McNulty:** Yes. I think that is what has happened. If you need the details, I can get them for you.

**MRS CROSS:** Under the heading “Capital Works” and “Roads ACT” on page 176 of BP 4 there is a reference to armour cable replacement and a figure of \$750,000.

**Mr McNulty:** That is a significant capital project. When those lights were installed a cable was just buried in the ground. Obviously that cable, which is prone to deterioration, has deteriorated. So a bulk cable replacement was required over a large area.

**MRS DUNNE:** How many kilometres of cabling were required to replace that?

**Mr McNulty:** I would have to find out.

**MRS CROSS:** Why is there a difference of half a million dollars? You could take that question on notice. The greatest number of complaints that I receive from constituents relate to street lighting. How many complaints have to be made before this issue is addressed? If we are spending so much money on the maintenance of streetlights, I want to know where it is going.

**Mr Davidson:** Do the complaints that you are receiving relate to existing lights that are not working, or do they relate to the need for a higher standard of lighting in particular areas?

**MRS CROSS:** Both.

**Mr Davidson:** The higher standard of lighting in particular areas issue is dealt with under the capital works program. The broken lights issue is dealt with under that program.

**MRS DUNNE:** Mrs Cross is right. That complaint is being made constantly to local members. Every six months a light in a street in Weetangera is being repaired. Those are the old style of lights in places as relatively new as Kaleen.

**Mr Davidson:** We now have in place a much improved streetlight maintenance contract which has built into it response times, performance levels and an inspection regime for ActewAGL, as the contractor, to attend to any lights that have been reported as being out. I am not 100 per cent sure about this, but I think the evidence shows that the level of complaints has dropped.

**MRS CROSS:** Do people ring ActewAGL now?

**Mr Davidson:** Yes, there is a help line for them.

**MRS CROSS:** That is good. Do they have a timeframe of, say, 12 or 24 hours to follow up on a call?

**Mr McNulty:** There is a series of timeframes, yes. Obviously, it depends on why a light is not working. If an old luminaire needs replacing, that is quick and easy. If you have to locate a cable fault, it takes longer. Contractors obviously are then given a longer timeframe within which to do that work.

**MRS CROSS:** But they still follow through on that.

**Mr McNulty:** Absolutely.

**MRS CROSS:** So you have done a deal with ActewAGL. It actually manages the project, using you when it needs to, but that is a good joint venture arrangement. Has that been publicised?

**Mr McNulty:** There has been quite a lot of publicity about it at various times.

**MRS CROSS:** I have not seen it.

**Mr McNulty:** There are approximately 60,000 streetlights in Canberra. It is a significant undertaking to inspect them all on a regular basis and to keep them working all the time, especially as a lot of them are now old.

**MRS CROSS:** This is probably mundane and tedious for some people, but the greatest number of complaints that we receive in our offices relate to things like this, so it is good for us to be able to relay this sort of information.

**Mr Davidson:** It is good for people to know that procedures are in place.

**MRS CROSS:** Exactly.

**MRS DUNNE:** Could the Department of Urban Services inform members—and not just members of this committee—about the most expeditious way to deal with these complaints? Constituents often say, “How do I go about getting a streetlight fixed?”

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I could ring the Department of Urban Services DLO, but obviously that is not the most efficient way of doing it.

**Mr McNulty:** We will take that question on notice.

**MRS DUNNE:** There was discussion last week about a \$150,000 capital works budget allocation for street lighting. Was that \$150,000 rolled over from this year?

**MRS CROSS:** It was rolled over. I asked a question about Phillip lighting.

**Mr McNulty:** I did some work on this issue. When the budget documents were being prepared a contract had not been let for that work.

**MRS DUNNE:** Are you referring to the lights at Margaret Timpson Park?

**Mr McNulty:** I am referring to the \$150,000. Subsequently, a contract was signed and \$140,000 of that amount of \$150,000 was expended.

**MRS DUNNE:** Where?

**Mr McNulty:** I was afraid you were going to ask me that.

**MRS CROSS:** Last week the minister said that it had been rolled over. You just said that it has been expended.

**Mr McNulty:** There was some discussion about it last week. We went away to establish what had happened to it. We were asked what had happened to it. The answer is that, since the budget documents were prepared, a contract has been let, \$140,000 of that amount of \$150,000 has been spent and the rest will be spent this financial year.

**MRS DUNNE:** So it has not been rolled over.

**MRS CROSS:** It was rolled over but then it was spent.

**Mr McNulty:** No.

**MRS DUNNE:** The \$150,000 that was allocated for street lighting was to be expended before the end of this financial year.

**Mr McNulty:** That is right, and it will be.

**MRS DUNNE:** Last week there was discussion about the fact that the \$150,000 had been rolled over. But it has not actually been rolled over. Mr McNulty is saying that it will be spent. On what will it be spent?

**MRS CROSS:** Will it be spent on a project in Phillip?

**Mr McNulty:** I will find out.

**MRS DUNNE:** It was supposed to be spent on refurbishing lights at Margaret Timpson Park.

**Mr McNulty:** I have a feeling that that might be where it is, but I do not wish to make a statement on that issue.

**MRS CROSS:** Mr McNulty, can I give Phillip traders your number? They could use some of the \$10,000 that is left.

**Mr McNulty:** Give them the city management hotline number.

**MRS CROSS:** They have tried that. It does not work.

**Mr Davidson:** I have some advice that they have already been contacted. Discussions are proceeding in relation to lighting at Altree Court.

**THE CHAIR:** I have a question relating to roads and capital works. I know that a feasibility study is being undertaken for work on the William Slim Drive and Barton Highway intersection. Will that work involve traffic lights or improvements to the roundabout?

**Mr McNulty:** It will involve improvements to the roundabout.

**THE CHAIR:** The traffic record at that roundabout is not good.

**Mr McNulty:** No, it is not. Once again, I do not have the numbers with me. The traffic record at the big roundabout on the Barton Highway is not good.

**MRS DUNNE:** It is better than the intersection that was there before.

**Mr McNulty:** Exactly.

**MRS DUNNE:** There were two or three bad fatalities at that intersection.

**Mr McNulty:** The problem with that intersection is that it is more of a round road rather than a roundabout. It is a round road with five or six intersections, if you take into account each side of the Barton Highway. People travel at high speeds on that road.

**THE CHAIR:** I refer to page 176 of BP 4, which makes mention of the Cotter Road bridge upgrade, uninsured works. Is that as a consequence of the fires?

**Mr McNulty:** Yes. The Cotter Road bridge was included in the capital works program. But because it was burnt down, \$400,000 of the \$500,000 that it will cost to replace the bridge in that location will be covered by insurance. The amount of \$100,000 that is referred to in the budget papers is the additional cost.

**THE CHAIR:** You have the Fairbairn Avenue upgrade under the wonderful traffic congestion and road safety improvement plan. Can you update us on what is happening there? What is the intention? There is an \$8 million allocation in the budget. Is that for four lanes from the War Memorial through to the intersection?

**Mr McNulty:** No. Essentially, there will be four lanes coming down to the War Memorial and then to the two-lane roundabout. There will be two lanes from that point to the roundabout at Northcott Drive, with some additional lanes at various intersections to allow them to operate. Effectively, we are doing the bit from the War Memorial roundabout to Northcott Drive.

**THE CHAIR:** Will that cost \$8 million?

**Mr Davidson:** No. It is an upgrade over the full length of the road. The first section of it, from the War Memorial uphill, is expected to be duplicated.

**Mr McNulty:** To about halfway up the hill.

**Mr Davidson:** The rest is an upgrade.

**Mr McNulty:** It is a whole new road from the War Memorial to Northcott Drive.

**THE CHAIR:** There will be four lanes from the War Memorial to Northcott Drive.

**Mr McNulty:** No, most of it will be two lanes.

**THE CHAIR:** The roundabout is on Northcott Drive.

**Mr McNulty:** Yes, the roundabout is on Northcott Drive.

**THE CHAIR:** You could take that question on notice and obtain the detail.

**MRS DUNNE:** Is there room between the top and bottom halves of Campbell to fit in a four-lane road?

**Mr McNulty:** There are preliminary plans to do that, yes.

**MRS DUNNE:** And the road reserve exists?

**Mr McNulty:** Absolutely. We are currently in consultation with the Fairbairn Avenue Community Action Group on the details of that project. The preliminary assessment for that work is being prepared.

**Mr Davidson:** Let me clarify the position. The upgrade is from the War Memorial to Northcott Drive. The section from the War Memorial to Treloar Crescent is the section that will be duplicated.

**THE CHAIR:** To four lanes?

**Mr Davidson:** Yes. The next section, from Treloar Crescent through to Northcott Drive, will be upgraded but not duplicated.

**THE CHAIR:** Why is that?

**Mr Davidson:** I think it is as a result of public consultation.

**Mr McNulty:** It came out of public consultation, yes.

**THE CHAIR:** Is there good road safety and traffic flow though? My recollection is that the traffic flows on that road necessitated four lanes.

**Mr Davidson:** The original proposal was to construct four lanes all the way. As a result of the outcome of public consultation, and given that there was some great divergence of views about the level of traffic on that road and what the levels of traffic were likely to be in the future, a further study was done in consultation with the NCA and after taking into account plans for the road network further east in Majura Valley, onto the Monaro Highway and around Pialligo Avenue. The net result of all that was that the duplication of the whole road could be deferred, pending later developments, but that the road could be upgraded in the meantime to provide a high level of service, a high level of safety at intersections and an improved amenity for Campbell residents so that they can get into and out of the suburb.

**Mr McNulty:** The approach of the National Capital Authority is to come down Fairbairn Avenue to Northcott Drive, down Northcott Drive to the back of Russell and then down Constitution Avenue and into the city. If that proposal goes ahead it will split the traffic flow. Some traffic will go one way and other traffic will come down Fairbairn Avenue. That is one reason why we have taken those decisions.

**Mr Davidson:** Our preliminary design, which is as a result of the first round of public consultation, is still to go back for a final round of consultation.

**THE CHAIR:** How far advanced is the NCA part of that? The proposal would commence from Majura Road, connect to Northcott Drive and you would then upgrade the stretch from the intersection to Constitution Avenue.

**Mr Davidson:** Yes.

**THE CHAIR:** Is that proposal going ahead, or are you just wishing that it would?

**Mr McNulty:** I think it is the NCA's clear preference. That is the comment it made when we first started talking about duplicating Fairbairn Avenue. We completed what has been called the Majura Valley transport study and we considered all the options relating to that proposal and the Fairbairn Avenue proposal. As a consequence of all that work and our traffic projections of what will happen if and when the Northcott Avenue upgrade goes ahead, we made the decision to upgrade Fairbairn Avenue only to single lane status at this stage.

**THE CHAIR:** I do not recall whether the NCA received funding for that this year. Does it have money for a feasibility study?

**Mr McNulty:** No, I do not believe so.

**THE CHAIR:** So it is still some time away.



**Mr McNulty:** We are satisfied that, with this proposed configuration, Fairbairn Avenue will operate satisfactorily for some time.

**MR CORNWELL:** I have memories of debates that occurred in relation to this Campbell proposal. You were quite right when you said earlier that many different views have been expressed. Will the road upgrade from the War Memorial through to Northcott Drive result in a dual carriageway?

**Mr McNulty:** No. Basically, there will be four lanes from the roundabout up to Treloar Crescent and then two lanes from that point on.

**MR CORNWELL:** To put it bluntly, that strikes me as madness. We will be faced with the same situation that we face in Deakin every night when three lanes merge into two. The same thing occurs on Belconnen Way near Canberra High School. We are about to do the same thing at Campbell. Is that good traffic planning? A lot of complaints were made about traffic coming down Limestone Avenue and travelling to Fyshwick and various other areas. I thought the proposal to upgrade Majura Road, which is located at the back of Mount Majura and Mount Ainslie, would divert that traffic. If you upgrade and create half a road through Campbell it will only encourage more traffic in that area. That is not the view that has been expressed by many Campbell residents in relation to this matter.

**Mr McNulty:** Campbell residents are vehemently opposed to the duplication of that road and that view was expressed strongly during public consultation.

**MR CORNWELL:** That is what I thought.

**Mr McNulty:** We have examined the potential impact that a number of options would have on the Majura Road-Fairbairn Avenue intersection and on Morshead Drive, Pialligo Road and Northcott Drive. The Fairbairn Avenue design, which will duplicate the road up to Treloar Crescent, construct a roundabout at Treloar Crescent and provide single lanes from there on, allows for additional lanes at various intersections. Those intersections will operate efficiently, given the essential single lane nature of the rest of the road. We are not providing two solid lanes from Treloar Crescent through to all the intersections. Additional lanes have been provided to enable those intersections to operate effectively and safely.

**MR CORNWELL:** But that proposal will not necessarily result in a decrease in the amount of traffic that is travelling along that road and it will not necessarily decrease through traffic, which should be rerouted along Majura Road.

**THE CHAIR:** I am happy to discuss this issue all day, but Majura Road was designed as a major arterial road.

**Mr McNulty:** That is why we have been carrying out feasibility studies in Majura Valley.

**THE CHAIR:** Will the intersection at Fairbairn Avenue and Treloar Crescent be upgraded if those four lanes end at the intersection of Treloar Crescent?

**Mr McNulty:** There is a roundabout at Treloar Crescent.

**THE CHAIR:** Could you update committee members on the Majura Road upgrade?

**Mr McNulty:** The parkway option?

**THE CHAIR:** Yes.

**Mr McNulty:** We are doing a PA at the moment. The project is not funded, but we have taken the step of doing some important planning work for it.

**THE CHAIR:** If that work is being done, will the PA allow for a high-speed train in the future?

**Mr McNulty:** The PA is being done on the basis that one day a high-speed train might go in. Any road that we put in will not prevent that from happening.

**THE CHAIR:** I remember a brief some years ago that stated the indicative cost of Majura Parkway would be about \$48 million. I will not hold you to that figure.

**Mr McNulty:** The cost could be \$50 million or \$60 million.

**THE CHAIR:** Would that include money that the federal government gave us to complete the Monaro Highway and to construct a four-lane parkway from Morshead Drive through to the Federal Highway?

**Mr McNulty:** We did some work on that. I am battling to remember the figures. I know that a figure of \$50 million or \$60 million was referred to, but I am not sure whether that bought the full length of four lanes. It might have bought a two-lane road on the new alignment. However, I cannot remember the details.

**THE CHAIR:** As this project is only in the preliminary stages, you could take that question on notice and supply us with the details that you have.

**Mr Wood:** We want the Commonwealth to acknowledge that it is a national road.

**THE CHAIR:** That would be a wise thing to do, Minister, but are you willing to knock on the doors of people at Parliament House? Yesterday, Mr Quinlan told us that he did not think it would have any effect. Will you be lobbying the federal Minister for Transport and Regional Services to have that road recognised as a national road?

**Mr Wood:** I consider everything that I do. I will not say something in response to a statement that you quoted to me.

**THE CHAIR:** It is a reasonable question. Have you had contact with the federal Minister for Transport and Regional Services about designating that road as a national road and upgrading it accordingly?

**Mr Wood:** I will establish what has been happening.

**Mr McNulty:** I can confirm that it has been discussed at officer level.

**THE CHAIR:** The question that was asked was: has the minister done that? I am sure that the minister will take that question on notice.

**Mr Wood:** I do not remember signing anything off.

**MRS CROSS:** I would like to ask the minister two questions. Firstly, I would like to know who was contacted at the Phillip business district to address the lighting problem and I would like the name of the person who was contacted. Secondly, has the minister visited the Phillip business district this year?

**Mr Wood:** I do not think so.

**MRS CROSS:** Are you planning to visit that district this year?

**Mr Wood:** Are you asking me whether I intend to visit the district in a parliamentary role as opposed to a private role?

**MRS CROSS:** Yes.

**Mr Wood:** I could well do so.

**MRS CROSS:** Will you be taking these questions on notice?

**Mr Wood:** Constituency matters are not necessarily matters that should be dealt with at estimates committee hearings.

**THE CHAIR:** Minister, we heard last week that there was \$150,000 in last year's budget for new streetlights. We heard last week that that money was rolled over into this year's budget. We have now heard that the majority of that money—\$140,000 or \$150,000—will be spent this year. That means that there is only \$10,000 in this year's budget for new streetlights. Is that an adequate amount?

**Mr Wood:** I will confirm whether or not your calculations are correct.

**MRS CROSS:** We are just going on your figures.

**MRS DUNNE:** You are left with \$10,000 if you deduct \$140,000 from \$150,000. There was some question about whether the whole amount of \$150,000 would be spent this financial year, which means that there is no capital works money for street lighting this year. Is that right? If that whole amount of \$150,000 was spent, there would be no money for streetlights.

**Mr Davidson:** The contribution in the capital works program for street lighting is taken up by the armour cabling. That was a significant investment this year in the streetlight system.

**MRS DUNNE:** But there is no upgrading of street lighting or anything like that?

**Mr Davidson:** The armour cabling is an upgrading. It is a reasonable level of investment in that asset.

**MRS DUNNE:** I appreciate that, but people are still seeing the 1950s style of street lighting that does not cast any light. The armoured cable will not lead to an improvement in the light that is being cast.

**Mr Davidson:** There will be a visible effect in that existing lights will have a high level of reliability.

**THE CHAIR:** Minister, it is odd that the budget documents reflect the fact that money has been rolled over. Surely, the intention to roll over that money is communicated by the department. You or the department might have changed your mind and said, "Spend the money in the current year." How can we trust these documents if they change before the budget is brought down? Is it appropriate to be saying that money has been rolled over when those rollovers do not occur?

**Mr Wood:** I would have to give some thought to that question, Mr Smyth. I will obtain advice and get back to you.

**THE CHAIR:** You can take that question on notice. Do members have any more questions on output 1.2?

**MR CORNWELL:** I have a question relating to bike paths.

**Mr Phillips:** I wish to elaborate on this matter, though it might not explain to your satisfaction the reason for it. When the budget papers were drawn up an amount of \$80 million was allocated for one project in the capital works program. The street lighting project in the budget papers reflects an estimated expenditure in 2003-04 of \$150,000. So it was anticipated that the street lighting program would not be finished this financial year.

I wish to follow up on a question that was asked by Mrs Cross last week. The advice from the city management people is that money that they expected to be rolled over most likely will be spent by the end of the year. There are still four weeks to go before we reach 30 June. Because of work that has been done in this field, we expect those accounts to be submitted and about \$140,000 of the \$150,000 to be expended this year—money that was supposed to be carried forward to next year.

**MRS DUNNE:** That money is in the capital works budget for this financial year. This project has been put off on a number of occasions. The last capital works report stated that the money would be spent in the March quarter but, according to the budget papers, that money was rolled over. The money is reflected in the works in progress as having been rolled over. Mr Smyth asked earlier how reliable these figures are. What other money is reflected in the budget papers as having been rolled over when that was not the case?

**Mr Phillips:** These figures are our best estimates at the time that the budget papers were put together.

**MRS DUNNE:** The quarterly report on capital works, which was issued not much earlier than the budget papers, contradicts your statement. The report in the budget papers states that the money will be rolled over but, less than four weeks after the budget was brought down, you are saying that the money will not be rolled over, it will be expended, and that the original advice was correct. Are we going to find other inaccuracies in the capital works budget?

**Mr Phillips:** With hindsight, these figures were put together in April. It is now nearly 1 June. We are talking about a large number of projects and, in particular, about big items, such as addressing street lighting commitments. It seems as though money that has been rolled over could well be spent by the end of June.

**MRS DUNNE:** Minister, you are responsible for the administration of your department. This money was in last year's capital works budget for expenditure in the second quarter of this financial year, but that expenditure was put off. I stand to be corrected on that. In the end it comes down to you. Excuses are always made about how capital works budgets slip, but this one, dare I say it, is slipping all over the place. It might only involve an amount of \$150,000, but what else is that indicative of? When you say that money will be spent on capital works, what will you do to ensure that that money is spent? There is not much point in making commitments to the community about things that will happen or jobs that will be made available if you do not do those things.

**Mr Wood:** That reasonable lecture is one that has been given from time to time by the Treasurer over the years. When you draw up a capital works program it is your intention to deliver that program. Year after year, not every item is delivered. Sometimes there is quite a deal of slippage. It is not a good principle and it is one that should be attended to. We should deliver capital works programs that are achievable. We are determined in the future to stick to our programs.

**MR HARGREAVES:** Will just one contract be satisfied this year, or is there a series of contracts? Does the \$140,000 that will be expended between now and 30 June comprise one contract or a number of contracts?

**Mr McNulty:** We have already taken on notice a question about where that money will be expended. I think the answer to your question is that we will answer that question.

**MR HARGREAVES:** I am trying to establish whether it involves one project or a series of projects. I do not need to know the number of projects.

**Mr McNulty:** I do not know. You would not get a lot of projects for \$150,000.

**MR HARGREAVES:** No, you would not. Correct me if I am wrong, but the money for those projects was appropriated in 2002-03, the works will be completed in 2002-03 and the cheque for those works will be drawn in 2002-03. So, if anything, you have prevented the rollover from being carried forward into the next financial year. The reduction of that rollover will prevent our liability from being carried forward into the next budget.

**MRS CROSS:** You cannot rescue the situation. The minister said last week that the money had been rolled over.

**MR HARGREAVES:** I suggest that the figures speak for themselves. If anything, we should be saying, "Thank you for doing that." Rather than criticising people for getting off their butts and discharging liabilities in the financial year for which the money is appropriated, we should be saying, "Well done."

**THE CHAIR:** That was a statement and not a question, Mr Hargreaves.

**MR HARGREAVES:** I was inquiring of witnesses whether my understanding was correct. I think the *Hansard* record should show that a murder of crows on the fence—five witnesses at the back of the room—is nodding furiously in agreement with my statement. Minister, have you congratulated your department on achieving this magnificent result?

**THE CHAIR:** Mr Hargreaves, do you want to ask a supplementary question in light of the fact that only \$10,000 is available in this year's budget for new street lighting?

**MR HARGREAVES:** I do. Minister, have you congratulated your department on achieving a possible reduction in that amount of \$150,000? The miserable amount of \$10,000 does not even feature in the round out.

**MR CORNWELL:** Minister, in a question that I placed on notice I asked what was the cost of providing cycle lanes on Commonwealth Avenue between London Circuit and the bridge. I was told that the cost of providing those cycle lanes, which included the cost of green marking, was \$225,000. The cost of the green marking across entry and exit ramps was \$40,000. I also asked whether penalties would be imposed to restrict cyclists to those bike lanes when they are established. The reply that I received was as follows, "Under Australian road rules, cyclists are permitted to use traffic lanes in addition to marked bike lanes." Could somebody confirm or deny that cyclists are permitted to use traffic lanes when there are no marked bike lanes, otherwise what is the purpose of marking bike lanes?

**Mr Wood:** A safety issue is involved. I believe that cyclists have the same rights as motorists on the roads. We spend a lot of money marking lanes on roads and we encourage cyclists to use them.

**MR CORNWELL:** If there are no marked bike lanes, can cyclists use normal traffic lanes?

**Mr Wood:** Yes.

**MR CORNWELL:** If there are marked bike lanes, are cyclists obliged to use them?

**Mr Wood:** No.

**MR CORNWELL:** What an absurdity. We are spending \$225,000 to mark out bike lanes that cyclists are not obliged to use.

**Mr Wood:** I do not think it is an absurdity. We put in those lanes and we encourage cyclists to use them. Occasionally I am disturbed when I see cyclists not using the on-road lanes that are provided for them, but they have the right to do that.

**MR HARGREAVES:** I recall pushing this issue before the last election and I promised that they would be delivered. I am glad to see that they have been delivered. Minister, apropos the use of traffic lanes, are buses and taxis obliged to use the lanes that are provided for them?

**Mr Wood:** I do not think they are obliged to use them, but it is advantageous to them and it facilitates their movement if they do so. Other vehicles should not use those lanes.

**MR HARGREAVES:** The same argument could be applied to cyclists.

**Mr Wood:** You make a reasonable point.

**MRS DUNNE:** Cyclists do not have to use designated cycle lanes if they exist. Are there penalties for motorists who encroach into designated cycle lanes?

**Mr McNulty:** As long as they are appropriately marked, yes.

**MRS CROSS:** That seems unfair.

**MRS DUNNE:** That is stupid.

**MRS CROSS:** That is discrimination.

**MRS DUNNE:** That is entirely inconsistent. As a motorist, I would be fined if I used a bus lane, which is fair enough. But would I also be fined if I encroached on a cycle lane?

**MRS CROSS:** Yes.

**MR HARGREAVES:** You have a skinny car.

**MRS DUNNE:** I do not have a skinny car. But I would be fined if I encroached on a cycle lane. That responsibility is not reciprocated.

**Mr Wood:** I do not see it as a great problem. I think the point is arguable. We are expending a lot of money to encourage people to use bicycles and we are encouraging them to use those cycle lanes. I do not believe that they should be fined if they do not use those cycle lanes on every occasion. I am uncomfortable and sometimes irritated when I cross Commonwealth Avenue Bridge and see a cyclist using that bridge, which was narrowed in order to widen the path on the side.

**MR CORNWELL:** It was widened at considerable public expense.

**Mr Wood:** It is a minor issue in the context of the overall traffic problem.

**MR HARGREAVES:** The same thing applies to bus lanes.

**Mr Phillips:** First, it involves a safety issue and, second, it is consistent with sustainable transport initiatives to encourage other modes of transport beside the motor car.

**MR CORNWELL:** Even allowing for that, I simply do not see how you can spend additional money to encourage this to take place and yet you are still prepared to allow cyclists to ride where they wish on public roads. Why are you wasting that money?

**Mr Wood:** You have made a good point. It does disturb people. The next time I talk to Pedal Power and to other cycling groups, I will reiterate the concerns that have been expressed today. I will ask them to do whatever they can to encourage people to use those expensive cycling lanes.

**MRS CROSS:** Is it not your job to make that decision rather than asking Pedal Power whether it is all right?

**Mr Wood:** I am not prepared to make a decision off the top of my head at this committee meeting about fining cyclists who use the roads. I am not prepared to make that decision.

**MRS CROSS:** But your answer to this committee is that you will discuss it with Pedal Power to determine what it thinks. This is a decision that should be made by the government.

**Mr Wood:** My answer to this committee is that I do not believe it is a problem in the overall context of traffic flows in Canberra. It causes some irritation, but I do not believe it is a problem.

**MR CORNWELL:** Will you withdraw any penalties that are imposed on people who drive in bus-only lanes?

**Mr Wood:** No. Obviously you are irritated, but I do not believe that that is sufficient cause for me to take action.

**MRS CROSS:** Minister, you appear irritated. I am actually quite calm.

**MR CORNWELL:** I am amazed at the inconsistencies.

**Mr Wood:** You are obviously irritated by cyclists.

**MRS DUNNE:** I trespassed into this area the other day, but I would like to obtain some assurances in relation to one issue. Is the minister still answering questions about Gungahlin Drive extension?

**Mr Wood:** Yes, indeed.

**THE CHAIR:** When will it transfer to you?

**Mr Wood:** Very soon, but no date has been set.



**MRS CROSS:** As soon as these estimates committee hearings are over.

**THE CHAIR:** What is the trigger that will cause it to pass to your control?

**Mr Wood:** You should ask Mr Corbell that question because that is in his domain at the moment. When all the planning is complete it will come back to me.

**MRS DUNNE:** Mr Wood, you were reported in the *Canberra Times* on Saturday as stating that an announcement would be made this week about that work.

**Mr Wood:** That was my understanding, but it is up to Mr Corbell to make that announcement.

**THE CHAIR:** So we can expect an announcement on Friday after the estimates.

**Mr Wood:** I do not know. It is in Mr Corbell's hands; it is not in my hands.

**THE CHAIR:** When does it become your responsibility? Is the capital appropriation for the construction of Gungahlin Drive your responsibility or Mr Corbell's responsibility?

**Mr Wood:** I think it is my responsibility when we get down to the tenders that you were talking about.

**THE CHAIR:** So when the route is determined and the final planning work is completed it becomes your responsibility to deliver.

**Mr Wood:** When the route is determined and the final planning is done, I expect so.

**MRS CROSS:** Minister, do you know when the route will be determined?

**Mr Wood:** Pretty soon.

**MRS DUNNE:** If the capital appropriation is Mr Wood's responsibility, I would like to ask some questions. How many lanes will be able to be built using that \$32 million?

**Mr Wood:** You should ask these questions of—

**MRS DUNNE:** You just said that capital appropriations were your responsibility.

**Mr Wood:** Yes. The intention is to construct two lanes and various overpasses from the Barton Highway down to Glenloch.

**MRS DUNNE:** So there will still be two lanes.

**Mr Wood:** That is my understanding.

**MRS CROSS:** You do not know.

**MRS DUNNE:** In what sense is this work in progress? It is in the capital works budget as work in progress, but is that just because money has been allocated for some time but no work has been done? Work should have started on 1 July last year. This item is in the budget as work in progress. In what sense is it work in progress because work has not progressed?

**Mr Wood:** That work is being done for Mr Corbell.

**MRS DUNNE:** What work?

**Mr Wood:** Ask Mr Corbell.

**MRS DUNNE:** Minister, you just said that you are responsible for this capital works item. What money has been expended and on what?

**Mr Wood:** Money has been expended under the direction and control of the Minister for Planning. You should ask him those questions.

**MRS DUNNE:** Are you the minister responsible for this appropriation?

**Mr Wood:** Not yet, thank you.

**THE CHAIR:** The Estimates Committee needs to know the answer. An amount of \$32 million has been included in the budget for a number of years and I still cannot obtain a satisfactory answer that identifies what it has been spent on.

**Mr Wood:** You can get a satisfactory answer. You have been given an answer, but you just do not want to accept it.

**MRS DUNNE:** The answer that I received was that you were the minister responsible for this appropriation, but you will not answer any questions. You will not tell me on what the money has been spent.

**Mr Wood:** When Mr Corbell appears before you—and I do not know on what day that will be—you can ask him those questions.

**MRS DUNNE:** If we do not get satisfactory answers from Mr Corbell, I would like the record to show that we will call both Mr Corbell and Mr Wood to answer questions about Gungahlin Drive.

**THE CHAIR:** That might be a reasonable outcome.

**Mr Wood:** I am not worried about that. That is fine.

**THE CHAIR:** Page 178 of BP 4, under the heading “Gungahlin Drive Extension”, shows the estimated expenditure in previous years as \$2.8 million. I assume that that was authorised by the department of the Minister for Planning.

**Mr Wood:** I would expect so.

**MRS DUNNE:** But you said that you were the minister responsible. Who is the minister responsible for spending that money?

**THE CHAIR:** Was that \$2.8 million expended by Mr Corbell and PALM or was it expended by the Department of Urban Services?

**Mr McNulty:** That money was expended by us under the direction of Minister Corbell.

**THE CHAIR:** Can we have a breakdown of what that \$2.8 million has been spent on so far?

**Mr McNulty:** Sure.

**Mr Wood:** That information will be available to you when Mr Corbell appears before you. He will bring back that information.

**MRS CROSS:** I might be reading you wrong, but you are sounding a little vague on this issue. I do not mean to be facetious, but is it because this is an area that will be passed on to you and for which you have not had responsibility? You do not appear to be aware of the intricacies.

**Mr Wood:** I believe that I am pretty well informed. A number of cabinet discussions have ensued in relation to this issue over a long time, so I am reasonably well informed. It is Mr Corbell's prerogative to provide you with time lines, data and other things that you want. I will leave it to Mr Corbell.

**MRS CROSS:** I agree on the planning issue. But on the capital works issue, given that there is now money in the budget in your area, I assume you know why the money is there, where it is going and when work will commence.

**Mr Wood:** Yes, but it has not come into my domain at this time.

**MRS CROSS:** Are you being vague and are you not answering questions specifically because this issue has not officially been handed over to you?

**Mr Wood:** That is correct.

**MRS CROSS:** Is that a protocol that is followed? Is there a precedence for this? Am I stepping into an area that I should not be stepping into, or do you choose not to answer these questions?

**Mr Wood:** I have not had discussions about a formal handing-over ceremony. There has been a bit of light banter between Mr Corbell and me in relation to this issue. When the time comes, Mr Corbell will make a clear announcement about what is happening.

**MRS CROSS:** Is it then acceptable for a member of this committee to ask you questions relating to capital works, given that that is your area and given that one of the many things in this budget relates to the Gungahlin Drive extension. Is it not within our realm to do that?

**Mr Wood:** Yes. You made a good point. Those capital works will come under my control and my administration. I take your point, but I will defer because Mr Corbell will be making an announcement. I do not know when he will be making that announcement, but I will defer to Mr Corbell on all those matters.

**MRS CROSS:** Is it usual for one minister to defer to another minister when there is money in the first minister's budget relating to capital works?

**Mr Wood:** That is pretty much the case. However, there might be exceptions here and there. It is the responsibility of one minister to run an issue. Sometimes ministers do things together but, by and large, one minister has responsibility for a specific item. Mr Corbell is responsible for Gungahlin Drive at this time.

**MRS CROSS:** Given that you and Minister Corbell exchanged banter in relation to this issue, are you able to advise members of the committee whether you will answer questions by the end of the week, if you are required to do so, before the conclusion of the Estimates Committee hearings, or will Minister Corbell make an announcement after the Estimates Committee hearings which will prohibit us from asking you any questions?

**Mr Wood:** You should ask Mr Corbell that question. I do not know his timetable.

**THE CHAIR:** Who took the \$32 million bid to cabinet?

**Mr Wood:** That is a cabinet matter.

**THE CHAIR:** Which minister is responsible for that bid?

**Mr Wood:** I would have thought that the \$32 million was what you took to cabinet.

**THE CHAIR:** Who took the \$32 million bid to cabinet to ensure that it appeared in this year's budget papers?

**Mr Wood:** I am sure that the books would reveal that that amount has continued to roll over.

**THE CHAIR:** On 1 July, who will be responsible for the expenditure of \$32 million on Gungahlin Drive? We are actually inquiring about next year's estimates. Assuming that the budget is passed, who will be responsible for that \$32 million worth of expenditure on 1 July?

**Mr Wood:** You will find that out on 1 July.

**THE CHAIR:** Minister, that is an unacceptable answer.

**Mr Wood:** That is not an unacceptable answer.

**THE CHAIR:** Who is responsible for this project in the budget? Which minister is responsible for the expenditure of \$32 million on Gungahlin Drive?

**Mr Wood:** At the moment it is Mr Corbell.

**THE CHAIR:** Will Mr Corbell be responsible for the expenditure of \$32 million?

**Mr Wood:** I would think not.

**THE CHAIR:** Who will be responsible for the expenditure of \$32 million?

**Mr Wood:** We have already been down that track.

**THE CHAIR:** You avoided answering the question.

**Mr Wood:** You are going around in circles.

**THE CHAIR:** I am trying to obtain some clarity. Who is responsible?

**Mr Wood:** You want me to answer all sorts of questions that are the province of Mr Corbell at this time. You have my answer. You can ask this question in 20 different ways, but you will get the same answer from me.

**THE CHAIR:** It is becoming a trait of your government that we cannot get answers from ministers. You are now the third.

**Mr Wood:** Rubbish.

**THE CHAIR:** Minister, who will be responsible for the expenditure of \$32 million on Gungahlin Drive in next year's budget?

**Mr Wood:** I would expect, by 1 July, the protocols to have taken place and I would be responsible.

**THE CHAIR:** In which case, it is more than appropriate for you to be asked what the \$32 million will be—

**Mr Wood:** No, it is not.

**THE CHAIR:** It absolutely is. This is about next year; it is not about now.

**Mr Wood:** It is appropriate for the committee to ask those questions and it is appropriate that they ask those questions of Mr Corbell.

**THE CHAIR:** So Mr Corbell will be responsible for the expenditure of the \$32 million after 1 July.

**Mr Wood:** No.

**THE CHAIR:** That is what you are saying and that is not true, Minister.

**Mr Wood:** No, he is there at the moment and that's it.

**THE CHAIR:** Mr Corbell will be responsible for the carrying out of \$32 million worth of expenditure next financial year, to which the answer is clearly no. Therefore, it is more than appropriate for you, Minister, to answer those questions.

**Mr Wood:** You are asking the question, you are answering it and you are going round in circles.

**THE CHAIR:** Only because you lead us round in circles, Minister, through your obfuscation and your attempts to avoid—

**Mr Wood:** I have given one clear answer all the time to this and you want to play games, and I'm not in that party.

**THE CHAIR:** The Estimates Committee may end up waiting until we get appropriate answers before we give our report, Minister, and your budget will not be passed until the questions are answered.

**Mr Wood:** That's fine.

**THE CHAIR:** That's fine. Thank you, Minister.

**MR HARGREAVES:** Mr Chair, can I ask a question on this issue, please?

**THE CHAIR:** Yes. Mr Hargreaves to the rescue.

**MR HARGREAVES:** Indeed. My understanding is that it is not unusual to have one department and the various elements of it responsible to two ministers.

**Mr Wood:** That is pretty routine in this case.

**MR HARGREAVES:** It is very routine. What happens is that from time to time functions and projects will change—not within that department, but within the ministers—and what we are seeing here, in fact, is evidence of a project having carriage by one minister responsible for an element of the department being transferred to another minister responsible for an element of that department. It is just the timing of all of that sort of business, but the paperwork is actually produced within that one department.

**Mr Wood:** That is correct.

**MR HARGREAVES:** And we are not at the stage, at this point, where that responsibility has transferred.

**Mr Wood:** No, and I expect if Mr Corbell had appeared before me on the planning side of things, the questions would have been covered.

**THE CHAIR:** Minister, it is about who is responsible for the bids.

**Mr Wood:** It is a matter of timing, Mr Smyth.

**THE CHAIR:** No, it is about who is responsible for the expenditure next year, and you are refusing to take responsibility for expenditure in your portfolio in the coming year.

**MR HARGREAVES:** I do not accept that.

**Mr Wood:** No, your words are nonsense, Mr Smyth.

**THE CHAIR:** This is the Estimates Committee inquiring into expenditure in the year 2003-04 and you have just said you are not responsible.

**Mr Wood:** Not at all, Mr Smyth.

**MR HARGREAVES:** I do not accept that point.

**Mr Wood:** I won't have you put words into my mouth, Mr Smyth.

**MRS DUNNE:** Can I clarify, Mr Chairman, what Mr McNulty is going to provide for us about what has happened with the \$2.8 million?

**THE CHAIR:** We will be getting a breakdown.

**THE CHAIR:** Minister, on page 182, under "Extraordinary expenses—insurance-related bushfire costs", footnote (12) says, "Measure introduced to reflect the write-off of destroyed and damaged assets relating to the January 2003 bushfire." What were those assets?

**Mr McNulty:** A range of assets, ranging from four bridges, a host of guideposts, a host of signs, the pavement, line marking—basically the full range of road-related assets.

**THE CHAIR:** Were those assets insured?

**Mr McNulty:** Yes.

**THE CHAIR:** Have we recovered the full \$2.959 million?

**Mr McNulty:** We are recovering it.

**THE CHAIR:** We are in the process of recovery, so it does not represent a loss to the territory.

**Mr McNulty:** I believe that the great proportion of our asset losses are covered, but not necessarily all our expense on bushfire issues.

**THE CHAIR:** According to note (10), two lines above, the bushfire recovery costs are not ongoing. Does that mean all that work has been completed? Is that work relating to the insurance claims?

**Mr Phillips:** That \$200,000 is second appropriation money for immediate response costs following the fire. The line below that is the third appropriation. It is just the way it is shown there.

**THE CHAIR:** It is just a change.

**Mr Phillips:** Yes.

**MRS DUNNE:** Mr Chairman, can I go back to the extraordinary expenses? Mr McNulty, that \$2.9 million is for uninsured—

**MR HARGREAVES:** No, he said that it was insured.

**MRS DUNNE:** You said that it was insured, but why are we incurring this expense?

**Mr Phillips:** There is \$2.9 million there: \$2.687 million is insured and there are other costs—the removal of debris, \$150,000 and \$127,000—and other miscellaneous costs. I think Hamish was indicating that some of that might not have been covered by insurance; they are just expenses.

**MRS CROSS:** I am not quite sure where we left things, but someone was going to get back to me with the name of the person from the Phillip traders that the department spoke to.

**THE CHAIR:** It was taken on notice.

**MRS CROSS:** Did they take it on notice, because they looked like they were looking for it there?

**Mr Phillips:** No, we will take it on notice.

**MS DUNDAS:** When you were here last week, Minister, I asked about what was going on in Chan Street in Belconnen and you told me to ask those questions of PALM. I understand that there have been discussions with ACT Roads.

**Mr McNulty:** An answer to a question on notice is being prepared on that subject.

**Mr Davidson:** We took the question on notice and the paper is coming.

**MS DUNDAS:** Is it within your purview?

**Mr Davidson:** I haven't seen the answer yet.

**Mr McNulty:** Yes.

**MS DUNDAS:** Do you know when that answer will be available, because the question was asked last Wednesday?

**Mr Davidson:** It should be available by tonight.

**Mr Phillips:** It will be available today. We have up to 200 questions that we are tracking through at the moment. We are on the verge of another bundle going to the minister and most of them will be with you today.



**THE CHAIR:** We will move on to output class 1.3, which relates to waste and recycling. Minister, have you ironed out your problems of the last couple of months with waste and recycling in the ACT?

**Mr Wood:** Absolutely, Mr Smyth.

**THE CHAIR:** There will be no more complaints about rubbish not being collected.

**Mr Wood:** There might be the occasional one that comes through, but it was an interesting week there.

**THE CHAIR:** Minister, how long will it take to remove the centre partition in the yellow bins? Is that work still continuing?

**Mr Wood:** Mine is gone, but I don't know about the lot of them.

**THE CHAIR:** What timeframe was put forward for the removal of the partitions?

**Mr McNulty:** My recollection is that the contract allows for between six and eight weeks to remove them all.

**THE CHAIR:** When should that terminate?

**Mr McNulty:** End of June.

**MRS DUNNE:** What are we doing with the centres from out of the bins?

**Mr McNulty:** They are being recycled.

**MRS CROSS:** Minister, have the problems at Revolve been resolved?

**Mr Wood:** I do not know. I thought they had been. I've currently got a request to meet the Revolve people. I am not sure what it is about. Maybe they have not been. I have to say that I am not sure whether they have or have not.

**MRS CROSS:** Perhaps you could take this question on notice. Could you look into whether they have been and, if not, what you are doing about resolving them? I have been approached over the last year, roughly, by these people and I have spoken to officials from your office, who have been extremely helpful, but it is an issue that has caused Revolve great anxiety and, as a member who is interested in preserving the interests of any business in the ACT, I want to make sure that these people are able to continue to employ their staff. Take it on notice and get back to me if you need to or let me know now.

**Mr Wood:** They met with the department recently. I will see what sort of report I can give you on that. At various times, months and months ago, I was saying optimistically they had met and it was just about settled, but it wasn't. I will give you a report on it.

**MRS CROSS:** Thank you, Minister.

**MRS DUNNE:** Minister, where are we with progress on dealing with putrescible waste?

**Mr Wood:** That is an issue before us. Where are we at? I am to have an inspection of some of the more modern facilities. In fact, only the other day I cleared the timetable for that. In July, I will be having a look at some.

**MRS DUNNE:** Where will you be going in July?

**Mr Wood:** Probably where other people have trekked before—Port Stephens, Wollongong. It is a well-trodden path, I believe. Mr McNulty, do you have much more detail?

**Mr McNulty:** Yes, we are taking the minister to look at a range of technologies existing at the moment—the Bedminster plant at Port Stephens and the solid waste to energy recycling facility, SWERF, at Wollongong, and some other composting technologies on the outskirts of Sydney.

**MRS DUNNE:** Are you looking at biomass?

**Mr McNulty:** As you are aware, we sought expressions of interest several years ago to see what technologies were around. There are a number of technologies around. A smaller number are currently operating in Australia and we are going to look at the ones that are within driving distance of Canberra, but no final decision has been made about which technology we will use going forward.

**MRS DUNNE:** Minister, Ms Dundas and I asked questions of you last year about putrescible waste and you said that you were looking at it. We are another year down the track and you have not looked at it yet.

**Mr Wood:** No, we are going to look at it now.

**MRS DUNNE:** I am going to give a sermon, Mr Chair. This is outrageous.

**Mr Wood:** No, it is not.

**MRS DUNNE:** This is an outrageous waste of time. What are you going to do to address this issue and when? We have had debates on this subject in the chamber.

**MR HARGREAVES:** This is just garbage.

**MRS DUNNE:** Quite frankly, Mr Hargreaves, the minister's answers are garbage.

**MR HARGREAVES:** We don't need a sermon on it.

**THE CHAIR:** Order, Mr Hargreaves!

**MRS DUNNE:** We are waiting for answers as to when this minister is going to do something about this issue.

**THE CHAIR:** Is this leading to a question?

**MRS DUNNE:** When is he going to do it? What is the timetable? When are we going to see some results, because he has been sitting here with his arms crossed for two estimates saying that we are going to do something about it and, so far, we have done naff all.

**Mr Wood:** I will give you a further report when I get back from these places.

**MRS DUNNE:** So you have no timetable, Minister; is that what you are saying?

**Mr Wood:** No.

**MRS DUNNE:** You have no timetable.

**Mr Wood:** There is the broad timetable of 2010.

**MRS DUNNE:** We might do something before the election, perhaps.

**MR HARGREAVES:** I can just see the election being run on garbage and that being a seminal issue. I want to ask a question because I want a little bit more clarity. I am on page 184 of BP 4 in the costs area. I want a little bit more information on the figures for recyclables processing and multiunit hoppers. There is no indication of what happened in 2002-03 with recyclables processing. There is what looks like a 30 per cent increase for the multiunit hoppers. I just want some expansion on those two points.

**Mr McNulty:** The disparity in the figures relates to the fact that previously we had a garbage collection contract, a recycling contract for the collection and processing, and then a collection contract for the multiunit housing, whereas now we have one collection contract for all garbage and recycling and then a separate processing contract. I think that is why those numbers are arranged in the way they are.

**MR HARGREAVES:** The kerbside garbage and recycling figure goes from \$1.6 million to \$5.694. Is that because that is all rolled into the previous two?

**Mr McNulty:** Yes.

**MR HARGREAVES:** Has there been an increase in the amounts involved overall? I am not real good at on-the-spot arithmetic. I would just like to know whether there has been an increase in the cost due to the changes introduced or whether there has been a saving.

**Mr Davidson:** No, there has been a saving.

**MR HARGREAVES:** What sort of saving?

**Mr Davidson:** In the order of \$800,000.

**MR HARGREAVES:** Well done. That saves me counting them up.

**THE CHAIR:** That leads to a supplementary from me. If you add up the \$2.9 million, the \$3.4 million and the \$1.6 million estimated outcome this year for kerbside garbage 1, kerbside recycling 1 and kerbside garbage and recycling, it comes to approximately \$8,068,000. The figure for the outyear, when you add kerbside garbage and recyclables processing, comes to approximately \$7,049,000. How is it that you can save \$1 million on a contract of that nature?

**Mr McNulty:** I think it is a result of the efficiencies derived by rolling three collection contracts into one.

**THE CHAIR:** All right. If you are saving \$1 million on that, how is it that the multiunit hoppers are going up 40 per cent—from an expected outcome of \$692,000 to \$909,000? If you are saving on one, how can you lose on the other? I am referring to page 184 of BP 4, output 1.3.

**MR HARGREAVES:** Could you rephrase that as I was a bit lost by it, too?

**THE CHAIR:** If you add up the expected outcome for this year for kerbside garbage, kerbside recycling and kerbside garbage and recycling, it comes to about \$8 million. The expected outcome for those services next year is just over \$7 million. If you go down a line, the amount for multiunit hoppers this year is approximately \$700,000. One contract has gone down \$1 million out of \$8 million, 12½ per cent, and the one for multiunit hoppers is currently \$692,000 and it will go up \$200,000-odd to \$909,000.

**MR HARGREAVES:** Is that the difference between \$1 million and the \$800,000 you were just talking about?

**Mr Davidson:** I think under those maths it works out at \$700,000 rather than \$800,000. It is part of that netting out.

**MR HARGREAVES:** The answer I received, Mr Chair, was that there was a \$800,000 saving, but Mr Davidson is now saying that it was \$700,000, which is fine. It is the netting of an all off, isn't it? You are saving \$1 million on those others and losing \$300,000 on the other one, so you are getting a net figure of \$700,000.

**Mr Davidson:** I think we would have to check on that. I think there have been some changes in the scope of work in the unit hopper contract, but I am not familiar with the details.

**THE CHAIR:** If you add the four lines together for 2002-03 it comes to \$8.7 million, whereas in the coming year it will be \$8 million, so there is a \$700,000 saving across all of it, but some of it has gone up and some of it has gone down. Do you want to take it on notice and give us a reconciliation?

**Mr Davidson:** There is just that last little bit about the change in the nature of the work in the hopper contract that I am not familiar with.

**Mr McNulty:** We will provide details about why there has an increase in that cost, if that is what you are asking, yes.

**MRS DUNNE:** And also where you achieve the savings in the other one.

**THE CHAIR:** That is a good point. If we could have a breakdown of how the savings are being achieved in kerbside recycling and garbage as well, that would be kind. Minister, I have a question for you leading from that. Clearly, decisions have been taken to remove the divider in the recycling bin, but we have now found out that you will be going on a tour of recycling facilities to determine what we will do next. Isn't it a bit presumptuous to make a decision to remove the divider and go one way when you have not actually decided what you intend to do?

**Mr Wood:** I am expecting to look beyond that.

**THE CHAIR:** What is it that you are expecting to look at, Minister?

**Mr Wood:** We are looking at the green bin stuff, not the recycling stuff. We are looking at the putrescibles and others.

**THE CHAIR:** But the green bin trial was carried out in Chifley and the outcome was—

**Mr McNulty:** That was the red bin.

**THE CHAIR:** The red bin which was picking up the putrescibles which are normally green.

**Mr McNulty:** The technologies we are going to look at are for mixed solid waste. At the moment, we do not see any change in the immediate future in the recycling contract as it stands. The removal of the dividers in the bins is being done for a couple of reasons. The first is that it allows more recyclables into the bins.

**THE CHAIR:** But is that a good thing?

**Mr McNulty:** It is a good thing for a couple of reasons. The new processing technologies can deal with the mixed waste recyclables easily. Also, where you have got all the containers on one side and all the soft papers, if you like, on the other side, you get a lot of breakage of the glass. By putting them in together, the glass is protected by the paper and everything else around it and in some ways you get a better product out the other end.

**THE CHAIR:** Okay. But is there is a stage in the future where we may put that divider back in? If, after the minister's tour, we find—

**Mr McNulty:** The minister's tour will not result in the dividers going back into the recycling bins, no. It is not part of it; it is different technology.

**MR CORNWELL:** Minister, you would be aware that we have been in correspondence about the lack of recycling taking place at the Mugga tip. It has been alleged that a lot of the so-called recycling involving people taking trailer loads there is simply being dumped in the general tip area. Have you made any further investigations of this matter? Has anything been done to try to correct that?

**Mr Wood:** Are you talking about people with trailers or in utes bypassing Revolve?

**MR CORNWELL:** Being redirected.

**Mr Wood:** Because Revolve will not take it?

**MR CORNWELL:** That is correct.

**Mr Wood:** I haven't anything more up-to-date on it, unless there is something that an officer might like to state.

**Mr McNulty:** Revolve have staff going through the material that is tipped into the transfer station part of the Mugga landfill and removing recyclable material from that and taking it into their facility.

**MR CORNWELL:** Physically removing it.

**Mr McNulty:** Yes.

**MR CORNWELL:** A couple of signs might not go amiss, I can assure you.

**Mr McNulty:** Part of the reason we did it was to allow that to happen.

**MR CORNWELL:** It is causing a bit of aggravation out there, because people just think it is being wasted. I do not know whether that relates to your question, Mrs Cross, in which case I apologise.

**Mr Wood:** I think people are sometimes disappointed when they expect to drop off stuff at Revolve and they finish up having to pay \$5—it is more than that now—to take it on to the tip.

**MR CORNWELL:** I do not think it is necessarily the money. It is the fact that they believe, from what they see, that it is just being wasted, whereas they thought that they were doing the right thing by recycling. I do not know how you could do it, but perhaps a few signs saying that it will be sorted would not go amiss.

**MS DUNDAS:** I would like to talk about my favourite topic, which is the Mugga Lane trench. New money has been allocated under capital works for stage 2 of the Mugga Lane landfill disposal cell. Is that the lining, or are you making it bigger?

**Mr McNulty:** The money in this year's capital works program buys further excavation of the disposal trench, the placement of a cell liner, and the leach aid collection system.

**MS DUNDAS:** You will be making it bigger and putting in the lining.

**MRS DUNNE:** Is that bigger than last year?

**Mr McNulty:** The project is being funded over two years.

**MS DUNDAS:** Budget paper 3, page 211, indicates that there were delays in the expenditure of the capital works money allocated in last year's budget. Can you provide more detail of what was going on there?

**Mr McNulty:** Yes, I can. There were some issues with the tender process, I am aware, but the detail I cannot recall, no.

**Mr Davidson:** It had to be retendered. The first call of tenders did not get a satisfactory value for money result, so it had to be retendered. That caused a delay. The second tender process is now complete. We expect construction to start in June and be completed in October.

**MS DUNDAS:** The budget paper says December. The works in progress section on page 178 has June 2004 as the estimated completion date.

**Mr Davidson:** That is the next stage.

**MRS DUNNE:** Mr Davidson, can you give us an exposition on how the \$2.4 million on page 178 of BP 4 relates to the \$2.4 million on page 176 of BP 4, because I am confused?

**MS DUNDAS:** I think there is a total of \$4.8 million. That was the discussion that we had last year. There was a delay in the spending of the \$2.4 million for this year and you have just said that the trench should be completed by October 2003, whereas budget paper 4, page 178, says June 2004. I am willing to take your word that you are working faster than you thought.

**Mr Davidson:** I think that the completion date of June 2004 that is quoted there actually refers to the completion of the whole of both stages.

**MS DUNDAS:** But for stage 2 it says December 2004.

**Mr Davidson:** Yes.

**MRS DUNNE:** I think that goes back to my point about the reliability of these figures.

**MS DUNDAS:** When will the trench be opened? Maybe that is a better question.

**Mr Davidson:** We need to get it opened by April 2004.

**MRS CROSS:** Does that mean that the other one is going to be full by then?

**Mr Davidson:** That is when we expect the other one to be full.

**MS DUNDAS:** As part of the no waste by 2010 strategy, when do you expect the new Mugga Lane trench to close?

**Mr Wood:** That is a good question: 2010 would be the optimistic answer, Ms Dundas. That is the target.

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**MS DUNDAS:** Are we on target to have the new trench that we have just spent \$4.8 million on closed by 2010?

**Mr Wood:** I will tell you in 2010. It is actually a fair question. The year 2010 is an ambitious target. We are still endeavouring to work it through. Mr McNulty has a bit more detail there.

**THE CHAIR:** May the record show that Ms Dundas has asked the first fair and good question after days of estimates.

**Mr McNulty:** On current rates of disposal, the new cells will have a capacity to last until about 2011, but we anticipate, as the minister said, that no waste will be going to landfill by 2010.

**MS DUNDAS:** So you do not expect, as you did last year, from memory, that you will actually need to build another new trench at some time between here and 2010.

**Mr Wood:** We would certainly hope not to have to do that.

**Mr Davidson:** There is a third stage to this particular trench, though. I think that is right.

**THE CHAIR:** Can we expect a speech from you in the future, Minister, about no waste by 2010 that says "We shall fight them in the trenches?"

**Mr Wood:** Mr Smyth, we have taken on the same commitment that your government gave. We acknowledge it is a tough commitment, and the closer you get to it, the harder it gets. We are genuinely working in that direction.

**MS DUNDAS:** Could we have an explanation as to what the third stage will be?

**Mr Davidson:** We are building a trench this big, and then putting a cell in it that is that big and then a cell in the balance of it.

**MRS DUNNE:** Mr Davidson's hands show one metre.

**MS DUNDAS:** Stage one is a third of it, stage two is the second third and stage three is the final third of the trench.

**Mr Davidson:** That is right.

**MS DUNDAS:** Is the lining that is being appropriated for in the 2003-04 budget for the full three-thirds, or just for two-thirds?

**Mr Davidson:** It is for the first half of the cell. Stage three is the second half of the cell. There is a trench and there are two cells that go inside the trench. Stage one is the trench, stage two is the first cell and stage three is the second cell.

**MS DUNDAS:** The lining is for cell number one.

**Mr Davidson:** Yes.



**MRS CROSS:** Is each cell a third?

**Mr Davidson:** No, there are two cells, half of it.

**MS DUNDAS:** I understand it now; thank you very much. Minister, are you confident that you will get the amount of approximately \$2.4 million necessary for completion of the trench and the second cell in next year's round of budget cabinet?

**Mr Wood:** I do not think that there is much choice because it has to be done.

**MRS DUNNE:** I wish to follow up on that. I thank Ms Dundas for her wonderful segue into my question. Before we go into my question, why is phase three not in the outyears? The minister has said that it is inevitable and has to be done; there is no getting around it. Why is phase three not in the outyears?

**Mr Davidson:** It is just the way we devote our capital works program. We devote them on an annual basis, I think.

**MRS DUNNE:** When we do Gungahlin Drive, as a for instance, it is there for three or four years into the outyears. This is about a trench. You can't have half a trench.

**Mr McNulty:** You can, actually.

**MRS DUNNE:** The answer is that the accounting treatment is not to have the third phase of the project, but there will be a third phase, it is inevitable, and we will see it in the capital works budget next year. I am sorry, Minister, I think that it should be here and it should have been here from the outset. If it is a three-phase project and you are not going to finish after two phases, it should have all been in the capital works budget.

### **Short adjournment**

**THE DEPUTY CHAIR:** Minister, I might move to 1.4 in order to accommodate Mr Stefaniak, who has to leave. Mr Stefaniak has a question to ask in respect of output 1.4, Canberra Urban Parks and Places, and then we will go back to 1.3.

**MR STEFANIAK:** Thank you, Madam Deputy Chair, and thank you committee members. I wish to raise two issues—could the minister and public servants please go to page 185—and they are sports grounds and pools. Firstly, I note in relation to “Quality/Effectiveness” you have a slightly different figure—90 per cent customers satisfied with town and district parks, yet 85 per cent for district sports grounds and neighbourhood ovals. So why the difference there, albeit a slight one?

**Mr Wood:** I will seek some help on that. I think we might need to come back to that. That is a fairly detailed question.

**Mr McNulty:** I suspect it is probably a historical thing, based on the fact that previously they were managed out of different areas.

**MR STEFANIAK:** If you could take it on notice, that's fine. Similarly, I have exactly the same question in relation to customer satisfaction with swimming pools, which seem to have the Manuka baths doing better than anyone else, very closely followed by the Dickson Aquatic Centre.

**Mr Wood:** It's the heritage status—they just love the ambience.

**MR HARGREAVES:** The water is really old, Bill.

**THE DEPUTY CHAIR:** Order!

**MR STEFANIAK:** I suspect there is probably a really logical explanation, knowing a lot of people and some of the issues around there. But, again, could you get back to me on that.

If you could go over the page, gentlemen, to page 186. Minister, I have a big problem with one area and a bit of a problem with a second area. I will go to the big problem first, and that is sports ground and asset maintenance.

Your targets for this year were \$4.878 million, your estimated outcome was \$5.493 million, and that is understandable because we are in a drought and, having run sports grounds before, I have no quibble with that. I am very concerned about your target, however, for the next financial year of \$4.863 million, which is actually about—

**THE DEPUTY CHAIR:** 868.

**MR STEFANIAK:** This is \$10,000 less than you actually budgeted for this year and it has blown out, for obvious reasons, by about \$600,000. So how on earth did you arrive at that figure?

**Mr McNulty:** The 2003-04 target is based on a judgment that we won't need to spend extra money on water during the next financial year.

**Mr Wood:** They are very good weather forecasters.

**MR STEFANIAK:** I hope you are right, Minister, because the dams are down, I haven't seen much rain, and you can get caught out. But also in this budget you have water extraction charges which have doubled, which obviously you have to pay, like anyone else.

**Mr McNulty:** We pay ActewAGL for the water we use, yes.

**MR STEFANIAK:** Yes, so isn't it true that with the increase in the water charges you are going to have to pay more for the water?

**Mr McNulty:** Presumably, yes.

**MR STEFANIAK:** Yet you have budgeted a figure which is even less than this year. What do you propose to do if the figure shown is short of what you actually need?

**Mr Wood:** Look, you make your estimate. The estimate is that is what it will cost us. Now, you are saying what if we get a return to heavy drought and do not have intermittent but useful rain? Yes, we have a problem. We were considering seeking an extra appropriation this year for watering. As it turned out, we had a succession of showers that eased the situation. So if it became of that order, we might have to do that. We have been concerned to maintain the very high quality ovals. We didn't want to damage them by not keeping the water up to them. So that's the answer, Mr Stefaniak.

**MR STEFANIAK:** Wouldn't it have been better, Minister, to err on the side of caution and perhaps have a slightly higher figure than that, something more perhaps akin to what you have actually estimated to pay this year, given especially the fact that you actually will be paying more for water because of other pressures in the budget?

**Mr Wood:** Well, when you run the budget you try to keep it as tight as you can, and keep the figures as realistic as possible. I think that's the process; that's what the figure came out at. Treasuries are very averse to building any fat into your budget in anticipation of something or other.

**MR STEFANIAK:** They don't like supplementary budgets either, do they?

**Mr Wood:** No, that's true. So you weigh it up.

**MR STEFANIAK:** Minister, could you give an undertaking that if this figure does fall short of what you actually need, you won't resort to measures such as decreasing the amount of water on ovals, firstly; and, secondly, making some ovals low maintenance, which I note the former Follett government did.

**Mr Wood:** I would indicate a strong preference to that point of view. I won't give you a cast-iron guarantee.

**MR STEFANIAK:** You can't give a cast-iron guarantee.

**Mr Wood:** And certainly in the last period over summer we were looking to supplement our water use, because we didn't want good ovals to deteriorate. So that's the principle we would follow.

**MR STEFANIAK:** So you appreciate, don't you, that it is very much false economy to reduce by 20 or 30 per cent, for example, watering an oval because that just causes you real problems down the track?

**Mr Wood:** Absolutely. It is false economy.

**MR STEFANIAK:** Can you give me an undertaking that you are not going to go down that path?

**Mr Wood:** I won't give you a cast-iron guarantee. I'm not going to lock something up rigidly but based on last summers experience it would be our preference to maintain the quality of the ovals and, if necessary, supplement the water.

**MR STEFANIAK:** Well, good luck with that one, Minister. My second point is pool subsidy and asset maintenance. I note that the target for the current year we are still in is \$497,200, estimated outcome is \$714,400 and the target is \$784,400. You have been around a long time, Minister, and I think you are probably aware what was spent on pool maintenance in the early '90s and the fact that that was bought down considerably by the previous government—to less than half a million, which is good. But I note with some trepidation that there has been an increase here now. You state it is for “revised contracts, reflecting sustainable funding of pool operations”. What exactly do you mean by that, and why do we have this increase of effectively a quarter of a million dollars for our five government pools?

**Mr McNulty:** When the pools transferred to us from the Bureau of Sport and Recreation they came with a certain allowance for the pool subsidy. What has become clear since that transfer happened is that the bureau was actually paying significantly more to the pool operators than was transferred to us as pool subsidy.

The issue has arisen that, as we renegotiate the pool contracts, the operators are saying, “We will not do it, we will walk away if we are required to maintain that subsidy,” because it is just not viable for them. They were getting paid other money besides what is transferred to us—say the \$40,000 pool subsidy for that pool; they were getting a lot more money than that.

**MR STEFANIAK:** You got the money about November, December last year, did you, in 2002? You have had it for about six months now, haven't you? There has been some ministerial reshuffling.

**Mr McNulty:** Yes.

**MR STEFANIAK:** All right. In regard to the figure of \$784,000, are you confident that you shouldn't expect to see that dramatic increase in the next budget?

**Mr McNulty:** Look, we are hopeful that we can do better than that. The subsidies are worked out on the basis of a decreasing amount over years, if you like, and they have to meet the target if they want to keep the next year's extension of the operation contract.

**MR STEFANIAK:** All right, I will follow that one with interest. Finally, Minister, I note that some \$4 million has now been expended on the Belconnen Aquatic Centre, with another \$6 million to go. Where exactly is that up to at this stage and when does that look like being completed?

**Mr Wood:** I drive past every so often. The timetable, you have it there somewhere.

**Mr McNulty:** December 2003—completion.

**Mr Wood:** December 2003. I might get you to dive in.

**THE DEPUTY CHAIR:** Is that all, Mr Stefaniak?

**MR STEFANIAK:** That is all. Thank you for your indulgence.

**THE CHAIR:** Our pleasure, Mr Stefaniak. Right; back to 1.3, waste and recycling. I think that Mrs Cross has the next question.

**MRS CROSS:** I do.

**THE CHAIR:** Followed by Mrs Dunne, followed by Mr Cornwell and then Mr Hargreaves.

**MR HARGREAVES:** I'm fine, thanks, Mr Chairman. I won't waste any time.

**MRS CROSS:** We don't consider this time wasted—this is very valuable estimates time. Minister, I refer to page 188 of BP4 under timeliness—the supply of new and replacement of lost/stolen and damaged bins. I was intrigued by the numbers. The 2002-2003 target is 96 per cent, the estimated outcome is 96 per cent, and the target 2003-2004 is 96 per cent. I would like to know where the 4 per cent is. Who is going to miss out on a new or a replaced bin?

**Mr Wood:** It's timeliness, isn't it.

**Mr McNulty:** Yes. No-one will miss out. I think there is a timeframe in the context of when that bin is supposed to be delivered, and we are saying 96 per cent of the time we meet that timeframe.

**MRS CROSS:** How did you work it out?

**Mr Wood:** Constant improvement. I guess there is a benchmark on all sorts of things that was set some time ago.

**MRS CROSS:** How long is the timeframe?

**Mr McNulty:** Look, I'll have to find out. I don't know.

**MRS CROSS:** With all these questions of quality and effectiveness, I am always intrigued as to how one comes up with those figures. I suppose we sit here and we try to analyse. Given that yours is the only department that can achieve 100 per cent, if you can come back to me and explain how you came up with the 96, the committee would be very grateful.

**Mr Wood:** These figures have been the subject of debate in estimates over quite a number of years. How accurate, how satisfactory they are, is much a debate, Mrs Cross. From memory, Mrs Dunne has asked many questions about it.

**MRS DUNNE:** No, rarely. I actually very rarely ask the question.

**THE CHAIR:** Don't rise to the jibe.

**Mr Wood:** Look, we will see what we can tell you and come back to you. A lot of time and assessment goes into this.

**MRS CROSS:** Careful, Minister, that sounds like a very patronising answer and according to the health department's list of rules you can't do that.

**MRS DUNNE:** Mr Chairman, I have got a couple of questions about No Waste. The minister has said that it is a very difficult thing and that "we've taken on the previous government's commitments" et cetera. But I want to know what are the current strategies in place to achieve this? Is the no net waste to landfill by 2010 on track? Do you know whether it is on track, Minister? If it's not on track, what are you doing to put it back on track?

**Mr Wood:** They are fair questions. Back to your earlier question: in dealing with some of these issues we are still within the timeframe for making significant decisions. So we haven't run out of time and we are not sitting around waiting for time to pass, either. The No Waste strategy—

**MRS CROSS:** Sorry, I must contradict you. Ninety-six per cent means that somewhere there is time wasted.

**Mr Wood:** The broad guidelines are laid out in the document *The Next Step*. That is where you see the broad guidelines as to where we are heading. There is a review of the No Waste strategy undertaken by ACT No Waste. A firm was commissioned to conduct an analysis of the economic, environmental and social costs and benefits of achieving the target. That identified that there are clear benefits, so it encourages us very strongly to continue the process.

There is still some discussion and some examination of the economic analysis, and we discussed these things with Treasury. The ACT No Waste review is looking at the progress and implementation of the strategy to date and the effectiveness of the programs, and all this data is being used to develop programs for further implementation of the strategy over the next three years.

**MRS DUNNE:** And when is the review going to be complete?

**Mr McNulty:** We would anticipate hopefully within the next month or so.

**MRS DUNNE:** And then after that you will have a better idea of where you are on continuing towards 2010 and the target and whether you are at the right place at the right time.

**Mr Wood:** There is activity taking place and, as you say, we can check that we are on target or behind, just where we are at. We think we are generally on target. There is always the understanding that we are looking at emerging technology, because some of the very difficult elements with the waste stream are going to require particular treatment. So we are anticipating rapid movement in some of the technologies.

**THE CHAIR:** But you can wait continually for emerging technology. We put a tender out in 1999, I think, to look at the emerging technology, and it changed while the tender was out. You have to take a step at a point in time, you must make a stand at some stage and say, "We'll use that now," knowing that something else is coming. When will you take the step to say, "We're going there"?

**Mr Wood:** Except at this stage there is no technology for dealing with some things. So some technologies still have to emerge.

**THE CHAIR:** So are you going to wait until there is a technology that covers everything, or will you do this incrementally?

**Mr Wood:** No, because I don't expect there would be technologies that cover absolutely everything by that time, in that timeframe.

**MRS DUNNE:** On the subject of the No Waste by 2010 strategy, on page 184 of BP4 you have got a timeliness thing—implementation of *The Next Step*, which is a discontinued measure. Is there no ongoing monitoring? You have implemented the next step. Can you give us a brief exposition of what the next step is?

**Mr McNulty:** I think that is what the review we are doing at the moment will throw up. It will be the next, next step if you like.

**MRS DUNNE:** Okay. So there is no ongoing monitoring of the current step?

**Mr McNulty:** Yes. As you are aware, we monitor the diversion of waste from landfill. At the moment we are about 64 per cent. There is a range of programs being undertaken, such as the eco-business program, to try and improve the performance. But the timing of the next major step will hopefully come out of this review we are doing at the moment.

**MRS DUNNE:** Okay.

**THE CHAIR:** You just said the amount of material diverted from landfill is 64?

**Mr McNulty:** 64 per cent.

**MRS DUNNE:** It has been 64 per cent, or around that mark, for a long time, hasn't it?

**Mr McNulty:** I think it is sort of slowly increasing. But I think what that recognises is that the next move in that figure is much more difficult to achieve than what we have got to date.

**THE CHAIR:** That 64 per cent, is that a different way of measuring? If you look at "Quality/Effectiveness", it says that the percentage of recovered material of the total waste stream is actually 68 per cent. Should that read 64 per cent or is there a figure before the committee that is incorrect?

**MRS DUNNE:** On 184, the last dot point under "Quality/Effectiveness", Mr McNulty.

**Mr McNulty:** Yes, I have just seen that. I will have to get some advice on it.

**THE CHAIR:** I thought some years ago we had actually claimed that we had hit the 68 per cent. Does that therefore mean that your target of 70 per cent is absolutely unachievable and it should read 66 per cent?

**Mr McNulty:** I'm sorry. I will have to get some advice.

**Mr Wood:** We'll check those figures and see how they compare.

**MRS DUNNE:** Thank you, Mr McNulty. Could you give us some indication of what the intractable bits are—sorry, “intractable” is the wrong word because that has a particular meaning. What are the things that are hard to deal with?

**Mr McNulty:** I think the commercial waste is more difficult—the construction and demolition waste. There is some construction and demolition waste recycling going on at the moment out at Pialligo, which you are probably aware of.

**MRS DUNNE:** Isn't that closing down? Didn't I read somewhere that the demolition and recycling place is closing down?

**Mr McNulty:** I have a vague recollection that there are some issues with the tenure on that land, but it is operating at the moment.

**MRS DUNNE:** It is operating and it will continue to operate there or somewhere else?

**Mr Wood:** Well, it is pretty important. It is very high priority.

**Mr McNulty:** It's a commercial operation so that will be a decision for the operator, not us. So I think the next steps are going to have to come out at commercial areas and construction and demolition waste.

**MRS DUNNE:** And the issue of what to do with putrescible waste?

**Mr McNulty:** Yes, absolutely.

**MRS DUNNE:** On the subject of technologies—I touched on this this morning and I didn't get an answer: are you considering the use of biomass technology for incinerating or dealing with a range of wastes?

**Mr McNulty:** We haven't ruled out any technologies at the moment.

**MRS DUNNE:** Are you looking at it?

**Mr McNulty:** It would be one of a range of technologies we are considering, yes.

**MRS DUNNE:** And when are we going to stop considering it, Minister?

**Mr Wood:** We are still within our timeframe and we are comfortable with that timeframe. But look, can I report back to you after my trip? I don't know that we are looking at biomass, though, are we?

**Mr McNulty:** I don't believe so.

**MRS DUNNE:** Why aren't you going to look at biomass?



**Mr Wood:** Obviously it remains on the agenda, along with other things.

**MRS DUNNE:** So does Christmas. Okay, thank you. Mr Chairman, I want to ask one more question. I am not sure whether it was the minister or Mr McNulty who said there was a consultancy that looked at a whole range of issues about the benefits of the strategy. Does that mean that you were at one stage contemplating withdrawing from the strategy?

**Mr Wood:** No.

**MRS DUNNE:** If you go out and have a consultancy do the cost-benefit analysis of the strategy, were you contemplating ditching the strategy?

**Mr Wood:** No, I don't think that was really the expectation. We would have been in a difficult position if it said it's all a waste of time, but I just don't think that was ever going to happen.

**THE CHAIR:** Minister, as part of the bushfire recovery and the initiatives, there was another trench set up at the base of Mount Stromlo?

**Mr Wood:** Yes.

**THE CHAIR:** What went into that trench?

**Mr McNulty:** The rubble from the destroyed houses. All those blocks that were cleared, that material went there.

**THE CHAIR:** Okay. Is that an interim measure, because there were concerns about what was in houses that were built in the '60s and '70s?

**Mr Wood:** Yes, it is about to close.

**Mr McNulty:** It is closing on 16 June.

**THE CHAIR:** Yes, I know it is going to close. And was it because of asbestos—we didn't want to contaminate other areas; or was it done for expediency—it was close and it was quick?

**Mr McNulty:** We could have taken it to West Belconnen under our licence there. But the view was that is a long way to be carting that material, so we endeavoured to find a site closer to the affected areas.

**THE CHAIR:** All right. I assume the material there would include a lot of masonry and there would be copper pipes and cabling and all sorts of things. Will an endeavour be made to recycle any of that, or is that just it's in the ground and that is where it's going to stay?

**Mr McNulty:** No, that's in the ground and it will stay there. After 16 June the site will be capped and rehabilitated.

**MRS DUNNE:** What will be done to rehabilitate the site?

**Mr McNulty:** It will be covered with, I believe, about a metre of earth and then landscaped.

**THE CHAIR:** Given that the government—and this might be a question for the minister—is actually considering using that land for urban use, doesn't having a fresh tip covered by a metre of earth in the middle of it preclude or take that area out of consideration?

**Mr Wood:** Well you wouldn't build on it. I don't think he was suggesting that. It certainly will be focused on any development. But from my memory of the maps, I don't think it is in the area suggested for residential development.

**THE CHAIR:** So that is not in the area you are considering for residential?

**Mr Wood:** I don't think so. I think it's to the left of Uriarra Road and it's that area to the right of Uriarra Road that—

**THE CHAIR:** Left facing north or facing south?

**Mr Wood:** Driving to Uriarra.

**THE CHAIR:** Okay. Will consideration be given to recycling that material?

**Mr Wood:** No, I think in the circumstances it had to be dealt with quickly. We didn't want it delayed and the benefits of recycling were outweighed by the benefits of close and ready disposal.

**THE CHAIR:** All right.

**MRS DUNNE:** Just on that, Mr Chair: I seem to recall there was some discussion that some of the metal was salvaged—copper piping and stuff like that.

**Mr McNulty:** If it is being salvaged it would be being salvaged at the sites, not at the landfill.

**MRS DUNNE:** At the sites, before it actually went to landfill. Is that the case?

**Mr McNulty:** I don't know. But it is certainly not happening at the landfill.

**MRS DUNNE:** I think that might be a question for the bushfire recovery team.

**THE CHAIR:** Members, are there any further questions on 1.3, waste and recycling? There being no questions, we will move on to output class 1.4, Canberra Urban Parks and Places.

**MRS DUNNE:** High risk tree removal, Minister: we are taking out X number of trees at the moment—I can't remember the number—

**THE CHAIR:** 309.

**MRS DUNNE:** 309. It is not so much the number; it is the process whereby we ended up with trees that ended up being unsafe. Is it a particular sort of tree? And then there is the issue of what do we replace them with and what are the factors in determining what we replace those trees with? You are on the record as saying that those trees will be replaced.

**Mr Wood:** I have to say there is a certain caution taken in taking trees down, notwithstanding the fire. Canberra has got great respect for its trees and we don't pull them down without a lot of thought. There is a careful examination of them. More than one opinion was sought. I have seen some of the trees that are to come down, and even my inexperienced eye can say yes, absolutely. So, look, it really was done carefully. As for a replacement: still talking about that.

**MRS DUNNE:** You answered the bit that I really wasn't looking for an answer to. I don't want to have an argument about whether or not the trees come down. I think that is taken as read. But I wanted to know: are there particular sorts of trees that we are now taking out that were planted—I mean, people have told me that there are particular sorts of trees that we should never have planted—

**Mr Wood:** The river peppergum or whatever its name is.

**MRS DUNNE:** Are we predominantly taking out one species?

**Mr Davidson:** No, there is a range.

**Mr Wood:** No, we're not.

**MRS DUNNE:** Okay, so what is the range?

**Mr Wood:** I had that information the other day. I think it went out with my media release—all the species and all the problems that were wrong with them—so I will just dig up that media release.

**MRS DUNNE:** If it is in the media release, I can read it. It's just that I haven't read my media releases for a while.

**Mr Wood:** Quite a range of trees—some in Corroboree Park, which is a beautiful spot; you know those trees are now pretty ancient. Different varieties.

**MRS DUNNE:** Different ranges.

**Mr Wood:** And for different reasons, yes.

**MRS DUNNE:** You highlighted a problem with the peppergum, which was planted fairly recently—within sort of 10 or 12 years.

**Mr Wood:** 1980s.

**MRS DUNNE:** In the 1980s, okay. That has presented some problems, so presumably we are not going to continue down that path.

**Mr Wood:** Not unless we can get a better species. We would be looking for deeper root growth, I understand, for that species.

**MRS DUNNE:** But isn't it the case, though, that we took out trees, especially down Northbourne, because they were shallow-rooted and they presented problems and we replaced them with other shallow-rooted trees, and we are taking them out again?

**Mr Wood:** No, it's not the intention to do that.

**MRS DUNNE:** No, in the '80s we took out a whole swag of trees down Northbourne because they were shallow-rooted and they were causing problems, they were falling over, and we replaced them with something else. We didn't learn from our mistakes.

**Mr Wood:** I'd rather you used the word "they" but—

**MRS DUNNE:** Well "we", corporately, the community.

**Mr Wood:** Corporately. Well, look, I don't remember whether the ones that were removed were shallow-rooted or not—that's not within my memory—but it may well be that there wasn't enough attention to detail at the time.

**MRS DUNNE:** I submit, Mr Chairman, that it is not within the corporate memory of anybody in Urban Services, because all the people that I have asked in Urban Services can't even recall the taking out of the trees.

**Mr Wood:** I can.

**MRS DUNNE:** Well you can and I can.

**Mr Wood:** I actually had an office overlooking Northbourne Avenue so I saw a large number come down. That's why I know.

**MR HARGREAVES:** It must be your affection for our natural environment coming out again.

**Mr Wood:** But I don't know why—I can't recall why they came down, Mrs Dunne.

**MR CORNWELL:** I have got a question to ask eventually, Mr Chair. That was prior to self-government, Minister.

**Mr Wood:** Yes, absolutely.

**THE CHAIR:** Minister, are any of the trees being removed elms?

**Mr Wood:** I don't know; I don't think so. I am not sure about that.

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**THE CHAIR:** Are you aware that elm leaf beetle may have been discovered in the ACT and is there any work being done to eradicate it before it attacks any of our trees?

**Mr Wood:** I don't know anything about that.

**THE CHAIR:** So we are taking that on notice?

**Mr Wood:** Yes. I haven't heard about that.

**THE CHAIR:** Apparently the elm leaf beetle has been discovered in Melbourne, I understand.

**Mr Wood:** What does it do?

**THE CHAIR:** It eats the leaves and kills the trees.

**MR HARGREAVES:** It's not related to the dung beetle, by any chance?

**THE CHAIR:** No, it doesn't roll stuff uphill. I was just wondering whether or not we are doing anything to eradicate such a pest before it gets well and truly stuck into the elms here in the ACT.

**Mr Wood:** I will find out. It hasn't been reported to me.

**THE CHAIR:** All right, thank you.

**MR CORNWELL:** In relation to 1.4, on another matter, though: who is responsible for the tidiness of ovals and playing fields and such like around here, and how often are they cleaned up? I have seen examples recently of some quite filthy areas.

**Mr Wood:** Well, that's certainly CUPP's territory.

**Mr McNulty:** If I can just add, it is CUPP's territory for the ones that CUPP is responsible for, but a lot of schools are responsible for the ovals adjacent to the schools.

**MR CORNWELL:** Adjacent to the schools?

**Mr McNulty:** Yes. They are not our responsibility.

**MR CORNWELL:** Okay. How often are these ovals, playing fields et cetera that you are responsible for inspected?

**Mr McNulty:** It varies with the nature of the field. The better quality high use fields are inspected on a more regular basis than the lower quality fields, but they are all inspected on a regular basis.

**MR CORNWELL:** How regular, though?

**Mr McNulty:** I don't know off the top of my head. A question on notice has been asked about tidiness of sports grounds.

**MR CORNWELL:** Yes, I think I asked it but I haven't got an answer.

**Mr McNulty:** No, I think it's on the way. At the more heavily used district playing fields and neighbourhood ovals, field and maintenance staff or rangers on most week days will attend the site. At other sites, inspections would occur at least once per week.

**MR CORNWELL:** Thank you. Could the schools that have ovals be reminded of their responsibilities and obligations?

**Mr Wood:** Yes. I will raise the question with Katy Gallagher.

**MR CORNWELL:** If you wouldn't mind. Some of these places are quite disgusting. And not only that, may I say, Mr Chairman, but also dangerous, with glass and things lying around. I guess the hoons go out there and misbehave at night.

**Mr Wood:** I will refer the matter from this estimates to the minister.

**THE CHAIR:** Minister, I would like to ask a question under output 1.4 about the shopping centre renewal program.

**Mr Wood:** Yes.

**THE CHAIR:** This year you have announced that Higgins is going ahead. When would you expect that Deakin would be looked at, given the promises that have been made?

**Mr Wood:** Not by me. Look, it's been assessed, it's been assessed as a priority and it just hasn't crossed that line for funding at this stage.

**MRS DUNNE:** Higgins is about two years behind schedule.

**THE CHAIR:** So Higgins is this year. What other centres are being done in the coming year?

**Mr Wood:** Holder is the other one.

**MR CORNWELL:** But Deakin was promised by the Chief Minister to the Deakin shopkeepers, I understand.

**THE CHAIR:** Yes, the retailers association.

**Mr Wood:** Which Chief Minister?

**THE CHAIR:** Yours.

**MR CORNWELL:** There is only one.

**Mr Wood:** The current one? Well, I have to say I haven't caught up with that.

**THE CHAIR:** All right. So if we get the Deakin Traders Association to write to you—

**Mr Wood:** Again, yes, by all means.

**THE CHAIR:** asking you to keep your Chief Minister's promise, will you undertake to keep that promise?

**Mr Wood:** I will take it on board. But, yes, there are many shopping centres that need attention and that's one of them, and it did have an assessment in your time.

**THE CHAIR:** I notice that Duffy shops are in the newspaper again this morning. I note that you spent some money on what was touted as an upgrade but in fact was basic maintenance. Given the terrible impact of the bushfires on both the retailers and the residents, and the perfect opportunity that this presents, why was Duffy shops not given an upgrade this year?

**Mr Wood:** I think you are correct. It wasn't what we classify as an upgrade. The playground was fixed because it was destroyed in the bushfire. Other work is done removing graffiti and painting and things. So what has happened there is fairly routine, and that is, I think, its level of priority. We are sensitive to the issues from the bushfire, so we've done that. We have done a little in the way of lighting—I don't think it's very much.

**MR CORNWELL:** One light, I think.

**Mr Wood:** Yes, okay, I'm right then.

**THE CHAIR:** So what has Duffy got to do to prove that it deserves a higher level of priority in your works, Minister?

**Mr Wood:** I went out there and saw it earlier on and then I went back when we did the playground. To give it a higher level of priority you would probably do some paving—

**THE CHAIR:** No. I know what is required. How does it get itself up the list?

**Mr Wood:** Sorry, I didn't pick that up. Well, it goes through the assessment process to decide where it stands in the regime. Being part of the bushfire impact does give it some merit, but I think the works done at this stage are reasonable. That's how I see it. I think the works are reasonable in the circumstances.

**MR CORNWELL:** Well, the traders don't believe so and neither do some over 300 people who have signed a petition already. What they are seeking in fact, Minister, is a priority in terms of the Duffy shops for an upgrade, as opposed to a promise given by the Minister for Planning that it would be looked at—not a firm promise but looked at—in the next financial year, 2004-05, which is simply too far in advance. As the Chairman said, they want an upgrade of paving.

They are concerned about the situation relating to the burnt service station, which I understand is independently owned. I am not quite sure what the legal position is, except that they would like the thing cleaned up. And, of course, the other question is

lighting. The landlords of the properties are happy to get the paint out and spruce up their—

**Mr Wood:** That is needed, that's good. I am pleased to hear that.

**MR CORNWELL:** But not unreasonably, they are looking for the government to take some action. I cannot see why some sort of priority should not be given under these circumstances.

**Mr Wood:** That sounds fair, yes. We have done some immediate work and I will talk to Mr Corbell and we will see if we can give it a higher priority. The thing about Duffy is it does not require heavy expenditure.

**MR CORNWELL:** No, thank you. I have been out there myself. I agree with you.

**Mr Wood:** It's a pretty modest shopping centre so there is not a vast amount to be done—a bit of landscaping; it's a bit barren.

**MR CORNWELL:** That's right, that's the other thing they want.

**Mr Wood:** I won't give any assurances arising out of this estimates but—

**MR CORNWELL:** Would you come back to the committee, please, after you have spoken to Mr Corbell?

**Mr Wood:** Well, all right. I will if I can do it that quickly. But there are no assurances and we will just see how it fits in. But there is a special consideration arising out of the fires, and they have lost people because the suburb has been depleted.

**MR CORNWELL:** That is the point.

**Mr Wood:** Whether a refurbishment of the shopping centre is going to answer that, I don't know.

**MR CORNWELL:** The traders are claiming 50 per cent has been lost, because people, of course, have moved out and such like and I agree with you. Nevertheless, they feel that an upgrade of the shopping centre would assist in—

**Mr Wood:** It wouldn't hurt. I doubt it is going to return 50 per cent of trade, though.

**MR CORNWELL:** I'm sure you're right.

**THE CHAIR:** We need to move along. One last question on 1.4, then off to transport.

**MRS DUNNE:** I note, Minister, in note 3 on page 186 that you are expecting to introduce a litter bill in spring 2003. Is that an amendment to the litter legislation or is it a revamp of the legislation?

**Mr Wood:** Let me check my memory. It's not a whole new bill, I don't think.



**MRS DUNNE:** Well, it's a waste of time then.

**Mr Wood:** One that will get through very quickly.

**THE CHAIR:** We can amend it. Thank you for that. We will move to output class 2, Transport. We might do outputs 2.1 and 2.2 together, given the lack of time remaining.

**MRS DUNNE:** Sorry, does 2.2 come under Simon?

**THE CHAIR:** I am sorry. 2.2 is ACTION.

**MRS DUNNE:** Minister, I read in the *Financial Review* a little while ago—I can't remember exactly when; I don't have the paper with me—that the Department of Urban Services had entered into discussions over a period of time with Macquarie Bank about taxis and financing the buying out of the plates et cetera. Did it happen; when did it happen; when did the negotiations come to an end; why; and was the taxi hire car industry involved in those negotiations?

**Mr Wood:** Gee, it happened some little time ago now. It happened as we were exploring every option we could think of as we dealt with the issue of taxis.

**MRS DUNNE:** When?

**Mr Wood:** When? About October last year. There were some communications over a period, but the measures they were suggesting didn't hold up for us and so we didn't proceed.

**MRS DUNNE:** In what sense didn't they hold up for you? What was the problem?

**Mr Wood:** Time issues—the time it was going to run. Mr MacDonald, you might give a bit more detail of that.

**Mr MacDonald:** The principal issues around the consideration of the Macquarie Bank proposal were the timeframe it would take to repay what they call the taxi fund. So it's basically a buyback proposal which required substantial funding through the taxi fund, and that fund was going to have to run for about 12 years to make the return. So that would mean that there would be no benefit to the customer, to the community, for 12 years, so the reform would be essentially on hold.

The other important ingredient which made it difficult for the government to proceed with the proposal was that they could not guarantee that they were in a position to actually proceed. It relied apparently on some financing and a degree of equity from the industry itself, and they could not, as I recollect, give the government any assurance that if the government nominated that as the way forward they could actually deliver on that proposal.

**MRS DUNNE:** So, can you go back, Mr MacDonald, to the 12 years. You are saying that it would take 12 years to pay out the fund—that is, to pay out the process. Why could you not deliver any efficiencies in the taxi industry in that 12-year period?

**Mr MacDonald:** What we are trying to address is the problem around the licence quota issue. The licence quotas have traditionally resulted in higher values in licences, which has resulted in an impost on the community in terms of the taxi fare. For example, it is estimated that on an average fare the community is paying about \$2.70 by virtue of the restrictions on licences.

To be able to repay the fund would require continuation of the high fare levels. There would be no reduction in fares seen for some 12 years, which is the purpose of the reform. So there is a judgement about whether 12 years is a reasonable timeframe to achieve the reform. There are other options available to government which would see the consumer, the Canberra community, benefiting earlier from the reform program rather than waiting the full 12 years.

**MS DUNDAS:** Can I jump in with a supplementary question?

**THE CHAIR:** Yes, a supplementary question.

**MS DUNDAS:** You didn't answer the last part of Mrs Dunne's first question, which was: were the taxi industry and the hire car industry involved in the discussions that the government was having with the Macquarie Bank?

**Mr MacDonald:** No.

**Mr Wood:** Not with me, no.

**MRS DUNNE:** Who was involved in those discussions?

**Mr Wood:** It was with me, very broadly, not in detail, and with the department.

**MRS DUNNE:** Were there other people involved in the discussions?

**Mr Wood:** I don't think so. The Department of Treasury.

**MS DUNDAS:** Was the Treasurer involved?

**Mr Wood:** The Treasurer? No, I believe not.

**Mr MacDonald:** I understood the Treasurer may have had a visit from Macquarie and had a discussion about the fund.

**MRS DUNNE:** So there were Treasury officials, possibly the Treasurer, officials in the Department of Urban Services, and the Minister for Urban Services. There were no other people, apart from Macquarie Bank, involved in that?

**Mr Wood:** That's right. Yes.

**MS DUNDAS:** I want to continue the discussion on taxis and hire cars. You have just said the whole purpose of the reform is to have lower fares for customers. With the strategy that you have in place, when do you think that will happen? When will customers under your proposal see lower fares?

**Mr Wood:** I think rather more quickly than that. I would see fares being contained immediately, rather than decreasing, over the next two, three, four years.

**Mr MacDonald:** The formula for the taxi fare has a component in it which reflects the cost of leasing a plate, so if the cost of leasing a plate falls, the fare will fall, all other things remaining constant. So it will have an amelioration effect. So the question, I guess, will be: will the release of additional licences this coming financial year have any impact on the current leasing rates? There has already been evidence that leasing rates have fallen of their own accord anyway, but the question will be to what extent the release of additional licences over time will further continue to see a downward pressure on the leasing rates.

**MS DUNDAS:** Do you have any projections on that?

**Mr MacDonald:** No, it is entirely up to the market as to what is the take-up rate of licences and therefore what will be the interaction with current leasing rates.

**MS DUNDAS:** So you don't have any studies that back up your reform process, leading to a decrease in the value of plates?

**Mr MacDonald:** What we can say to you is there will be, I think, a fairly early impact on the value of plates and also on lease rates and therefore on fares. So it will happen, I believe, in the first couple of years, otherwise the option was to wait 12 years for the full buyback to take its course.

**MS DUNDAS:** How many plates are you projecting will be auctioned each year? On page 160 of Budget Paper 3 you have got projected expenses and revenues out to 2006-07. How many plates are you expecting to auction each of those four financial years?

**Mr Wood:** The formula that the government intends to place in regulation will determine that will be 10 taxi licences available each year, and subject to the take-up of those licences, possibly another 10. So potentially there could be 20 available.

I think your question was: how many do we think will be taken up? I might just explain, first of all, that it was necessary, in the context of the appropriation system, to make some estimate of licences being sold to ensure that if there is a sale of a licence, the government can repay the net value of those licences back to the operators. That was part of the government's reform program—agreeing to make those funds available back to the industry, back to the licence owners. What we have done, by way of the estimate, is to make what I would call a reasonable allowance, to ensure that sufficient funds would be available in the event that licences are sold at auction.

**MS DUNDAS:** So you are expecting to get the revenue from those sales to fund that expenditure?

**Mr MacDonald:** To pay back the licence owners, correct.

**MS DUNDAS:** I am hearing throughout Canberra that it is unlikely that anybody wants to buy those licences at the moment in the 2003-04 auction season, so one of the contingencies in place is that the money is appropriated?

**Mr MacDonald:** Well, simply, if there is no sale there will be no repayment, so the funds won't be required, but there is an allowance in there for that to happen.

**MS DUNDAS:** Okay, but generally, more broadly, what are your contingencies if no plates are sold in the 2003-04 year?

**Mr Wood:** Well, I haven't heard what you have heard. I expect there to be sales.

**THE CHAIR:** What sort of price are you expecting from those sales?

**Mr Wood:** Well, I'm not prepared to indicate that.

**THE CHAIR:** Is the expected revenue shown somewhere in the—

**Mr Wood:** There has been a guess there, but we are also going into an auction situation, so it's an area that you can make calculated estimates of what people might pay.

**MS DUNDAS:** But you don't believe that you need a plan in place if no licences are sold?

**Mr Wood:** Well, if no licences are sold, we maintain the system. Where we stand with our commitment to the competition policy then is a matter we would examine.

**MS DUNDAS:** Have you discussed or have you looked at approaching the federal government and saying that the plan for the taxi industry in the ACT to meet the federal competition guidelines is not necessary, that we don't need it here in the ACT, and seek the exemption that they have been able to offer?

**Mr Wood:** There has been a range of discussions over a period. My understanding is that the National Competition Council was informed of what we proposed, and the outcome of that can be imagined because I think we are getting all our payments.

**THE CHAIR:** Minister, I note there is no revenue, though, in the 2003—04 budget. If there is any revenue gained, does it go to consolidated revenue?

**Mr MacDonald:** That is true. There is revenue identified, there is also expenditure identified.

**MRS DUNNE:** Where is the revenue identified, Mr MacDonald?

**MS DUNDAS:** Page 160 of BP3.

**THE CHAIR:** In the transport statement of financial performance the other revenues expected this year drop from \$373,000 to \$163,000, a difference of 56 per cent—so I am assuming it is not there; maybe I am wrong—and your extraordinary revenue for next year is zero. What page are you on?

**MS DUNDAS:** I was looking at page 160 of BP3, "Other initiatives".

**THE CHAIR:** So if on page 160 of BP3 you are expecting \$1.1 million revenue, where is that shown up in the statement of financial performance for the transport section? Or is it somewhere else in the budget papers?

**Mr Davidson:** Just general and territorial revenues unreceived. Page 168 of BP4. There is a taxi and hire car reform line which pulls in those receipts, if they receive them.

**MS DUNDAS:** Minister, are you confident that taxi car drivers and taxi owners will be able to continue in the system that you are setting up?

**Mr Wood:** Absolutely

**MS DUNDAS:** And continue to be able to make a living?

**Mr Wood:** Yes, I am confident of that. I am acutely aware of their disquiet, which has been presented to me in many meetings and in many letters. I believe that it will always continue to be a viable industry.

I might add a point that I am sometimes concerned about the number of people who make a living out of one taxi plate. There is a long line there sometimes, of owner, to lessee, to sublessee to driver. I think that it has been a good investment over the years to buy a cab and then just lease it. I don't think that will change particularly. But it does point to the issue that a lot of people are making money out of taxis. I think the crunch is perhaps at the driver end or the person who drives for a lessee and I think that that is where times are more likely to be difficult. But I think it is obviously a very viable industry.

**MS DUNDAS:** Can I ask just one last question? If the plan doesn't work as you envisage and we don't see fares going down within a couple of years, will you be revisiting the entire system?

**Mr Wood:** Well, we would be revisiting the entire system. We would certainly be monitoring what is happening and seeing whether there are some refinements needed to it rather than necessarily demolishing it in the first instance.

**MS DUNDAS:** At what point will you say it appears that prices aren't going down, the licences aren't being picked up at auction, the system that we expected isn't working as we planned? If it doesn't go as planned, will it be two years time, three years time, five years time that you will rethink it?

**Mr Wood:** We are committed to a review in two years, which is a reasonable timeframe to see how it is going.

**THE CHAIR:** Minister, can I interrupt. There seems to be a strong line of questioning on this issue and I am aware that you have to go.

**Mr Wood:** Yes, I have a function to address.

**THE CHAIR:** Would you prefer that we continue this at one o'clock?

**Mr Wood:** No. I could squeeze out till perhaps not quite a quarter past. I don't want to cut anything off, but if you think that you could do it by about 13½ minutes past.

**THE CHAIR:** All right.

**MRS DUNNE:** I have another two questions. The first one is about the point you made, Minister, that it must be alright because you are going to get all your NCC payments this year. My understanding is that Tasmania, which has emulated this scheme, has been told by the NCC that this is not a reform of the sort that the NCC is looking for. So that means that either the National Competition Council has thrown up its hands in despair over the taxi industry—they have told Tasmania that this is not what they are looking for—

**Mr Wood:** The scheme that we have implemented?

**MRS DUNNE:** The scheme that Tasmania implemented, which is just about the same as this scheme. So does that mean that the NCC has just given up on taxis?

**Mr Wood:** No, I don't think so.

**MRS DUNNE:** I have had sort of lectures, I have to say, Minister, about how important it is that we pass this legislation expeditiously or we won't get our NCC payments. So what is the story? Are we going to get our NCC payments or are we not? Is it because of the quality of the scheme or is it because the NCC has just found taxis too hard, and am I going to continue to be lectured by people about how important it is to pass this now so can get our NCC payments?

**Mr Wood:** Well, the NCC payments are coming, the competition payments are coming. The NCC, I believe, has softened its attitude. I think it has accepted that it is not as simple as it might first have appeared, and I think that is one of the reasons that they ticked off on the proposal that we made, that their attitude isn't as stern as it formerly was.

**MS DUNDAS:** Just to clarify: are those payments coming on the successful passing of the bill in the Assembly or by the end of June 2003, or by the end of June 2004?

**Mr Wood:** No, I think they are in train now, in expectation. Those payments are made on a range of issues.

**MRS DUNNE:** It was put to me within the last six weeks that if we did not pass this bill we would not get the competition payments this year.

**Mr Wood:** Did I put that to you?

**MRS DUNNE:** You didn't but officials did, and I presume that that's a line that you are comfortable with?

**Mr Wood:** Well I would have to assess what is being said and what is happening.

**MRS DUNNE:** Okay. Just to wrap up, Minister: why didn't you involve the taxi and hire car industry in the discussions with Macquarie Bank?

**Mr Wood:** Well, I don't believe that it was their role. They had a very particular interest. Their approach to me on all occasions has been generally "We don't want anything to change, thank you," and I think it was entirely appropriate.

**MRS DUNNE:** You must be talking to different people from the ones I am talking to, Mr Wood.

**Mr Wood:** It's hard to avoid taxi drivers, for example, in this place.

**THE CHAIR:** You could cycle. There are cycle paths now.

**MS DUNDAS:** And we have a great public transport system.

**Mr Wood:** Indeed. No, I think this was a matter for government.

**MRS DUNNE:** This is a matter for government and not the people whose livelihoods depend upon it. Thank you, Mr Chairman.

**THE CHAIR:** Minister, we would appear to have finished output class 2.1. If there are no further questions, we will now break for lunch and resume at 1 o'clock when we will look at heritage, arts and cultural services. Thank you Minister, thank you members.

### **Luncheon adjournment**

**THE CHAIR:** Minister, welcome back. This time we will look at the heritage part of heritage and environment, followed by arts and culture. Would you like to make an opening statement on behalf of heritage?

**Mr Wood:** They're wonderful areas, both of them, that's my opening statement. We do all we can for them.

**THE CHAIR:** Fantastic. Minister, I understand the assessment process is under way for the Aboriginal sites damaged in the bushfires. Can you update the committee on the stage that has reached?

**Mr Wood:** Yes. I've also visited those sites.

**THE CHAIR:** As was reported.

**Mr Wood:** I went out, it must be a fortnight ago now. I saw one of the sites that had suffered some damage. There's concern about the future of them in terms of what the heat and the smoke might have done to them. Dr Cooper is much more au fait with the detail of it, so I'll pass over to her.

**Dr Cooper:** About 250 kilometres of new suppression trails have been forged and, of those, approximately 100 kilometres have actually been surveyed. So a significant amount have been surveyed, and the process for registering those is in place.

**THE CHAIR:** And that's because, as you put a trail through the bush, you disturb the land, and so we've covered 100 kilometres of the trails looking for Aboriginal artefacts?

**Dr Cooper:** Correct, approximately.

**THE CHAIR:** Okay. Thank you for that, because I wasn't aware that you were doing that, but the question was more about sites that we knew of. I thought there was some analysis of what damage had been done to existing and known sites.

**Dr Cooper:** Correct, yes—the rock art kinds of sites?

**THE CHAIR:** Yes.

**Dr Cooper:** Yes, the analysis has been undertaken and consultation is occurring with the indigenous people about what we do next on some of that. They're looking at things such as whether or not, for instance, to move back the boardwalks that were in front of the sites and protected them. So they're actually looking at that, as well as looking at what you need to do to the actual artwork itself.

**THE CHAIR:** Okay.

**Dr Cooper:** So at the moment we are in protection mode, with consultation and a definite commitment to doing something in those areas.

**THE CHAIR:** Okay. Is there a percentage or a broad number—perhaps X sites have been looked at: so many are damaged, so many are fine? Is there a broad overview?

**Dr Cooper:** There is, but I haven't got it with me at the moment.

**THE CHAIR:** All right.

**Dr Cooper:** There's varying damage on different sites.

**Mr Wood:** I think you have to be careful about sites.

**Dr Cooper:** Yes, you do.

**Mr Wood:** Because I think a site can be just a stone implement. I think we have in mind, you and I, the major sites like rock art sites. I think that's where the question is directed.

**THE CHAIR:** Oddly enough no, it was directed at all, but I think of primary importance to the community are the sites they know, for instance, Yankee Hat and some of those sites.

**Mr Wood:** Yes. Yankee Hat was fine, wasn't it?



**Dr Cooper:** Yes, that one was.

**THE CHAIR:** Is the information you have available to the committee and are you taking that on notice?

**Dr Cooper:** It is definitely available to the committee. We're quite happy to even update some of the information on our website. What we're doing is quite open.

**THE CHAIR:** Okay. Of the 250 kilometres of trails, will the other 150 be surveyed as well?

**Dr Cooper:** We're trying to do that, but we're racing against a whole number of factors. One, of course, is the weather and we need volunteers to go out with us. Important, too, is any of the regrowth that comes back. It's opportunistic as well as looking at some of the damage that's quite obvious.

**THE CHAIR:** In the 100 kilometres, have any little treasures been turned up?

**Dr Cooper:** Yes they have. I can't remember the numbers.

**THE CHAIR:** Just a broad overview.

**Dr Cooper:** Yes. They would have uncovered at least 50.

**THE CHAIR:** Of stones?

**Dr Cooper:** Yes.

**MR HARGREAVES:** I just wanted to discuss the heritage act; that's been an ongoing saga.

**Dr Cooper:** Yes.

**Mr Wood:** Consultation on amending that act will be very comprehensive before it reaches the Assembly. Yes, it's heading back again.

**Dr Cooper:** Yes. Would you like me to—

**Mr Wood:** Yes.

**Dr Cooper:** Okay. An exposure draft was tabled on 29 August. Since then, we've had nine separate workshops and meetings with individuals and organisations. Comments and written submissions are now being considered. The changes to the planning system are currently being implemented through the new planning legislation also being considered—you understand the interface between heritage and planning.

The new legislation will demonstrate a commitment to the protection of the natural and cultural heritage. We have been slowed down a bit because we are waiting for the new planning system to be fully articulated as it is. The fires also slowed us down: we

actually took some of the staff who were involved in the legislation off-line for a short time to help with some of the heritage issues resulting from the fires.

**MR HARGREAVES:** How close will the connection be between the land act and the heritage act?

**Dr Cooper:** It's more a complementary one, for the new way ahead. One of the key features that we're looking at in the new legislation is a separation of heritage from the land act. It's intended to give heritage a much stronger profile, and make the provisions more accessible and also much more like other jurisdictions'.

**MR HARGREAVES:** Are there hundreds of sites that have been identified as possible Aboriginal heritage listings that haven't been surveyed just yet? Does your organisation go through individual sites, or does it do it in blocks? How do you do it?

**Dr Cooper:** It varies, but each individual site is given some attention. It depends on whether they're part of an immediate cluster or not. Each one is classified as a site.

**MR HARGREAVES:** When somebody identifies a site for you, and says, "This ought to be listed," what process do you go through to verify it?

**Dr Cooper:** An indigenous site? We consult with the indigenous peoples and that's our main reference point.

**MR HARGREAVES:** What manner of proof can they give you that can identify it as a genuine site?

**Dr Cooper:** We rely on our in-house experts, and we also consult with university people and Aboriginal people, so a suite of information comes to bear on it. People can look at a particular stone and, to you and me, it might just look like a stone, but in actual fact it has heritage value. They tell by the markings, the cut and the age and such things. It's quite complicated.

**MR HARGREAVES:** What manner of protection is afforded these sites?

**Dr Cooper:** They're considered for listing, and if they are listed then you actually have to go through a process to get permission to remove them, alter them or affect them in any way.

**MR HARGREAVES:** Okay. The schoolhouse in Richardson is one of your organisation's places, isn't it?

**Dr Cooper:** Yes.

**MR HARGREAVES:** What are the plans that you have for that, and what arrangements are currently in force?

**Dr Cooper:** If you could be specific—

**MR HARGREAVES:** I was interested to know who's managing the property—

**Mr Wood:** Is this Tuggeranong schoolhouse?

**Dr Cooper:** Yes.

**MR HARGREAVES:** —and what sort of plans they have for its upkeep and its promotion, for example. I think it's probably one of the gems in Tuggeranong that's very rarely heard of. It's on the map but very few people actually go there, as far as I'm aware.

**Dr Cooper:** I'm not familiar with the details of that particular one so can I take that on notice and come back, Mr Hargreaves?

**MR HARGREAVES:** Please do. Thank you very much for that.

**Dr Cooper:** No problems.

**THE CHAIR:** Regarding the Tuggeranong schoolhouse, the previous tenant allowed groups in and we conducted heritage events there. I've not seen it figure very prominently in events recently. The tenant has recently changed, has it not?

**Dr Cooper:** I'd have to ask my team. I'm not sure of that.

**Mr Wood:** I hadn't heard that.

**Dr Cooper:** I hadn't heard that, but—

**Mr Wood:** I've been to a couple of events there in the last nine months or so—not large numbers.

**THE CHAIR:** The complaint that's been made to me is that, if you ring the number attached to the schoolhouse, it's answered by a removals firm, the site is simply being used as a place to store vehicles that belong to the removals firm, and that there really isn't much consideration given by the tenants to either protecting or promoting the heritage of the schoolhouse.

**Mr Wood:** As I understand the schoolhouse, having been there, it's basically only that front schoolroom that's publicly available. The rest is a standard residence.

**THE CHAIR:** But the heritage listing on the schoolhouse does include all of the buildings, the surrounding grounds and some of the old sheds, as they had some significance.

**Mr Wood:** That's the listing, yes.

**THE CHAIR:** Is there a management plan in place for the schoolhouse?

**Dr Cooper:** I'll have to take that question on notice. From my information, I understand that the place is open for school visits if you contact the lessees. I'll look into that and come back to the committee.

**MR HARGREAVES:** Just to pick up on what Mr Smyth was saying, if your investigations reveal that it is used as a place for a removals company to hold their vehicles in, could you give some indication of whether you'd consider that to be an appropriate use of the site and, if not, what would happen about it?

**Dr Cooper:** Again, I'll come back to you. I'll look at the specifics.

**MR HARGREAVES:** Yes, I know you can't do it now. I just thought I'd put it on record for you to refer to later.

**THE CHAIR:** I suspect Mr Hargreaves has it from the same source that I do.

**MR HARGREAVES:** Indeed.

**THE CHAIR:** I'm not offering this as a criticism, Minister, but since the time of the previous government, in the last 12 to 18 months, the feeling in the community is that something's changed: the schoolhouse is less accessible and if you ring—and I haven't rung the number myself, but I'm told if you do ring the number that's listed—you get a removals firm.

**Dr Cooper:** Okay, we'll check that.

**THE CHAIR:** Would you look at that, because I'm sure that's not the purpose of leasing it out?

Back to the bushfires: the Aboriginal heritage is being looked at. Minister, what consideration is being given to the preservation of what remains of the burnt built heritage? Franklin has gone and Nil Desperandum has gone; how many historic buildings were lost in the course of the fires?

**Mr Wood:** Too many. Franklin has gone and won't come back, but the discussions I've had indicate that there'll be some element of signage there. Regarding Nil Desperandum—and I had a look at that a little while ago—it is hoped it can be restored. It would have to be extensively restored.

What's the one at Tidbinbilla?

**Dr Cooper:** Rock Valley.

**Mr Wood:** Rock Valley might be beyond saving. It is very severely damaged. And the others?

**Dr Cooper:** We've got around 24 places and, if it's okay, I'll just outline our approach, because we're giving decision-making recommendations to the minister at the moment. We are giving a very high priority to heritage. If we can recreate a structure, with the advice of the heritage council and any other interested parties, we'll certainly look at that. The insurance will cover the reinstatement of a building to the degree it existed before the fire so, if you reinstate and you then have to comply with things such as different codes for reconstruction, they're additional costs.

We're going through at the moment giving a great deal of emphasis to heritage. If you like, I can go through all those that were affected.

**Mr Wood:** We might table that.

**THE CHAIR:** Tabling the document would be kind.

**Dr Cooper:** Okay. We're definitely doing it in consultation with a large range of stakeholders.

**THE CHAIR:** You've actually led to the next question, which is: were those assets insured and has money been received for them, or is money likely to be received for them? You say that it is.

**Dr Cooper:** They were insured. Money is likely to be received for them.

**THE CHAIR:** All right. Perhaps a question for the minister: if we're getting money for something like Franklin chalet, why aren't we rebuilding it? Is that a decision the government has just taken or has it consulted with the groups that have for many, many years had a keen interest in the chalet?

**Mr Wood:** I think there's been some discussion. There is still a substantial part of Nil Desperandum still standing; all the timber's gone. Franklin chalet is just ashes.

**THE CHAIR:** Yes.

**Mr Wood:** You could do a replica, which is what I guess you're suggesting. I'm not sure if consideration has given to that. I haven't given thought to that.

**THE CHAIR:** Have you consulted with the community on its views, because there are a large number of groups with an interest in the chalet?

**Mr Wood:** There are a lot of people interested in the chalet, yes.

**THE CHAIR:** Particularly in Franklin chalet. It was built in 1924?

**Dr Cooper:** You're absolutely right. There's a lot of interest and we are most definitely consulting right now. It's not a matter of just the heritage component. What's happening in the discussions with the community is that we are considering the heritage component plus the function of that building. So, for instance, with Mount Franklin chalet, there's a general feeling that its heritage can be respected without reconstructing it, but that its function—providing some shelter in that remote area—may actually be better provided for by a reconstitution of it, not in a heritage sense but in a functional sense.

We're trying to look at the duality in those places and say, "Which way do we want to go?" They're all issues that are currently being discussed.

**THE CHAIR:** All right. Were you going to table that list of 24 places?

**Dr Cooper:** I am happy to, yes.

**THE CHAIR:** What process will the consultation on something like Franklin take, Minister?

**Mr Wood:** I'll let Dr Cooper explain that. Environment ACT and heritage, in particular, is very committed and spends enormous time talking to interested parties.

**Dr Cooper:** Sorry, Minister, I missed the question.

**Mr Wood:** Mr Smyth wanted a more precise description of consultation regarding Franklin chalet.

**Dr Cooper:** We've been to the Heritage Council and they've been out there on site with us. I think there's an alpine association heritage group that has been involved with us. It's that kind of consultation.

**THE CHAIR:** But before a final decision is made, will there be more public consultation, more general consultation?

**Dr Cooper:** We're working that through at the moment and we're putting up a proposal to the minister about where to go next on this matter. One of the problems we do have that I would like to flag to the committee is that some of these places are also people's houses. So, on some of those, where the resolution may actually be quite clear, we might put up an early recommendation to go in one direction or another in order to also address the housing need.

**THE CHAIR:** Sure. How many were houses? Rock Valley was a ranger's residence.

**Dr Cooper:** Around six. As you'd appreciate, some of those people have been through great trauma and the sooner we get the housing back, the better it will be for them. It will make a big difference to them.

**THE CHAIR:** Yes, sure.

**MRS CROSS:** Minister, first, on page 196, I'm looking at examples of one of my favourite topics, quality and effectiveness, and the percentages applied. I'm looking at the 2002-2003 target, which was 90 per cent and that's against "Ratings from annual client survey are satisfactory or better". The estimated outcome was 90 per cent and the target is 90 per cent.

Could you tell me whether, given that your department and the departments that you manage are the only ones that achieve 100 per cent, there is something in this area that means that you wouldn't aspire to get a higher figure for the 2003-2004 year? Why are we happy with the status quo?

**Mr Wood:** I'm in the wrong place, sorry.

**MRS CROSS:** But you do have 100 per cent in other areas, in fact I complimented you that you were the only minister who achieves that.

**Mr Wood:** Yes. I can repeat the answer that was given before. In part, this is historical and you're building from a situation you've been in before. Ninety per cent is high, 100 per cent is perfect, and I think what those figures really say to you is that we are expecting to deliver a very high quality service. When you're talking like that, that's what you're saying; whether it's 90, 95 or 100 is marginal in that respect.

**Dr Cooper:** A lot of this is tied up with the DA process and, while we'd love to achieve 100 per cent, we actually achieved 90 per cent in a 10-working-day turnaround. You would appreciate that heritage produces a lot of controversy in a small percentage of cases, and some of those go on longer than the desired turnaround time, so that's why we're not at the perfect 100.

**MRS CROSS:** So we can blame PALM?

**Dr Cooper:** No, we certainly can't. We can just blame the nature of the issue with which we're dealing.

**MRS CROSS:** Very diplomatic, Dr Cooper. I'm looking at the bottom two lines, which show the total cost and the government payment for output. There's a significant difference in those figures. Is there a reason for that? It says 1.5 under 2002-2003 versus 1.2, the total cost is 1.5 and government payment for output is 1.2.

**Dr Cooper:** It's depreciation, Mrs Cross.

**MRS CROSS:** Yes.

**Dr Cooper:** That's what I'm told.

**Mr Phillips:** Yes, I think you can note that from the next line down, government payment for outputs, which is actually dollars received—

**MRS CROSS:** Yes, through this second and third appropriation.

**Mr Phillips:** —there's minimal change but depreciation is the factor that is on cost.

**THE CHAIR:** Regarding, for instance, the six rangers who have lost their houses, how are they now being accommodated? Are they having to pay for private accommodation in the rental market or is the government assisting with that?

**Dr Cooper:** We're most definitely assisting our staff. We have given a very high priority to our staff and we look after them in a suite of ways. One of them is assisting with rental costs.

**MRS DUNNE:** I apologise if this question's been asked: how are we with the backlog of registering heritage places?

**Dr Cooper:** You'll recall from last year that we gave ourselves a three-year program to try to clear the backlog of the 300. We've now cleared around 20 per cent. We have been slowed down because of the fires, but we certainly look like achieving our target. At the

end of those three years we would have been able to achieve the 300. The group that we've got together is working effectively.

**MRS DUNNE:** So you're 20 per cent of the way through that where you should be 33 per cent of the way through it?

**Dr Cooper:** Yes, but we've had extraordinary circumstances so that's affected us.

**MRS DUNNE:** When you say 20 per cent through is that one-fifth of the listings or one-fifth of the work, which may not be the same thing?

**Dr Cooper:** No, the listings.

**MRS DUNNE:** One-fifth of the listings.

**Dr Cooper:** Yes.

**MRS DUNNE:** Are you leaving the hard ones until last?

**Dr Cooper:** No, I'm not sure what they're doing. I think they're working their way through them. I don't know what their method is but I could come back to you with more information. I would doubt that they're leaving the hard ones until last.

**MRS DUNNE:** I'm going to ask you a deeply personal question: how many draft variations to the Territory Plan will that make?

**Dr Cooper:** Again, I'd have to go and ask the team.

**MRS DUNNE:** Are they going to come in job lots?

**Dr Cooper:** We're trying to have them, if you like, in a bunch when we do bring things through.

**MRS DUNNE:** Okay.

**MR HARGREAVES:** I went out to Tidbinbilla Nature Reserve and I've already indicated to you what a wonderful job the people are doing out there. It absolutely blows people's minds.

**Dr Cooper:** Thank you. I took that back to the staff. It means a lot.

**MR HARGREAVES:** I was just wondering whether, in that particular part of the world, there are heritage sites that got hurt by the fires.

**Dr Cooper:** Yes, absolutely.

**MR HARGREAVES:** The troops who are working out there on regenerating the whole park have that as one of their prime targets as well, I assume?

**Dr Cooper:** Yes.



**MR HARGREAVES:** I didn't actually raise that issue.

**Dr Cooper:** No, they are. As you'd appreciate, for some of them, the building was their home, so some of that has been particularly difficult for them. However, they've been given a lot of support at the personal level.

**MR HARGREAVES:** They should receive an award.

**THE CHAIR:** I back Mr Hargreaves up on what he said. At about 6 o'clock on Saturday morning, 18 January, Parks 5 took the Guises Creek 20 up to check on Nil Desperandum and we were just amazed to see that it had survived the night. Oddly enough, as the dawn came through, the first priority of Parks 5, who is Brett McNamara, who is in charge of that area, was to get up to see if Nil Desperandum had survived. We put in a dozer line around it at about 6.30 and unfortunately it didn't survive the afternoon. With regard to people like Brett and Geoff and all the rangers, please pass on from the committee our praise for the people and for the work they've done.

**MRS CROSS:** And our compliments to you for your dedication and hard work, Dr Cooper.

**THE CHAIR:** We'll now go to arts and the Cultural Facilities Corporation. Minister, do you want to make an opening statement on behalf of the arts and cultural services of the ACT?

**Mr Wood:** Very fine people doing a wonderful job.

**THE CHAIR:** Oddly enough, Minister, they are very fine people doing a wonderful job but I'm delighted to see that, as one of the quality assurance measures of the arts and cultural services, you have adopted the former government's vision of a clever, caring capital in implementing the framework for the *Arts capital* priorities document. I'd just like to say how wonderful it is to see our objectives and endeavours being carried on. The question to yourself and the officers would be, where are we in the implementation of *Arts capital* and how is it going.

**Mr Wood:** It continues to be the guiding document. I didn't vary it. It's not inflexible either, mind you, but it remains the document that people are directed to when they make grants for whatever purpose. It continues to be the document we use as we look to our broad programs.

**Ms Hillson:** There has actually been quite substantial implementation of *Arts capital* but, as the minister said, it provides the guiding principles for the way we provide funding. It continues to be a very strong policy which guides all of our allocations of funding. The ACT Cultural Council will, I understand, revisit it but is unlikely to recommend any substantial changes.

**MRS CROSS:** Minister, again on one of my favourite topics, I'm looking at page 198, under quality and effectiveness. If there was consistency with this I probably wouldn't question it as much, but in this instance I'm pleased to see that the 2002-2003 target was

90 per cent. The estimated outcome was 90, but you're looking at increasing it to 100 per cent, which is the perfect number that—

**Mr Wood:** No, I'm worried about that. I think that we may have to review it after your comments here today.

**MRS CROSS:** —you referred to earlier. What I'd like to ask, Minister, is what projects were not delivered to the satisfaction of the chief executive and you, the minister, that represented the 10 per cent.

**Mr Wood:** There are none that I can think of with which I was dissatisfied. There are a number of projects where we continue to move and some of them, because of circumstances, move steadily, but I can't identify anything that I'm unhappy with.

**MRS CROSS:** Then why put 90 per cent and not 100, if you're the benchmark?

**Mr Wood:** I don't know. I don't know whether I'm the determining person on this.

**MRS CROSS:** It says it here. It says, "Agreed projects are delivered"—

**Mr Wood:** "to the satisfaction of the Chief Executive and the Minister for Arts": I see that but—

**MRS CROSS:** Okay, maybe Ms Elvin might like to tell me, or Mandy.

**Ms Hillson:** I'll have to take that on a notice because we certainly have reported against this one. I will get back to you—

**MRS CROSS:** Great.

**Ms Hillson:** —about how we interpret this particular measure.

**MRS CROSS:** Thank you very much. Then I move down to timeliness, which is another area that interests me. Under "Arts, Festivals and Cultural Programs" there is "Service purchasing contract payments dispersed to organisations within three months of Ministerial approval". Again, Minister, you deserve a prize and an award for this. You are the only minister to achieve a perfect record: 100 per cent for the 2002-2003 target, 100 per cent for the estimated outcome for 2002-2003, and 100 per cent for 2003-2004.

**Mr Wood:** The big factor there is, once we indicate a group is getting money, it has its hands out saying, "Oh, yes please. Thank you very much." They are full of inspiration to do wonderful things so they don't muck around.

**MRS CROSS:** Great, thanks.

**MR HARGREAVES:** You have carriage of the Festivals ACT function and therefore the coordination of all the festivals around the town. I wanted to ask two questions in relation to the Tuggeranong community festival. How much support are we going to receive in Tuggeranong for the annual festival in this coming financial year? I haven't

spoken to the president of the festival so I have no idea. I thought that, now you're here, I might ask the question.

Also, regarding the regional market for these sorts of festivals, I'm aware that, for that particular one, we have interest from regions as far away as Albury and as far north as Wollongong. It occurs to me that perhaps this festival is a bit untapped in terms of marketing the ACT. Given that that organisation is organised and promoted by people who are basically citizens and amateurs, what sort of proactive assistance would your organisation offer to those people to assist in this regional market?

**Mr Wood:** I think they're pro-ams at least, Mr Hargreaves, based on the past. As for regional publicity, they are really identified as local community festivals and if they can draw from further afield than that, that is fine. I don't have an answer to the question about how much publicity might be done. I'm not sure there is an easy response to that. Someone might be able to do that but I really think that would be part of the organisation's work. Maybe CTEC, which is really the arm responsible for marketing beyond Canberra, would be the organisation to approach on that.

**MR HARGREAVES:** The genesis of the question was my involvement in the festival some years ago, when it became obvious that people outside Canberra were attracted to the festival, both to enjoy the events and also to participate in them. I received some assistance at the time and I can't remember for the life of me who gave it to me—it was an arm of government. I provided them with some fliers and so on, but they actually took care of marketing it outside the ACT.

I have to say it was incredibly successful. It lifted the attendance from something like 15,000 to 26,000 in that particular year. I'm just wondering what sort of proactive support could be offered to those people.

**Ms Hillson:** I think it's acknowledged that a number of festivals in Canberra are very much community based. They are very successfully community based. However, it's acknowledged that those festivals may need assistance with marketing, sometimes skill development and sometimes strengthening of the boards or the organisations. We are looking quite closely at the range of assistance we might be able to provide which will really target those specific areas in which the community festivals would appreciate support.

**MR HARGREAVES:** And so your organisation would be actually contacting those people and talking to them about it, rather than those people having to find out where to go to access that help?

**Ms Hillson:** Correct.

**MR HARGREAVES:** Great. Some years ago, in the life of the former government I think it was, an amount of \$10,000 was allocated to the Belconnen community to institute a festival similar to the one that the Tuggeranong community enjoys. However, from my understanding, nothing ever happened. I was wondering if you could give a view on why that might be so. Is there an intention to further support that community or not?

**Mr Wood:** There was a time when Belconnen, Weston Creek, Tuggeranong—and I don't know of any other but certainly those three come to my mind—had their local festivals. I couldn't tell you exactly why Tuggeranong is the one that remains.

**THE CHAIR:** Fantastic community.

**Mr Wood:** I think that's so, but it was the case, I think, that there was also specific funding at that time for those local festivals. That ceased, I believe, so it was thrown, as it remains, back onto the committees to do the work and to raise money. It was Tuggeranong that survived. Some of this goes back before your time, Ms Hillson.

**MR HARGREAVES:** It's certainly my memory and I was on the committee at the time—they both died.

**Ms Hillson:** Belconnen received a grant in the last round of the festivals fund to actually look at the feasibility of running another community festival.

**MR HARGREAVES:** To whom was that grant given?

**Ms Hillson:** I need to check who that was to, but certainly they are looking into it again.

**MR HARGREAVES:** How much was that?

**Ms Hillson:** From memory, it may have been about \$10,000, but I can't be absolutely sure of that. It was a small amount of money.

**MR HARGREAVES:** Yes. I would be interested to know how much money was given to one community to get a festival going and how much was given to another for conducting an already successful one to enhance its services, and to see the relationship between those two. Would you let us know how much is going to be allocated this year for the 2003 festival, if it's been decided? If it hasn't, you can let me know that too.

**Mr Wood:** It hasn't been decided yet and I wouldn't know what stage it has reached. What's the timeframe?

**Ms Hillson:** The announcement for the new round of applications for the festival fund will happen shortly.

**Mr Wood:** It's getting close to festival time, I suppose, in the organisational sense.

**MR HARGREAVES:** Indeed, and my understanding is that organisations virtually start when the previous festival is finished, in the Christmas break. I know, from reading the *Chronicle*, that the Tuggeranong festival has kicked off with its attractions. I wish the Belconnen community all the best in getting something like that running because it's just fantastic, but I am concerned that we make sure that we're equitable in dispersing the funds that come to light.

**Mr Wood:** It was a good lobbying exercise but you're talking to the wrong people. It's done by a committee.

**MR STEFANIAK:** On things Belconnen and the arts, Minister, first, regarding grants, I think I did put through to Mr Smyth a question on notice in relation to the divvying up of the grants and what the organisations actually get in grants. I'm not sure if that answer has been supplied yet.

**MR WOOD:** I don't think it has. I don't remember. I don't think I've signed it yet.

**MR STEFANIAK:** If you could, Minister. I asked for that some time ago.

**MR WOOD:** It's on its way.

**MR STEFANIAK:** Just who gets what is important. I think your counterpart, Mr Quinlan, provided one for sport and rec, so would you provide that?

**Mr Wood:** Fair enough. If you're not getting enough you'll hype up the activity out there.

**MR STEFANIAK:** Absolutely. I've been made aware that, of grants that are currently operating, about \$177,000 goes to Tuggeranong, then there are some additional things through Healthpact, and I think Belconnen got \$57,000, with some additional things from Healthpact, so I would be interested in maybe following that further there.

On page 177, you have here \$60,000 in capital works, which I suppose is at least a start, for the feasibility study for the northside Belconnen arts facility. I think members would be well aware of interest in a dedicated arts facility in Belconnen, certainly over recent months. What exactly are you proposing to do with that \$60,000?

**Mr Wood:** It's now the first real commitment and a serious effort to get something moving. The study will look at what exists there now and what there is that we can draw on. It will look at the facilities and services to determine what facilities are there now that can be used. For example, I remember when I was minister years ago, we put a lot of money, over half a million dollars, into Hawker College to improve outside access and the theatre there. I'm not sure that that's been used as well as it should have been.

**MR STEFANIAK:** I thought I did that actually.

**Mr Wood:** Yes, they've got a beaut theatre and we put money into it to make it more usable by the community and I don't think it's really happened.

**THE CHAIR:** As we do at Erindale, Mr Hargreaves.

**MR HARGREAVES:** It is an everyday occurrence in Tuggeranong.

**Mr Wood:** So we'll be looking at what facilities exist there now. We'll be looking at what requirements there are for future facilities and we will come up with what might be the best way to accommodate the various needs, bearing in mind what's there. I think that this would be leading us towards community arts, which is very community based and, while some building may be part of it, it's really what's happening in the community that is the focus.

**MR STEFANIAK:** You are well aware that, in Belconnen, yes, there is that Hawker facility. I'll come back to that in a minute with another question. You might have started that but I certainly recall being the one who put the money in but, fair enough, if that was something you started I was delighted to finish it.

**Mr Wood:** Yes, it was part of the casino premium stuff.

**MR STEFANIAK:** There was also some money put in not too long ago, again for a small arts base in the community centre. Apart from that, are you looking at the possibility of a dedicated arts facility for the Belconnen region, because a similar region, Tuggeranong, has not only the Erindale Centre but also a dedicated arts facility?

**Mr Wood:** That would be one of the considerations that comes out of this.

**MR STEFANIAK:** You haven't committed to anything at this stage?

**Mr Wood:** No, we haven't. People have said to me, "Can you come out and identify a bit of land", and I think it's much too early for that. Yes, I think the arts activity around the community centre there is excellent—and that funding throws through the Belconnen community services—but, as an arts facility, that centre is still not the best in the world. I think they do a brilliant job with what they've got so, yes, by all means, at some stage it may be determined that we need a building. I don't think that we necessarily need to look at Tuggeranong and say that we're going to replicate that. That might happen but I think—

**MR HARGREAVES:** You couldn't possibly do it.

**Mr Wood:** We need to leave the outcomes more open than that, so that's what this process is doing.

**MRS DUNNE:** You say, Minister, that community arts happens in the community; you don't need buildings for it.

**Mr Wood:** Yes, half and half. I said that carefully.

**MRS DUNNE:** That's roughly what you said. Some provision has been made for some minor space in the community centre. I don't know how many times the Phoenix Players have spoken to me, and I'm sure they've spoken to other members, about the adverse circumstances in which they work. There is no place for an orchestra. Most of the time they have to use recorded music. The backstage area is hopeless; it's an occ health and safety hazard.

Then, if you go to the excellent work being done by people like Marion Mussared with disability arts and mental health and the arts—and there's Healthpact money there—you will see that the people who want to go to tae kwon do are walking through the middle of this place. Minister, you have been there to functions where you've opened something in a small gallery.

**MR HARGREAVES:** They're getting exposed to the arts.

**MRS DUNNE:** Yes, you could call it cross-pollination. The thing is that you've got a pocket handkerchief of a space there and if you want to do anything you have to spill out into the public area. There you are, at 6 o'clock on an evening when you want to do something with the arts community, but you can't move for the kids and their bikes wanting to go to tae kwon do.

I don't object to the kids going to tae kwon do—my kids used the place for tae kwon do—but this is not anything like the sort of service that the people of Tuggeranong get. The people of Tuggeranong have gold-plated service and gold-plated facilities. They are entirely privileged compared to those in Belconnen. What are you, as arts minister, going to do to address it?

**Mr Wood:** Don't lecture me. Goodness me. Many years ago, with an active community in Tuggeranong, I was in the happy position as minister of facilitating progress there. That long ago, I was looking at Belconnen and what we might do in the future. At that time in Belconnen, there wasn't the level of that sort of activity to justify moving ahead. I made the point then, as I did over the period as shadow minister, that you really need to let these things grow out of themselves or you encourage it, you help it.

My assessment is that Tuggeranong is at the stage where it can well move ahead and it has been for a little while. Now I'm moving ahead, I've provided the funds to do that and I'm being criticised. Come on, get real.

**MRS DUNNE:** No, you're not being criticised—

**Mr Wood:** You heard these same remarks over all the time you were in government, and in fact they weren't coming from me. They weren't coming from me because, as I assessed the situation, I thought Belconnen was still progressing but—

**MRS CROSS:** Do you regret that now?

**Mr Wood:** I actually think I've done pretty well. We're taking a careful look at it. You've taken umbrage because you would rather me say we're going to have a you-beaut building standing on the shore of the lake or something. I'm not going to predict where this process might end. I don't want to stand up straight away and say we're going to have something like that, because it may go that way but we want to explore the best opportunities in that area. So give us a break: let's look at a reasonable and a sensible project to explore the options, so that what we get is the best model for Belconnen.

**MRS DUNNE:** Providing we get the best model for Belconnen by running a northside/Belconnen feasibility study. What is the scope of the feasibility study? How far abroad are you looking?

**Mr Wood:** I'm much more interested in Belconnen, I have to say, and that's where I'm leaning.

**MR STEFANIAK:** Why did you put northside there?

**Mr Wood:** Northside has been there for a long time.

**MR STEFANIAK:** There are quite a few facilities there.

**Mr Wood:** Can I say to you that my focus predominantly in this study is Belconnen, which is the area north of Black Mountain, roughly.

**THE CHAIR:** Are the terms of reference for the feasibility study available?

**Mr Wood:** West of Black Mountain. No, not at this stage. I don't think so.

**MRS CROSS:** When will they be?

**Mr Wood:** I don't know either.

**THE CHAIR:** Minister, when will you know?

**Mr Wood:** You people do want precision. We're moving more rapidly on this than anybody before us so I—

**MR STEFANIAK:** As soon as they're available, would you send me copies?

**Mr Wood:** I will circulate them. I'm delighted to have so much interest in this subject.

**MRS DUNNE:** Minister, how will the feasibility study link with the work that was done by the University of Canberra and the Belconnen Community Council in the last year?

**Mr Wood:** It will pick up everything that's been done in the past, it is as simple as that. If there is activity, documents or interest, it will pick up on those.

**THE CHAIR:** We need to move on, members.

**MRS CROSS:** This is my first Estimates Committee and I've got to say that I thought the budget had to be an accurate document. You talk about us wanting precision and being accurate. Is it not within our scope to ask you questions relating to this?

**MRS DUNNE:** Not this minister.

**MRS CROSS:** I don't want to ask an unfair question. If I'm out of order, then tell me.

**Mr Wood:** No, that's a fair point to raise. I want to say that, as we're assessing and working through this, as I've been talking to officers over the recent period on this, I haven't thought to come in here and table those today, and say, "These are the terms of reference. This is the whole detail." We're moving on it and that's the level of decision that I'm referring to.

**MRS CROSS:** Yes. I didn't expect you to have that and I don't think the committee did. But you got quite upset when we asked for it. If we shouldn't, then tell us and we won't but—

**Mr Wood:** Did I get upset? I'm sorry about that.



**MRS CROSS:** You did.

**THE CHAIR:** I tell you what's in and out of order, not him.

**Mr Wood:** I expected you to pat me on the back and say, "This is terrific. You're moving. For the first time, you're getting something moving here."

**MRS CROSS:** But I did, Minister.

**THE CHAIR:** Members, come to order. We'll actually get on with the questioning. Is there a question in this?

**MRS CROSS:** I'll take the same length of time that Mrs Dunne took to ask hers.

**THE CHAIR:** No you won't. You'll ask your question. Come on.

**MRS CROSS:** Minister, I've actually complimented you today on a number of occasions for achieving high success rates, and I mean that. However, I think that, if you do have the terms of reference for the feasibility study, then we are within our rights as a committee to ask for it.

**Mr Wood:** We don't have it yet.

**MRS CROSS:** I understand that. When do you think you might have it?

**Mr Wood:** I want to be in a position, next budget, to make some bids. That's the position I want to be in. That's my timeframe.

**MRS CROSS:** So we can't expect to have that until next year?

**Mr Wood:** No. I want, in this year, to have worked through it all so that, by the time we come back to budget time for the government, I'm in a good position to know what the preferred options are.

**MRS CROSS:** So everything will be in line for next year's election?

**Mr Wood:** That's not my focus, actually. The budget comes down in May and the election is in October. That's the inevitable timetable.

**MRS DUNNE:** It says here that the feasibility study will be finished in June. That's after the budget comes down.

**Mr Wood:** June next year?

**MRS DUNNE:** June next year, June 2004.

**Mr Wood:** No, I'm going to move faster than that.

**MRS DUNNE:** Well, why is it in the budget to finish in June 2004, Mr Chair, if we're going to do it quicker than that? This is, I think, the third or fourth time today that we've found the minister saying, "We're going to do it differently from what's in the budget papers." I don't mind if you do it quicker, but I'd like it to be in the budget paper. This is about precision.

**Ms Hillson:** It will be completed by then. It will be finalised, all the payments will be made. That's not to say that decisions can't be made prior to that, but all the payments will be totally finalised by that stage.

**MRS CROSS:** This is just the end date, which means it could be done six months earlier.

**Ms Hillson:** Absolutely.

**MR STEFANIAK:** I have several questions. Just one further on something I mentioned earlier, Minister. I've got a couple on some other issues, too. It's about recurrent funding for art programs: will you undertake to look at what appears to be a significant disparity between money spent in the Belconnen region and that spent in other regions, such as Tuggeranong, in your next round of funding in the arts?

**Mr Wood:** I don't know. I have to say that, in my time as a member and as a minister, I haven't focused on regional issues, bearing in mind that we did the Tuggeranong centre and we're looking at Belconnen. When we fund, where I come from, it's more that we fund quality projects. That's what we do. Community arts, as with community festivals, bring in the regionalism. I'm not aware that the Cultural Council's funding committees focus on region. Perhaps they do; perhaps I missed it.

**Ms Hillson:** No, it's not a specific criterion. However, they do, obviously, consider all proposals and applications that come in. As Belconnen's cultural landscape is developing, if more applications appear from community organisations or individual artists, they will be considered by the Cultural Council. We will be expecting, over the years, a growth in that level of activity, so it will be interesting to see how that community matures.

**MR STEFANIAK:** That's certainly something I'll be keeping an eye on, because I have had some complaints about the disparity. It does seem that there are a number of projects that people are wanting funding for which may not be being funded.

**THE CHAIR:** Minister, I've been to a number of functions recently at the Contemporary Art Space at Manuka, and one of the complaints is it does not have a light so you can't conduct functions outside when they spill out onto the street for a bit of wine and cheese.

**Mr Wood:** Okay, we are back to street lighting, are we?

**THE CHAIR:** Given that we've got \$10,000 left in the 2003-04 budget, can I put in a bid for the Manuka Contemporary Art Space?

**Mr Wood:** Look, it sounds good.

**THE CHAIR:** And possibly an awning for the summertime when it gets quite hot. The second point is: there's been some comment about whether or not the Nolan Gallery might come back into CMAG, here in Civic. Is that just a wild furphy or is it part of your master plan for arts in the future?

**Mr Wood:** Yes. If it's to happen, that decision has to be made with great care. Ms Elvin might take that one on board.

**Ms Elvin:** We're looking at a coordinated study whereby we'd consider whether we bring some or all of the Nolan collection into the Canberra Museum and Gallery and, if we do that, whether we then use the existing Nolan Gallery as a visitors' centre for the whole Lanyon estate. We are also looking at whether, if we do bring some or all of the collection into CMAG, that would mean reconfiguring the ground floor of CMAG, perhaps expanding it and enclosing some areas that are currently open, such as courtyard areas.

It's really a tripartite investigation. At this stage, obviously, all options are open and we'll consider things like whether the current level of visitation at the Nolan Gallery suggests that this collection, which is of international importance, is actually getting the attention it deserves in its current location.

**THE CHAIR:** How many do visit annually?

**Ms Elvin:** It's around 7,000 visitors per annum, which is really quite low considering the importance and significance of the collection. It was interesting that, when we had two exhibitions in CMAG recently of works from the Nolan Gallery, there was a lot of interest in seeing those works in a city centre location. But we have to go a long way down the track. We have a lot of things to take into account, obviously.

**THE CHAIR:** When the donation was made and the funding was raised for the construction, were there conditions placed on the terms of the gift to the effect that it had to stay at Lanyon?

**Ms Elvin:** That's obviously one thing that we'll be investigating in great detail. My understanding is that Sir Sidney Nolan himself is reported to have said that he liked the concept of having his works displayed in the Lanyon landscape, but he's also apparently reported to have said that, when a regional gallery emerged, and of course CMAG is now that regional gallery, then that could be a good location for them as well. So we need to check all those things out. Of course, obviously the bushfire situation, when we had to evacuate all the works, is another reason why I think we have to look at issues like the safety and security of the collection in that location.

**THE CHAIR:** Another quick one. In a casual conversation at the theatre the other night, on the evening of the *American Masters* ballet, I was told that the Australian Ballet Company production of *Swan Lake* won't now come to Canberra because the Canberra Theatre stage is inadequate. Is there any intention to upgrade the facility so that such large-scale performances could come to Canberra?

**Mr Wood:** We'd like to. I'll put it on the capital program.

**THE CHAIR:** Apparently, the box office receipts from Canberra are really good. The ballet company loves coming to Canberra. We've a very appreciative audience here. The audience pays to attend but, as a community, Canberra misses out simply because the theatre is not large enough.

**Mr Wood:** I hadn't heard that.

**Ms Elvin:** I hadn't heard that but at the same time I'm not altogether surprised, because there are certain productions the scale of which meant that occasionally the size of the Canberra Theatre stage, which is fine for most things, won't work. I'm sure the minister and I will be talking about a new theatre.

**Mr Wood:** It did cross my mind a couple of times recently to consider whether we should do another study to see if there's any means of cost-effectively increasing the size of that stage or even the extent of the seating. I don't know when the last study was done—quite some years ago now. I'll talk to Ms Elvin about that, but we're just talking. I don't know what the outcome might be.

**THE CHAIR:** Sure, all right.

**MRS CROSS:** Minister, back on page 198, I am looking at the cost of cultural program activities. The target cost for 2002-2003 was \$6.509 million and the outcome was \$6.501 million, which was \$8,610 less. The target, however, for the following year, 2003-04, is \$6.736 million, which is \$226,390 more. What's that for?

**Mr Wood:** That's dollars, that's not thousands.

**MRS CROSS:** Yes. First, why was the outcome less than the target? What does that \$8,610 represent? Then, when I look at your target for the following year, you've got an extra \$226,390. I thought there might be something specific for which you've planned. While you're looking at that, I'll just go to the second part of my question: the cost of arts activities. Again, you may want to educate me, a new person, on this, but what is the difference between the cost of cultural program activities and the cost of arts activities?

**Ms Hillson:** That is the difference between the functions that Arts and Cultural Services provide and those provided by the Cultural Facilities Corporation. The cultural programs are those for which CFC, the Cultural Facilities Corporation, is responsible.

**MRS CROSS:** Right.

**Ms Hillson:** And the arts activities are those for which Arts and Cultural Services in the department are responsible.

**MRS CROSS:** So they're totally separate.

**Ms Hillson:** They are.

**MRS CROSS:** Then I'll put the same question to you that I've put to the minister. I'm looking at your target of the 2002-2003, which is \$5,146,681. Your outcome was higher, which is great, and then your target was also higher. The difference between your target and your outcome for 2002-2003 was \$321,000. Your target for the following year is \$235,000 more. Could you let me know what that's for?

**Ms Hillson:** Is this the increased target?

**MRS CROSS:** Yes.

**Ms Hillson:** Yes. This is to include one of the new budget initiatives, and I think this is fairly standard—EBA supplementation, InTACT. It's a standard costing that has been included in, I presume, most of the outputs.

**MRS CROSS:** Feel free to take it on notice.

**Mr Davidson:** I think it is mainly wage increases.

**MRS CROSS:** Did you say maybe?

**Mr Phillips:** I can say definitely. The first one, "Cost of Cultural Program Activities", is the pass-through money that goes to the Cultural Facilities Corporation, so that increase that's shown in the table there is the full-year effect of EBA wage and salary adjustments.

**MRS CROSS:** Okay. That's the \$226,390 for the cost of cultural program activities?

**Mr Phillips:** That's right.

**MRS CROSS:** Right, okay.

**Mr Phillips:** And the cost of arts activities is the arts and cultural facilities component that Ms Hillson oversees, and the adjustment there is mainly due to the EBA, but we've also got an initiative in there for \$45,000 for specialist advice for the contemporary glass centre.

**MRS CROSS:** Specialist advice? So that money went to a consultant?

**Mr Phillips:** That will go to a consulting advice.

**MRS CROSS:** Can you just expand on that a little bit for the committee?

**Ms Hillson:** That's a new budget initiative and that is so that we can seek further technical advice about the contemporary glass centre, on specific equipment, marketing and educational programs. I'm sure that would be consultancy money.

**MRS CROSS:** Are you getting that advice from one consultant or a number of consultants?

**Ms Hillson:** We anticipate several consultants, to give us a range of advice.

**MRS CROSS:** Have you actually gone out to tender and gotten quotes for these things, which is why you know how much you need to budget for?

**Ms Hillson:** Not as yet, no.

**MRS CROSS:** So how did you know what figure to put there?

**Ms Hillson:** We've only just completed a draft business plan. However, in the drafting of it we could see, quite clearly, the further advice that we would need. So we identified those key areas and we believe that that amount of money will be sufficient to obtain that advice.

**MRS CROSS:** And you base your belief on what? It's very difficult to take an estimation that is based on a belief.

**Ms Hillson:** We've engaged a number of consultants to work on various aspects of the glass centre, so we understand the general pricing range of consultants and how that might equate with the work that needs to be done.

**MRS CROSS:** Okay. Thank you.

**MRS DUNNE:** No appearance before estimates of artsACT could go without an inquiry about the refurbishment of the Manuka Arts Centre. How are we going?

**Mr Wood:** Yes.

**Ms Hillson:** We have recommenced discussions with ArtSound to work with them on a new design brief for Manuka Arts Centre and to look at their staged relocation. As you know, some money was allocated last year so now, with this new allocation and some renegotiation of the design specification, we believe that ArtSound can be substantially relocated to the Manuka Arts Centre.

**MRS DUNNE:** So did the money that was in last year's budget for the arts centre refurbishment relate to anything other than ArtSound? I actually didn't ask about ArtSound, I asked about the refurbishment. You know that I have an interest in ArtSound.

**Ms Hillson:** Yes.

**MRS DUNNE:** But there are other organisations going to the Manuka centre.

**Ms Hillson:** It's specifically associated with the buildings in which ArtSound will be relocated. However, it is to bring those buildings up to code so, regardless of whether it's ArtSound—

**MRS DUNNE:** Putting in plumbing and that sort of thing.

**Ms Hillson:** Yes—or another organisation, it needs to be done.

**MRS DUNNE:** Yes, okay. So it's general refurbishment. Has anyone moved in? There was some talk about Megalo.

**Ms Hillson:** PhotoAccess.

**MRS DUNNE:** PhotoAccess, sorry, yes. They have moved in?

**Ms Hillson:** And very successfully so.

**MRS DUNNE:** They've moved into which building?

**Ms Hillson:** I forget the number. It's the middle building.

**MRS DUNNE:** The middle one. The one with the large auditorium space?

**Ms Hillson:** Yes.

**MRS DUNNE:** Okay. How long have they been there?

**Mr Wood:** Nearly a year.

**Ms Hillson:** About 12 months, and they're doing very well there.

**MRS CROSS:** Would you table a breakdown of the costs that I referred to earlier, detailing where that \$6.7 million is going? Would you just let the committee know the breakdown of the projects and initiatives that are getting that money?

**Ms Hillson:** Just for clarification, is this a broad breakdown of the cost of both of those?

**MRS CROSS:** On page 198, BP4, under cost. Yes, and also advise the committee what's happening with the Link.

**Ms Elvin:** I can talk about the Link. How long have you got?

**THE CHAIR:** How long would you like, Ms Elvin? You've got about fifteen seconds.

**Ms Elvin:** We have design approval from the National Capital Authority, which is a major breakthrough, and we have \$300,000 in this budget to bring the project to tender readiness stage. That will involve completing all the preliminary sketch plans, final sketch plans, tender documentation and procurement processes so that we're ready to go out to tender, demolish the existing building and construct the new building in the 2004-05 financial year, or even sooner if we can.

**MRS CROSS:** So the time line, Ms Elvin—

**Mr Wood:** We won't be too precise about the time line, because there are significant funds there that I have yet to win.

**MRS CROSS:** Minister, I think I heard Ms Elvin say 2004 completion. Did you say that, Ms Elvin?

**Ms Elvin:** No.

**Mr Wood:** Completion of the design plans.

**MRS CROSS:** That's not what I thought I heard.

**Ms Elvin:** No, what I'm saying is that we have money in this budget to complete all the works to tender readiness stage in the forthcoming financial year. Then we would hope to proceed to construction in the following financial year.

**MRS CROSS:** So we're not going to have it ready until the beginning of the next election campaign.

**Mr Wood:** It's a fairly long process after that.

**Ms Elvin:** It's a major process.

**Mr Wood:** But that also depends on budgets.

**MR STEFANIAK:** You mentioned, in relation to targets for visitors and patrons at the corporation's facilities, that next year you hope to get 332,000. Do you have figures for how many visitors and patrons you have had to date at those facilities this year?

**Ms Elvin:** Yes.

**MR STEFANIAK:** Could you provide those?

**Ms Elvin:** Do you want me to read them out now?

**MR STEFANIAK:** If you've got them, yes please.

**Ms Elvin:** As of 30 April, to the last full month, 313,825 visitors and patrons had visited our facilities.

**MR STEFANIAK:** Why are you only estimating, then, 332,000 for the next financial year? You've still got two months this year, so you're likely to exceed your next year's figure for this year.

**Ms Elvin:** I think setting targets is always tricky, and particularly in an area where you include the huge volatility of the performing arts. For example, the figure I just gave you included getting on for 15,000 people who came to Circus Oz. You can see you only have to have one or two major shows, and those can really influence the figures one way or another. So, while I'd hope that we will exceed that target, I guess there's a slight conservatism in our figures because of the volatility in the performing arts area. It's much more predictable for our other facilities.



**MR HARGREAVES:** This is for the minister or his officers—I'm not quite sure which. If I was to seek funding assistance to produce a piece of non-fiction literature on the history of Tuggeranong, would I apply for assistance through your part of the world or heritage, or both?

**MRS CROSS:** Ms Hillson has an answer.

**Ms Hillson:** It would depend on whether it was a piece of literary excellence or whether it was an historical manifesto.

**MR HARGREAVES:** I have a question from that, and I accept the point very, very readily: the problem, of course, is that you won't know that until it's done and the funding for it has been delivered. So to whom do we address the request?

**THE CHAIR:** Mr Hargreaves, are you contemplating writing your memoirs?

**MR HARGREAVES:** I said non-fiction, Mr Smyth.

**THE CHAIR:** So your memoirs will only be fiction? Order! The answer is?

**Ms Hillson:** I would suggest both the heritage grants and the arts grants.

**THE CHAIR:** A seven-second answer and question.

**MRS DUNNE:** Ms Elvin said, when we were talking about attendance at Cultural Facilities Corporation functions, that Circus Oz warped the figures. Has the futsal slab become part of the cultural facilities programs?

**Ms Elvin:** First of all, can I perhaps clarify that: I'm not saying that it warps the figures, I'm just demonstrating that there is this volatility in the performing arts sector. I'm not saying that particular one did that.

**MR STEFANIAK:** So the futsal slab is a great investment?

**THE CHAIR:** Order! Members.

**MRS DUNNE:** My question is: do you look after the futsal slab?

**Ms Elvin:** No, we don't, but on that particular occasion we did program that event.

**MRS DUNNE:** You did the box office, the ticketing and so forth.

**Ms Elvin:** We entrepreneured the whole event and we used that location.

**THE CHAIR:** Minister, thank you for the attendance of the staff from the arts section of your portfolio. Mr Gordon Davidson raises his hand tentatively.

**Mr Davidson:** Mr Chair, I've just received two additional pieces of information for the committee.

**THE CHAIR:** Mr Davidson, continue.

**Mr Davidson:** You asked if we could check whether any of our people had received written advice about how to answer questions. The answer is no-one has received written advice. The other piece of information you required was the name of the contact at Phillip, which was Geoff Driscoll. I understand arrangements have been made for Tony Gill to attend a meeting there next week.

**MRS CROSS:** Great, thank you.

**THE CHAIR:** Mr Davidson, can I say thank you. You're the first one to have actually taken that on notice and come back a week later to say that they've checked, so well done to the Department of Urban Services and thank you, Minister.

Minister, thank you now for coming back to speak on behalf of the budget appropriations for the Department of Disability, Housing and Community Services. We'll go to output class 1 on page 233. Members and Minister, Mrs Burke has asked that she might ask a question with indulgence as she has to leave early, so perhaps we'll just go to Mrs Burke and then we'll move to the committee's questions.

**MRS BURKE:** Thank you, Mr Chair. I'm actually going to jump forward a few pages, Minister, so forgive me. I'm looking at page 249, output class 1, housing services, public housing services and policy. I'm looking particularly at the section under cost, "Cost of property management", at targets, estimated outcome and 2003-04 targets. Minister, with no noticeable change to the staffing profile there seems to me to be an \$11 million increase on these figures for 49 more properties, under number of public housing properties managed.

**Mr Wood:** Yes.

**MRS BURKE:** Okay, if we go to quantity at the top of the page, then "Number of public housing properties managed", the estimated outcome for 2002-03 is 11,430. The targets for 2003-04 are 11,479. If we go down to cost at the bottom of the page, and "Cost of property management", the estimated outcome for 2002-03 was \$66,509,510. If we go over to 2003-04, it's \$77,628,834. Minister, what I'm saying to you is that it seems a huge increase—\$11 million for 49 more houses. Can you explain that?

**Mr Wood:** There's always an answer.

**Mr Hutchison:** The reason is primarily a change in accounting standards or the application of accounting standards, where funds that used to be capitalised are now being expensed. That's somewhere between \$7.5 million and \$8 million. There were higher salary costs due to the EBA, as you'd be aware and policy costs were included in ACT Housing that were accounted for separately previously.

**MRS BURKE:** It might have been helpful to have a note there. Do you understand that, for anybody looking at that, it would have been very helpful to have a note there. I've perhaps asked the obvious, but—

**Mr Hutchison:** We anticipated this question might draw your attention.

**MRS BURKE:** All right. Would you be able to give me a breakdown of how that actually works in a succinct manner, because I would find that very helpful?

**Mr Hutchison:** Yes I can. I'll just check the figures and I'll give it to you as we move on.

**MRS BURKE:** I actually have to leave early and I apologise for that today.

**Mr Hutchison:** All right.

**MRS BURKE:** I'm looking at the quality effectiveness section on BP4, page 235. At "Customer satisfaction with clinical services" and "Teacher satisfaction with consultation", you've got note 5. If we look down to note 5, it reads, "Measure discontinued and reworded to reflect the expanded nature of the services to be provided." Can you tell me what that is please? Again, this doesn't actually say what the item is and how it is changing.

**Ms Brown:** Can you repeat that question please, Mrs Burke?

**MRS BURKE:** I would like you to explain note 5 on page 235 of BP4. We're talking about customer satisfaction and teacher satisfaction. You've got a note 5 by those output measures which says, "Measure discontinued and reworded to reflect the expanded nature of the services to be provided." I'm just a little confused. What's happening there?

**Ms Brown:** Within the new department, what was previously CHADS and what were previously the multidisciplinary therapy teams and the disability program, have been combined to form one service for people with disabilities from birth to the end of life, effective on 1 July. So these new measures reflect the expansion of the service from covering birth to 12, to covering birth to the end of life.

**MRS BURKE:** Perhaps we could have an explanation, because that doesn't make it overly clear. It says "Measure discontinued".

**Ms Brown:** Yes, because the original measure was only measuring our satisfaction with schools up to the end of primary school.

**MRS BURKE:** So they're the new measures?

**Ms Brown:** They'll now include all schools that students with disabilities attend.

**Ms Lambert:** I think you will find that there has been a clerical error there or that that is a typo. It was not meant to be "attending ACT Government primary schools", it was meant to be ACT government schools. That's the change in the measure, because we will now be expanding that service. It was always there but it will be more into the high school years and college years.

**MRS BURKE:** All right. In BP4, on page 234, probably going backwards, against contract payments under timeliness, the targets for 2002-03 were 95 per cent, the estimated outcome was 100 per cent and then we dropped back down to 95 per cent. Is this not sustainable at 100 per cent and why?

**Ms Overton-Clarke:** The contracted payments time is 14 days and the measure for the 2003-04 target is the same as that for the target for 2002-03. In reality, we've actually come in better than that at 100 per cent.

**MRS BURKE:** So we can't keep getting better, we've got to go backwards?

**Ms Overton-Clarke:** We put in an estimate that we believe is achievable and then, if we achieve more than that, we're thoroughly thrilled. Because of issues that can come up, we put in a realistic timeframe so we will hope to achieve 100 per cent for 2003-04 too.

**MRS BURKE:** So you're doing 14 days or better?

**Ms Overton-Clarke:** Yes.

**MRS BURKE:** Thank you.

**MR HARGREAVES:** What a great job you're doing.

**THE CHAIR:** Members, moving to output class 1.1, the first question I have is always about the accounting on the number of hours and bed nights, whether it be centre-based or in-home, on respite care. On BP4, page 233, we seem to have underachieved on the centre-based bed nights. The explanation in note 8 is that it is because of the fires. I understand that but the target of 8,300 bed nights has gone down to 8,000: can we have an explanation of that? I know that we've covered some of this ground earlier.

**Ms Ford:** In relation to the hours, are we talking about centre respite?

**THE CHAIR:** Yes.

**Ms Ford:** We were targeted at 8,374. We had an estimated outcome of 7,725 and our 2003-2004 target is 8,000. Your question relates specifically to the output target for 2003-2004?

**THE CHAIR:** Yes.

**Ms Ford:** This output target represents the direction taken by the ACT in shifting the services from centre-based respite to more community-based respite services or in-home based respite services, which is entirely consistent with the direction we're taking. It is a more people-centred approach and it means that more services are being provided in the community and that more services are being provided in a normalised environment.

However, with less people accessing centre-based respite and more people accessing home-based respite care, we now have people using centre-based respite who have higher support needs. Therefore, we still need to provide the same resource to a smaller

group of people because we're having to provide for much higher support needs within that centre base.

**THE CHAIR:** So, in this category, you're delivering less because it's costing you more per individual?

**Ms Ford:** Yes, that would be a fair equation. Well, we are not delivering less because it's costing us more: we want to shift from more centre-based respite services to more normalised respite services in the home, which is what families say they would prefer. However, in doing that we have more people using centre-based respite that have higher support needs. Therefore, we are not reducing the resource allocation: we are now able to provide for people requiring a much higher level of care.

**THE CHAIR:** If that was the intention, why is the outcome for the coming year less than what you delivered this year? If your intention is to shift from centre-based to home-based care, by any significant number, why is the target for the coming year at 23,000 hours less than the 23,940 that you delivered? If you dropped one target by 314 bed nights, why hasn't it gone up by the appropriate number of hours, at least, over what you delivered in the 2002-03 years.

**Ms Ford:** Are you referring to the estimated 2002-2003 outcome?

**THE CHAIR:** Yes.

**Ms Ford:** That is entirely related to the additional services provided during the period of the bushfires, which are not sustainable. That was an extraordinary event and that's extraordinary expenditure.

**THE CHAIR:** Okay. I don't know what the measure is but, if you've converted bed nights into a number of hours, how many hours in a bed night? Ten.

**Ms Ford:** We haven't converted the bed nights to numbers of hours.

**THE CHAIR:** How do you go from 22,017 to 23,000 then, as a measure?

**Ms Ford:** Because we have a program that's been added in the 2003-2004 year, which is called the mature carers' program. That particular program offers a range of flexible supports and some of that flexible support is respite services.

**THE CHAIR:** How many hours is that mature persons' service providing in the year 2003-04?

**Ms Ford:** I would need to get you that figure.

**THE CHAIR:** Because, if that's a significant number, let's call it 1000 less 17, then you actually haven't transferred any centre-based bed nights into respite at home.

**Ms Ford:** No, we have not transferred any centre-based respite to home based. What we have done is intensify the level of service that we've provided. The additional service being provided through the mature carers is 2,300 additional hours.

**THE CHAIR:** If there's a program that has been expanded by 2,300 hours above what was provided last year, then the net number of hours of in-home care must have decreased by 1,300. You've reduced your service, based on those numbers. You've gone from 22,000 in effect in 2002-03 to 23,000 in 2003-04, but you've just said that there is a new program called mature carers which has been expanded to 2,300 hours. That's a net loss of 1,300 hours for those already involved in in-home care.

**Ms Lambert:** I think the point that Ms Ford made was, as I understand it, that it already existed and that it's being expanded. The 23,940, as Ms Ford explained, is caused by a blip and then the 23,000 is an increase on the target that we had in 2002-03. My understanding is that it is an expansion of an existing program.

**THE CHAIR:** Sorry, Ms Lambert, but the numbers don't add up. I'm ignoring the 23,940, taking into account the bushfire blip. We heard that there was a move from centre-based respite to in-home respite, which I then took to explain the expansion from 22,000 to 23,000, except we've just been told that there's no shift of resources. We're then told that the mature carers program has been expanded to 2,300 hours. How many hours was it in this year?

**Ms Ford:** The mature carers program was not in the 2002-2003 outputs, it's a new program that's been added to the 2003-2004 target.

**THE CHAIR:** That would indicate to me that there's a net loss of 1,300 hours of in-house respite care, which I think we were advised that groups like ACTCOSS were very concerned about.

**MRS DUNNE:** Minister, on Monday ACTCOSS and COTA were here and they spoke about the apparent loss of services to respite care. The explanations that we're getting here seem to confirm that there is a loss of services to respite care.

**Mr Wood:** We'll have a look through those numbers, and see if they can be put together in a way that you will understand.

**MRS DUNNE:** Do you understand that, Minister?

**Mr Wood:** I can see your maths there.

**MRS CROSS:** It's ACTCOSS' maths too.

**THE CHAIR:** Are you going to take that on notice?

**Mr Wood:** Yes, you raise a concern that takes my interest, so we'll have a close look and just see if we can establish that a bit more clearly.

**THE CHAIR:** Do you only get interested when you're concerned, Minister?

**Mr Wood:** When you're concerned. No, I won't hold to that.

**MRS DUNNE:** If we're going to have an analysis of these figures, could we have some analysis of the 1,900 odd extra hours that were provided over the period of the bushfires? That seems an extraordinary blip—1,900 out of 22,000 is quite substantial. It is about 8 per cent. What period was it over? I'd like an explanation of that, as well.

**Mr Wood:** All right. I'll come back to you on that as well.

**MRS DUNNE:** There were concerns raised by the community sector during the week. This was an issue of some concern. I would like, Mr Chair, with your indulgence, to go back to the issue of centre-based bed nights. Is it possible to come up with a figure that compares apples with apples, because you're talking about centre-based bed nights, and I want to know how long a bed night is compared to the number of hours in-home? We have no real way of quantifying how much respite care is being offered.

**Ms Lambert:** I agree that we need to do something about the way it's used. As I understand it, hours have traditionally been used to measure that. If you do provide services to people, sometimes they don't need it for an hour: sometimes they need it for two hours or they need it for a particular period of time during the day. So that's another reason that is measured in hours rather than days or whatever, because it's about enabling people to be as flexible as they can in the way they access services.

I still think we have to work on that, and look at the fact that people sometimes don't need a complete hour, either. That's an area that we're working on as part of the disability reforms.

**MRS DUNNE:** Okay, I don't have a concern with the hours. I think the hour figure is most informative, but it's the bed nights that concern me.

**THE CHAIR:** The original response was that we're transferring from centre-based to in-home care, and you lose three hundred nights even if you called a night of care from eight in the evening until six, although I assume it's probably more like seven until seven. Even if you make it ten hours a night, you've in effect transferred 3,000 hours of caring to in-home care, but we don't see an increase in the figures. That would actually make the gap not 1,300 but 4,300 hours of care that have gone missing. If you take it on notice, that would be fine.

**MRS CROSS:** I'm actually surprised that you need to take it on notice. This is an important matter.

**Ms Hayes:** Could I respond? I'm responsible for the service provision which includes the four respite centres. To explain a bed night: because bed nights actually occur in a house where there are three, four or five people staying overnight, there can't be a direct translation from a bed night to an hour because you're talking about a number of people who are sharing that centre overnight. There is not a direct translation.

Similarly, if you are looking at a reduction in bed nights, you still require almost the identical staffing in a house for a lower number of people who may be staying in the house, so you are not really freeing up many hours for flexible respite delivery.

**THE CHAIR:** How many houses would we provide these services at?

**Ms Hayes:** There are four respite houses that Disability ACT services are responsible for and then there are a couple of beds in other non-government services.

**THE CHAIR:** Okay. Let's talk about the houses you're responsible for. Each of the houses has how many beds in it?

**Ms Hayes:** They vary: approximately six, but we don't always fill every bed because we need to make sure that the people who are staying in a house at any time are compatible with each other. Also, where we have people who do have very high supports needs, for example, if we have four people in the house who all require assistance with feeding, then it can take up to two hours for a meal time, to assist everyone with feeding. You can't actually string that out any longer than that. That's why that reduction in bed nights, when you have a higher ratio of people with higher needs, can actually mean fewer people staying in the house at any one time.

**THE CHAIR:** I understand that. What sort of occupancy rate do you have? Is it 90 per cent, 80 per cent?

**Ms Hayes:** It does vary from week to week but, over the year, it's around 90 per cent. It's fairly high and when they're not fully occupied, as I say, it's usually for reasons of compatibility or care need.

**THE CHAIR:** Okay, that's fine. Thank you.

**MRS CROSS:** Two things. First, at page 233, under quality effectiveness: this has been a theme that I've carried through estimates. I'd like to congratulate the minister again for not only targeting 100 per cent for service providers implementing the national disability service standards, the outcome being 100 per cent for 2002-2003, and then targeting 100 per cent for 2003-04. Well done, Minister.

However, about the figures under timeliness, why do we only have 95 per cent there for "Contract payments disbursed within contracted timeframes"?

**Mr Wood:** I can't answer that. It seems a pretty high measure.

**MRS CROSS:** Now. Don't disappoint me, Minister, because you are the only minister who has achieved a perfect score.

**Mr Wood:** It is a very high measure just the same.

**Ms Lambert:** We do allow some flexibility with contracts, because there is always an issue with perhaps helping some services who are not as large as others to meet contract time lines, so we generally leave ourselves a margin of about 5 per cent.

**MRS CROSS:** Thank you for that. The reason I find the quality effectiveness targets and outcomes impressive is that we're dealing with a very vulnerable and sensitive industry and I think that, if you're achieving 100 per cent in those areas, that's to be commended. The next part of my question relates to the number of service visits conducted by contract managers. It says, at note 5, "New Measure". Because I am a new person in this



Assembly, who has only been at estimates once, that doesn't tell me anything. Could you explain the new measure?

**Ms Lambert:** Yes. What we are endeavouring to do, across the department, is have some consistency and have a measure which tries to measure how we are actually managing the relationship with our contractors, because a lot of contract management is about relationship management. That measure is actually about the number of times we formally interact with the people with whom we have a funding arrangement or a funding relationship. You would appreciate that there are a lot more phone calls and so on, but that's the point of having that measure.

As I understand it, those measures are ones we've tried to include across the department.

**MRS CROSS:** Okay, so this is a new measure that has now been introduced, which is why you've got nothing under 2002-2003.

**Ms Lambert:** That's right, yes.

**MRS CROSS:** You've got 55 so are you claiming 55 visits?

**Ms Lambert:** Formal visits.

**MRS CROSS:** Formal visits. How do you know that it's going to be 55?

**Ms Ford:** Can I respond to that?

**MRS CROSS:** Yes.

**Ms Ford:** For contracts where the funding is over 100,000, we would anticipate the contract manager visiting those services twice a year.

**MRS CROSS:** Sorry—100,000 what?

**Ms Ford:** \$100,000.

**MRS CROSS:** Thank you.

**Ms Ford:** We would anticipate the contract manager visiting those services formally, in relation to their contracts, twice a year. For those services that are funded for under \$100,000, we would anticipate them being formally visited once a year. That does not include any other consultation, formal visit or contacts over the year that we would have with those non-government organisation providers. These are simply visits that are set up as contract visits, to look at the contracts.

**MRS CROSS:** So for the purposes of the committee and Hansard, how many contracts do you have under \$100,000 and how many over \$100,000.

**Ms Ford:** We have 19 over \$100,000 and 17 under \$100,000.

**MRS CROSS:** Okay, great. Thank you very much.

**MR CORNWELL:** First of all, can you give me a rough estimate of the number of housing trust tenants who are paying the full market rate?

**THE CHAIR:** Hang on, we're not actually on housing. This is the disability section.

**MR CORNWELL:** We're still on 1.1?

**THE CHAIR:** Yes.

**MRS BURKE:** I jumped the queue because I have to go.

**Mr Wood:** That gives us time to work it out now, doesn't it.

**THE CHAIR:** Forewarned is forearmed.

**MR CORNWELL:** The second question is: will they be paying the full fire levy?

**Mr Wood:** I've got the answer.

**THE CHAIR:** Let's move to output 1.2.

**MRS CROSS:** Again, my questions are on my theme: disappointing on this one, Minister.

**Mr Wood:** Only 80, 90 and 95.

**MRS CROSS:** For Hansard's purposes and for those listening in, we're discussing quality effectiveness. "Funded organisations' satisfaction with government contract administration (as measured by annual survey)", "Tenant satisfaction with management of community facilities (as measured by annual survey)": these are disappointments. This is probably one your lowest and I'm disappointed with this one because the target for 2002-03 was 80 per cent, funnily enough the outcome was 80 per cent, and the target is 80 per cent again. We have no ambitious people running this one. What's the story?

**Mr Wood:** Not at all, they're highly ambitious. The brackets tell us it is measured by an annual survey, so that suggests to me that it's not entirely our estimation of it, but that the results come from surveys.

**MRS CROSS:** I did see that, Minister. In fact, it's very interesting because, having taken part in surveys and having helped put surveys together, I have never seen consistent surveys turn out the same figure, year in and year out. There is always some slight variation. Would you be able to table the surveys, or at least the formula behind that survey, in this committee?

**Mr Wood:** I suppose there is something somewhere.

**MRS CROSS:** I do find the fact that the figures are exactly the same, one year to the other, interesting.

The second part of my question, again, on one of my favourite topics, is about timeliness. "Payments made by the department within 28 days of receipt of account from agencies administering concessions or benefits" then "Contract payments disbursed within contracted timeframes": you were almost perfect here, but not quite—90 per cent for 2002-2003. Again, we have 90 per cent all the way across. What's the story there? Why is it that we can't pay our bills on time? Did someone just pick that figure out of the air and decide that that looks good on the page?

**Mr Wood:** I can say what I said before: these performance measures have been laboured over many years and questioned over many years, and have been refined, I might say, to a pretty reasonable level. That's the background of it.

**MRS CROSS:** That's a nice public service answer and not satisfactory.

**Mr Wood:** It is the case. You get an account from an agency, someone checks it and checks that it's an accurate representation. I should think that some proportion of those accounts have to go back for questioning or further detail, and I am reasonably confident that that is the sort of reason for that percentage.

**MRS CROSS:** Minister, knowing you and only you, as a minister, can reach perfection, because you are the only one—

**Mr Wood:** I don't make that claim.

**MRS CROSS:** I'm looking at the figures. You are the only one—and I've complimented you on this—who has reached 100 per cent and has accepted the credit for that. Why is it, on the following line, our target for contract payments disbursed within contracted timeframes is 95 per cent? The outcome was 100 per cent—fantastic—but then we go back to a target of 95. Why don't we want to maintain that perfection?

**Dr Adrian:** I'll have a crack at answering it. Ideally, it would be 100 per cent, and it may well turn out that at the end of 2003-04 it will be 100 per cent and we'd be delighted if it was. However, there are always two parties to a contract and in these contracts there can be issues about the information that's been provided or whether one of the organisations has put in a bill for services.

I know of a number of cases, unfortunately, in which community organisations might not put in the bill until after a due date, we might have to chase them for further information, and there might be some checking about whether, in the previous quarter, they'd actually delivered the service that they said they were going to. There is obviously an exchange of information between the two parties. It is therefore difficult to be perfect and achieve 100 per cent where both are reliant on some information flows that might involve phone calls and so on, hence a little bit of caution in setting it at 95 per cent, rather than 100 per cent.

**MRS CROSS:** Dr Adrian, thank you for that. Dr Adrian, this is good education for me, as a new member here. What you're saying to me is that the onus is on those outside the department with whom you are having to deal, and that the perfection could be maintained from within if you didn't have to deal with outside sources.

**Dr Adrian:** No, Mrs Cross. I wouldn't have said that at all. There are two parties to the contract; we have obligations as do the other parties. There can be some situations where some information is not available or a bill has not been put in. I'm not suggesting that the onus is totally on the community groups: it's not, it's on us as well. I've certainly seen situations where an agency was at fault for not getting a payment to a community organisation on time. That can occur.

**MRS CROSS:** Okay, I thank you for that. Regarding quality and effectiveness, could I perhaps suggest that, given that this minister is probably the one who aspires the most to achieving perfection, you look at improving forward thinking and forward targets on quality and effectiveness in this area because 80 per cent, frankly, isn't good enough. That's just a suggestion.

**Ms Overton-Clarke:** Can I just add something to that? There is a difficulty in relation to a perceived power imbalance and the relationship that we have in doing these sorts of surveys. I guess we are always aware that community organisations are in the position where, while we have a very good relationship with them, it's difficult for them on occasion to talk about any deficiencies that we might have. We realise it's quite a difficult task for them to talk freely and frankly to us about our deficiencies.

While it's very important for us to get the feedback from those organisations, it's always a difficult relationship.

**MRS CROSS:** I understand that, but what sticks out like a sore thumb to someone new and less knowledgeable than the experts is seeing three identical percentages across the line. That makes me want to ask why.

**THE CHAIR:** So is that a tip for next year, to vary the percentages?

**MRS CROSS:** It depends on how you do it, because we may ask you how you did it and why. That's why it stands out.

**Dr Adrian:** We would show you the surveys and the outcomes of the surveys.

**Ms Lambert:** As I said the other day, we've done quite a lot of work on the actual measures themselves so we're very open to feedback about the measures and so on. We can certainly take that on board.

**MRS CROSS:** Thanks.

**THE CHAIR:** Minister, under quantity, "Supported Accommodation Assistance Programs" and "number of service contracts/agreements administered", the figure is moving from 28 to 33. What additional services are being provided, or is it just more providers having a smaller share of the same services?

**Ms Overton-Clark:** No, that reflects the \$13.3 million that we received in this year's budget over the forward years. That was specifically in the SAAP area. I think I was explaining last week that, while some of that money is specifically targeted at the priority groups of crisis accommodation for families and single men, the other component of that is about outreach and support, and hasn't yet been defined.

If you like, that's a bit of a guesstimate about the likely number of contracts that will result from \$13.3 million. That's our anticipation and all of that money will be going out to tender.

**THE CHAIR:** If it hasn't been defined, how do you know what sort of money to bid for?

**Ms Overton-Clarke:** What happens is that we put in very strong priorities, and we were clear, in bidding for that money, about what we needed. However, of course, because of the development of the homelessness strategy and because of the role of the homelessness advisory group, it's very important for us to go back and talk to the whole sector about how we should allocate that money.

**Ms Lambert:** But we do expect that there will be an increase in service contracts as a result.

**THE CHAIR:** What form will that increase take? Just an additional number of providers, or a different number of contracts.

**Ms Overton-Clarke:** It could be the same providers, those who are already in the field, with additional services, and therefore we would try to incorporate them, where we could, into the existing contract arrangement that they have. They could be totally new providers.

**THE CHAIR:** Okay. The total cost is now estimated to be a couple of hundred thousand dollars less than was targeted for. Is there any particular reason for that being a bit lower, because your total estimated cost has gone down by \$200,000 and your total government payments for outputs have gone up by \$33,000?

**Ms Overton-Clarke:** This is the estimated outcome for this year? The cost has dropped slightly. That's due to the value of the concessions not having been taken up as much as was targeted for this year.

**MRS DUNNE:** Sorry, would you explain that?

**Ms Overton-Clarke:** Yes, if you look at the 2002-03 figure for concessions, it's \$21,328,000 and the estimated outcome is 20,897,000.

**MRS DUNNE:** Sorry, what are the concessions? I can read the figures. What are the concessions that haven't been taken up?

**Ms Overton-Clarke:** It's a small fluctuation and really depends on the demand uptake of concessions on rates, optometry, spectacles, ACTION bus discounts—it's a range of about six or seven concessions, the large ones.

**MRS DUNNE:** Does that mean that you are perhaps not getting the message out to people that they are eligible for these things?

**Ms Overton-Clarke:** No, I don't think so. Because it's such a small fluctuation, it's really more about the natural ebb and flow—one year it will be up slightly, one year it will be down. The anticipated rise for next year is the result of the introduction of full retail contestability from 1 July.

**THE CHAIR:** Okay. The previous government started a review of concessions. Are you helping to work on that project?

**Ms Overton-Clarke:** Yes, we've been working very closely with the Chief Minister's Department and Treasury in the development of that paper.

**THE CHAIR:** Who's the lead agency there?

**Ms Overton-Clarke:** The Chief Minister's Department.

**THE CHAIR:** What sort of input are you having to that review?

**Ms Overton-Clarke:** They've been visiting each area that administers concessions to work out the exact role of each area and, because ours is a large administering agency, they've been working with us more than most. We are directly involved in the processing of all the spectacle concessions, and then we are a payment agency for a lot of the other large ones. We've been involved with Chief Minister's in determining the future role of government and how that will work. Certainly, Treasury has been involved in determining the principles of the concessions and where they might head in the future.

**MRS DUNNE:** I do have a question. It may have been that I was remiss and didn't ask this last week, and I crave the committee's and the minister's indulgence on this. Who is the lead agency for the review of the complaints mechanism?

**Ms Lambert:** There's no lead agency as such. There's a steering committee that has on it the chief executives—myself and the chief executives of the departments of Justice and Community Safety and Health. So there is a steering committee of three and I have just recently taken over as the chair of that committee.

**MRS DUNNE:** As you're the chair of that steering group, you are probably a good person to whom to direct the questions. Where are you in the process?

**Ms Lambert:** The consultants have been selected.

**MRS DUNNE:** There's been a request for tender.

**Ms Lambert:** Yes. It was an open tender. The consultants have been selected, so we've been through that process of notifying them, and of notifying the unsuccessful people. We're just about to embark on briefing the people who will be involved with the consultants at the end of this week, so the consultants can introduce themselves. So we've embarked on that process. It's starting with a vengeance, I think can say right now.

**MRS DUNNE:** There was some discussion in the media recently about this, as to whether or not user groups should be involved in the steering committee. The view was that there was a conflict of interest with user groups being involved in the steering committee. Can you explain that, and can you explain whether or not, without any disrespect, heads of agency such as yourself or the head of Health, also have a conflict of interest?

**Ms Lambert:** The issue around the policy of this is really a matter for the Chief Minister who was the lead minister in this. It is not Minister Wood who was the lead Minister, it is the Chief Minister.

**MRS DUNNE:** So there's no lead agency, but there's a lead minister?

**Ms Lambert:** Perhaps I misused a word. He is the minister who is taking responsibility for this review and the steering committee, chaired by me, works to the Chief Minister on this matter. So the policy directions, if you like, on that decision were announced by the Chief Minister. Can I perhaps talk about this department's involvement? I think we are probably the only one of the three agencies at the moment that doesn't have an actual statutory officer and, as well, we are one of the agencies that has a very keen interest in moving to an outcome that gives us a disabilities services commissioner.

If you'll recall, this whole thing is part of an outcome of the government's response to the Gallop report, and then to Mick Reid's report. We do intend to involve the community as much as we can in this process and, indeed, they are part of the group that we are talking to at the moment about that.

**MRS DUNNE:** So there is no involvement of the disability advisory group or other user representatives?

**Ms Lambert:** The Disability Advisory Council will certainly be consulted as part of the process that the consultants will go through. The consultation will be broad ranging. At the moment, we are looking at mechanisms to enable the input of the community, because we are very much aware of the "disadvantages", if I can use that term, that some people face in capacity and size to get involved in a review such as this.

To guide the consultants, we will want as broad a consultation as possible. Certainly, not just the Disability Advisory Council, but one of the working groups that's been set up as an outcome of the DRG process last year has a legislative reform agenda and it will be closely involved with the process as well.

**MRS DUNNE:** That is the policy we might raise with the Chief Minister at some stage.

**THE CHAIR:** Community development services are important. Just as a general question across the portfolio, is the department working on how we deal with our ageing population and the services that are provided specifically through this portfolio?

**Ms Lambert:** Health, as you would know, generally has primary responsibility for ageing, but we are aware of it in the way that it cuts across things such as homelessness, ageing people with disabilities and the aged parents of people who have disabilities. So we do have it as a priority interest as we look at the breadth of our programs. I suppose

there are two agencies responsible: for health needs, of course, it's health and, for the Office for Ageing, the policy responsibility is with Chief Minister's.

We are very actively interested in the needs of the ageing. It affects our public housing tenants: we mentioned the boarding house for older women in Chapman last week. It is a key interest group, as are youth actually at the other end of the spectrum. That is another area on which we need to have a strong focus, particularly in the area of disability. That's where the multidisciplinary team combination with CHADS will help us too.

**Ms Overton-Clarke:** Can I just clarify a point about the survey? We will table the survey. Regarding the reason why it's three straight 80s across the line, that's the estimated outcome for the end of this year, of course. We haven't yet conducted the survey, because it's for 2002-03, and the actual result will appear in the annual report. The reason it looks like it's three straight 80s is because that's our expected outcome that goes with the target.

**MRS CROSS:** Why is that the expected outcome if you haven't done it and you don't know what you're going to get back? How did you pick 80?

**Ms Overton-Clarke:** That was the result from last year and—

**MRS CROSS:** The one before? Okay.

**Ms Lambert:** We'll provide the survey.

**MRS CROSS:** Thanks very much, Ms Lambert and Ms Clarke. And thank you for all good work that you departmental people do, for the record.

**THE CHAIR:** Right, are there any questions on therapy services?

**MRS CROSS:** Thank you again for your patience with this new member. I don't have the wisdom and the experience of others in this room. On page 235, under quality and effectiveness, I know that this is a new measure—"Client satisfaction with therapy services as mentioned by annual survey". Note 2 says, "New Measure". When I look across to the target of 2003-2004, it says 85 per cent. I'm dying to know how you picked that one.

**Ms Brown:** If I might answer? Number 2 is a new measure replacing the third one down, "Customer satisfaction with clinical services as measured by annual survey". In the past, we've had 85 per cent in CHADS, which was servicing children from birth to 12, and we've always exceeded that target. Regarding the combination of the two therapy programs into one, there is a fair degree of angst in the community, I think, about how that's going to work. I am not really sure, in terms of outcomes for the first of the years that we are together—

**MRS CROSS:** So you're just being conservative, okay.



**Ms Brown:** —how people are going to perceive our service delivery as we put a new service into place and build it up. We were just being a little conservative about the expectations of the community.

**MRS CROSS:** Then I go to teacher satisfaction. I know note 7 explains but I couldn't resist this one: 80 per cent is the 2002-03 target. The outcome is 72 per cent and note 7 says that "The below target estimated outcome reflects a combination of a relatively low response rate...". I'd like to know how many responses you got to that survey.

"A small number of responses that recorded very low satisfaction rates skewing the overall positive result": if you've had a low satisfaction rate, I don't think that it really matters how many you've had back, unless you've only had three and then I suppose we can discount them a bit, if they skew the overall positive result. How do you determine that the overall result is positive?

**Ms Brown:** We put out 68 surveys last year and we had 25 forms returned. Of those 25 forms, only 18 responded that they were satisfied with CHADS services, so 18 out of 25 gave a 72 per cent outcome.

**MRS CROSS:** I find note 7 contradictory because it says that the reason that the survey result is low is the low response rate, which skews the overall positive result. Where is your overall positive result? Just show me where it is.

**Ms Brown:** What I mean by the positive result is the 72 per cent versus the 80 per cent: 80 per cent was our target.

**Ms Lambert:** It's one of the areas, Mrs Cross, that we're having a good look at to see if we can do more to get a better outcome from the survey results. Ms Brown might like to take you through some of the measures that she's using and that will be used, other than a survey, to get some better outcomes and to get more feedback from the teaching service in particular.

**Ms Brown:** One of the things that I'm doing over the next two months is meeting with all of the various school principals' groups—primary school principals, special school principals and high school principals—about implementing the new therapy service, which is a much broader service than it was in the past with regard to meeting the needs of students with disabilities.

I'm going to be talking to them and consulting with them about the changes and what they will mean for students in schools. Part of what I'll be looking at with them is how they want to provide feedback on our services to students in the schools and also to teachers in continuing education programs, and on the inservicing we do for them in schools. I'll be putting a lot of work into discussing that.

**MRS CROSS:** Good luck with that. Ms Brown, lastly, under timeliness—because timeliness is my middle name during estimates—and "New referrals actioned within 5 working days", 92 per cent was the target for 2002-2003, 96 per cent was the outcome and yet the target is 92 again. This is disappointing, Mr Perfection Minister. This is not good. Can I ask why you have gone back to 92 and whether there were extenuating circumstances that gave you a higher outcome than the target?

**Ms Brown:** Again, in the CHADS component of the service, which was birth to 12, we have a computer system that allows us to collect that data and put in targets, when we get new referrals. It is fairly sophisticated and very streamlined now. The multidisciplinary team does not have the same capacity in the information systems that they have been using. So, as we roll everybody onto the same computer system, I expect there may be glitches, in the first six months as we bed down the new service, in getting accurate figures from that part of the new service.

**MRS CROSS:** When you look at average cost per occasion of service for Child Health and Development Services, it says here that the cost is 187 for 2002-03, then the outcome is 156 but, when you look at the note, it says here that “the increase is due to enhanced staff effort to reduce waiting lists and improvements in data collection systems”.

**Ms Brown:** We have done a lot of work over the past year or two in trying to streamline our services and to service more people than we have in the past with the same level of staffing resources.

**MRS CROSS:** More for less.

**Ms Brown:** More for the same.

**THE CHAIR:** Can I just chip in there? Is note 4 appropriate there, or are you referring to note 4 up on the third line, under quantity. Was it actually intended to be there?

**MRS CROSS:** Because it’s ambiguous.

**THE CHAIR:** It makes sense in the context of number of occasions of service provided annually, which has gone from 24,500 to 26,500. Then you read note 4, which says the “increase is due to enhanced staff effort to reduce waiting lists and improvements in data collection systems”. So one good outcome, fabulous work on behalf of the staff, and congratulations but, if you read it then against average cost per occasion of child health and development service, I’m not sure your footnote four is actually relevant.

**MRS CROSS:** It doesn’t match up.

**Ms Brown:** I think it is wrong.

**THE CHAIR:** Yes, that’s what I thought.

**MR HARGREAVES:** It talks about increased service and decreased costs, does it? So it talks about both?

**MRS CROSS:** It’s ambiguous.

**Ms Brown:** The higher the number of occasions, the less the cost per occasion.

**THE CHAIR:** Should there have been a footnote on the average cost per occasion of service, explaining why it’s gone down?

**Ms Brown:** Yes, I think there should have been.

**THE CHAIR:** What might it have said?

**Ms Brown:** One that was more accurate than what is there currently.

**THE CHAIR:** Yes. What might that footnote have said, by way of explanation? If you're doing it for less and you're achieving more, fabulous; it will be the only example in the entire budget.

**Mr Hubbard:** That is the actual explanation as to why it's gone down from 187 to 156. It's the same thing: there were more occasions of service spread over the same cost base. That's the reason it's gone down.

**MRS CROSS:** And let Hansard show that Mrs Cross picked up an interesting discrepancy.

**THE CHAIR:** Note 7 does worry me in two regards, though. The first regard is that the way it's written is almost dismissive of the small number of responses that recorded very low satisfaction rates, skewing the overall positive result. If you had an overall positive result and it's actually been pulled down that badly, how many responses did you have to the survey?

**Dr Adrian:** 25.

**Ms Overton-Clarke:** We had 25. We distributed 68 and had 25 responses, 18 of which were positive.

**THE CHAIR:** Okay.

**Ms Lambert:** That's why I went through that process before, and Ms Brown explained why we are actually looking at very different ways to measure teacher satisfaction.

**THE CHAIR:** Somebody cynically asks whether you are considering giving out scratchies to encourage the return of surveys.

**Ms Lambert:** Sorry, but my resource base won't allow that.

**THE CHAIR:** How small was the number of responses that recorded very low satisfaction rates? Of the 25, how many recorded very low satisfaction?

**Ms Brown:** Of the 25, 18 responded that they were satisfied and, of the seven that were not satisfied, one didn't put down any satisfaction rating, so there were six that said that they were dissatisfied with us as a service.

**THE CHAIR:** Okay. If you discount the one that didn't, six over 25 is 24 per cent.

**Ms Brown:** Yes, but you're measuring satisfaction, so you take the 18 over the 25 to give you the 72 per cent.

**THE CHAIR:** A measurement of satisfaction can also be a measurement of dissatisfaction.

**Ms Brown:** Oh yes, it can.

**THE CHAIR:** I'm worried that it almost sounds as though it's being glossed over—"Only a quarter were unhappy, so therefore they're an aberration which has thrown out the statistic." A quarter is a significant number.

**Ms Brown:** I agree that it's a significant number. Measuring the satisfaction of teachers with CHADS is a very difficult exercise, because there is a view that possibly we're providing services to the schools and not to the students. It's very difficult to work through that process with teaching staff.

**THE CHAIR:** You might like to answer this at the same time. When the department was set up, there was some consideration about where CHADS might actually end up: should it be in education or should it remain with disability. Is part of the dissatisfaction because of its location, that it's not actually a service provided by the education department?

**Ms Brown:** No, because at the time the satisfaction rating was done we were still part of the department of education. No, we weren't but it measured the school year. We do this one on a school year, so we always do the satisfaction survey in November/December because children attend school on the calendar year, whereas we report to government on a financial year. There's a little bit of a mismatch there. We always do ask at the end of the calendar year how teaching staff perceive that service because we've been servicing the children in the schools throughout a calendar year.

**MRS CROSS:** Did the 68 surveys go to teachers?

**Ms Brown:** They were mailed to the principals of the schools in which we provided services to the students.

**MRS CROSS:** Okay. Have you sent out surveys to these same schools in the past?

**Ms Brown:** It varies from year to year, depending on which schools we are spending a lot of time in. In every school where we saw students, we sent a survey to the principal to either distribute to the staff or to fill out herself. The custom is that we send the correspondence through the principal.

**MRS CROSS:** And the average response rate from previous surveys is the same?

**Ms Brown:** This is the second year that we've had this measure. In the previous year the response rate was 36 per cent and this year it was 36 per cent.

**MRS CROSS:** Okay. Can I ask you, given that you're the expert in this area, would you put down the lack of response to people just being busy and not having time to respond?

**Ms Brown:** Some of it's that. Sometimes, when you send a survey to a school, you often see different students in different classes. You would prefer each teacher or each school counsellor who's been involved with CHADS staff to respond to the survey, but what actually happens is that the principal sits down with a group and they do a group response. In a way, that's a little disappointing for us because we'd like to get a broader response rate but, by custom, we have to send the surveys out through the principals.

**MRS CROSS:** To whom do the principals have to give the survey for its completion?

**Ms Brown:** The teachers or school counsellors. Whoever we've been involved with in that school.

**MRS CROSS:** Okay, so the onus is on the principal to ensure that the teacher has it. My experience with surveys is that, for every positive response you get back, there's a 10 per cent positive response you'd get if people bothered to fill out a survey. And for every negative you get back, it's about the same. Can I ask what provisions you might put in place to seek a higher level of participation in surveys in the future?

**Ms Brown:** The first thing that I'm doing is—

**MRS CROSS:** Like penalising principals.

**Ms Brown:** I don't think that would be very successful somehow. The first thing I'm doing is, through the consultations over implementation of the new therapy service, I'll be discussing with them how we can get a better response rate or how they would like to give feedback into our services. An annual survey may not be the most effective way and it's obvious that we need to do some other things to get a really good feedback mechanism in place.

I will be discussing it at quite some length with them, and with the Director of Schools, Craig Curry, who's responsible for the north side as well as the special education area of the school system. I think it is important that we do get a better response rate because we can't actually improve our services if we don't get the survey responses.

**MRS CROSS:** No, exactly.

**Ms Lambert:** Certainly, given my background in education, I will be supporting that. I've already met with the special schools principals about some of these matters. I certainly will be supporting Ms Brown as she moves out and does that because it's quite critical that we get the feedback.

In response to an earlier question about where the service sits, this service was always going to come to this department. The issue was whether it would sit under disability or not and you can see from my organisational chart that it will not. What we're doing is building a body of professionals—these people are highly skilled—in Therapy ACT and having that critical mass of professionals to work in the most efficient way that we can. We are very comfortable that CHADS is appropriately placed and we are actually being able to build and strengthen that body of expertise with more.

**MRS CROSS:** Thank you, Ms Lambert.

**MRS DUNNE:** I have some questions about the time it actually takes to receive a service. You have new referrals being actioned within five days, but that's not actually receiving the service, that's somebody ringing you up to say they've got the referral. I want to talk about autism. Are you responsible for that?

**Ms Brown:** Therapy services and the assessment program? Yes, I am.

**MRS DUNNE:** What's the current waiting time for an assessment?

**Ms Brown:** The current waiting time is between nine and 11 months.

**MRS DUNNE:** What are the variables?

**Ms Brown:** I only have one full-time staff member who performs these assessments at the moment and autism assessments take a long time to do because of the very nature of the condition. It can take anywhere from a total of six hours of observation and testing up to several days sometimes, depending on the complexity of the condition and any other co-morbidities that might be present.

It takes a long time and my psychologist, who's skilled in this area and is doing these assessments, has at any one time between six and 10 children going through an assessment.

**MRS DUNNE:** So she's churning—sorry, that's the wrong term but—

**Ms Brown:** Yes. Sometimes some will take a couple of weeks to do, some of them take three months to do and for others we will even say, "We're not really sure. We'd like to observe you again in six months and see where we are at that point in time." An autism diagnosis is a very significant diagnosis and to do it incorrectly, to diagnose it when it's not autism, is as terrible for the family as getting a diagnosis of autism. You understand that it's quite a significant thing to deal with as a family.

**MRS DUNNE:** You've got one full-time person doing it. Was there at one stage discussion about contracting some of these out to private psychologists?

**Ms Brown:** We did attempt to do that. There are two private psychologists in town who are currently doing autism diagnosis assessments. They are fully booked themselves. I have managed to get one of those to do two assessments for me in 12 months, at a fee-for-service rate. So I've had two children assessed under contract to private therapists. Their time is booked up doing their private assessments.

**THE CHAIR:** Minister, given that level of need, are there moves afoot to increase the number of in-house specialists who do this?

**Mr Wood:** It's a significant problem we really do have to overcome.

**Ms Brown:** I have three or four other psychologists on staff and in August, I think, we have some specialists from Monash University coming up to do a two-day training program with them. It's part of a two-stage training program to improve skills in

assessment. The next we'll do the following year because they're booked up so far ahead. We won't be able to get the next three days' worth of training until, say, the first quarter of 2004. We're making every effort to train the other psychologists that we have to do some of these assessments.

As you can appreciate, because of the nature of this condition, we need somebody who has a lot of skills and a lot of experience in this area to be able to perform these assessments adequately.

**MRS DUNNE:** Do you have any feel for the number of people who are going interstate to get those assessments? I hear anecdotal reports of people who go interstate to have these assessments done.

**Ms Brown:** I think, since we took over the service on 1 March 2002, we've had a figure of between 85 and 100 on the waiting list, depending on what has happened. Of those, 65 children have completed assessments, five children moved interstate and 12 children have been assessed by private psychologists in that period of time, between then and the end of—

**MRS DUNNE:** But only three of them have been done locally, so the other nine must have gone interstate?

**Ms Brown:** No, five children have moved interstate. Twelve children have accessed private psychologists but the parents did that. It was not CHADS contracting the private psychologist to do assessments.

**MRS DUNNE:** So they may have done that—

**Ms Brown:** Privately.

**MRS DUNNE:** But they may have done it through a local psychologist or—

**Ms Brown:** They've done it locally.

**MRS DUNNE:** I have heard stories of people going to Sydney to have this assessment done. They do go to Sydney?

**Ms Brown:** Yes.

**MRS DUNNE:** Correct me if I'm wrong: you had 85 on the waiting list in March 2002?

**Ms Brown:** No, in August of 2002 we had 85 on the waiting list.

**MRS DUNNE:** And how many children on the waiting list now?

**Ms Brown:** I think there are about 75 now. It fluctuates because, as you take some off and do them, other people come on. It's a little bit of a moveable feast, but we have about 75 on the waiting list at this point in time.

**MRS DUNNE:** The minister said he understands it's a serious problem, but two days' training this year and three days' training next year is not addressing the issues of the 75 people who currently need the program.

**Mr Wood:** Not dealing with it in the way we would like to deal with it, that's right.

**MRS DUNNE:** So what else are you doing?

**Ms Lambert:** One of the problems is that it is a national issue, it's not just a local issue. Ms Brown does work with the universities to work with students, when they're going through their training, to see if they can have work placements here. At one stage, when I addressed the team, there were a number of students there. So it's really a matter of just chipping away at a range of measures that are about recruitment, but also about training our current staff and trying to access the people who train them. We're doing the best that we can but it's not just a local issue, this one. It's actually a national issue.

**Mr Wood:** If we could find one, two or three people and employ them, we would.

**MRS CROSS:** Have you got a budget for it?

**Mr Wood:** We would fit it in. It would be fitted in, but you've got to find the people.

**MRS DUNNE:** Have you actually run a recruitment exercise?

**Ms Brown:** Yes, we have. When we first took over the service in March of 2002, we were not funded to do that. I did a national advertising campaign and I was not able to get anyone to come on board until mid-August. In the 2002-2003 budget, I was given additional funding to help support these services. I advertised nationally for psychologists and social workers to help. I could not recruit anybody until 14 April this year when the second one came on board. I have advertised nationally for social workers three times in the last 12 months and only now, after three rounds of national advertising, do I actually have applicants for the positions for which we had new initiative funding last year.

Recruiting allied health professionals in the ACT is extremely difficult at the moment: it is hard to attract and retain qualified staff when we don't have the schools that produce these people in this territory.

**Ms Lambert:** That's why we go into the universities and try to get students here for their placements and so on.

**MRS CROSS:** Right, thank you.

**MRS DUNNE:** There are other issues about the other waiting times. My own personal experience is that I'm still waiting for a speech therapy assessment nine months after the request went in, so do people just drop off the list? I actually don't think I need the service anymore, and I'm not pursuing it, but do people just drop off the list because they don't get the service?



**Ms Overton-Clarke:** No, they don't. The waiting list for speech pathology at the moment is approximately nine months. We've had a 25 per cent staff vacancy rate in speech pathology for the last 18 months. Currently, I have a 50 per cent vacancy rate in physiotherapy and occupational therapy. So our ability to recruit staff has a significant impact on our capacity to move children from the waiting list into services.

**MRS DUNNE:** Mr Chair, just to circumvent my questions, could I have, on notice, the waiting times for the different disabilities and assessments? That would help me a lot.

**Ms Overton-Clarke:** You certainly can.

**THE CHAIR:** All right. You might have to take this question on notice. I notice that you've changed the measure of quantity from the number of occasions of service to the number of hours provided. Has there been a loss of service or an increase of service from this year, 2002-03, to next year, 2003-04.

**Ms Brown:** No, there has not. CHADS has always reported in occasions of service; disability programs have always reported in hours of service. We have the capacity to pull that off. The hours of service that are there reflect the current hours of service that we can print off on our computer system for the current staffing in CHADS, which is around 31,000, give or take a couple of hundred. For hours of service in a year, there's about 17,000, give or take a few hundred in disability programs, plus an additional 5,000 hours of service for the new initiative funding we got in the 2003-2004 budget for the establishment of the single therapy service.

**THE CHAIR:** So there's extra service in the coming year.

**Ms Brown:** There's extra service in there to the tune of 5,000 hours.

**Dr Adrian:** And that adds up to the 53,500.

**THE CHAIR:** Okay. Thanks for that.

### **Short adjournment**

**THE CHAIR:** Minister, welcome back for round 17 with the Department of Disability, Housing and Community Services. Would you like to say anything about housing before we get into it?

**Mr Wood:** I have a great passion for housing and I'm hoping to be able to make great achievements.

**THE CHAIR:** Minister, on page 236, there are no targets for the year 2003-04. Why is this so?

**Mr Wood:** Discontinued.

**THE CHAIR:** Why? How do the public who read the budget or anybody who logs on to the website actually get to judge what Housing's up to?

**Dr Adrian:** Output 1.4, as I think is explained by footnote (1), is actually picked up under ACT Housing's outputs 1.1 and 1.2.

**THE CHAIR:** Minister, last week when we had Housing at the table I asked some questions about the use of the \$10 million initially for social housing and then for fire safety and you seemed surprised that it was even considered for social housing, so I've dug out some of the documents for you. You actually sought \$2 million in your budget submissions and didn't get it; is that correct?

**Mr Wood:** For community housing?

**THE CHAIR:** No, for fire safety.

**Mr Wood:** We sought \$2 million a year over four years, from memory, for fire safety issues.

**THE CHAIR:** You didn't at any stage seek \$10 million until the Alan Thompson letter of 30 May. There's no mention of \$10 million.

**Mr Wood:** When we got that legal alert. When we got that alert, we said what we were proposing needed to be beefed up.

**THE CHAIR:** That's good, but can you, Minister, explain why you were actually offered the \$10 million a week before the legal advice was received?

**Mr Wood:** The \$10 million from Treasury?

**THE CHAIR:** Yes.

**Mr Wood:** I don't know. I can't give you an immediate answer; I don't know those time lines. My memory is that there was lots of discussion going on, a lot of which I wasn't part of, as in the routine departmental exercising. I have the expectation that it was that legal letter that really highlighted the issue. I haven't compared times and dates.

**THE CHAIR:** That's an interesting question: why haven't you compared times and dates?

**Mr Wood:** I'm sorry, but I haven't seen the need.

**THE CHAIR:** Okay. Minister, I have two emails here that I will read to you that might help explain some of this. The first was from Treasury to DUS on 23 May. The official letter asking for the \$10 million didn't go out until 30 May and the official advice was received at ministerial level on 27 or 28 May. The one from Treasury to DUS says:

We require the amount to be put into the BDA, not as a Budget Adjustment but as a Sec18 estimate.

By tomorrow upload if possible.

Still not sure of its nature so for a start GPO and SPP.

28 May 2003

Alan Phillips may be able to give some advice on spending nature. If it is not going to ACT Housing, but community housing, it will not be capital.

Clearly, Treasury had some advice that there was a need for community housing. The response from DUS to Treasury was:

I'm not convinced!

Section 18 relates to the TA where Para 1 (c) states that the expenditure could not reasonably be foreseen at the time of passing any approp act during the year. This is where we got into audit trouble last year with the \$80k grant to the RSPCA.

I'd prefer to see it as an actual issue and covered in the Annual Report Financial tables rather than within the budget papers—a budget estimate means it was foreseen.

At least your department was trying to advise Treasury that the use of the Treasurer's Advance was only for the unforeseen. An email of 28 May, again from Treasury to DUS—I won't mention officers, but I can give you copies of these documents, if you wish—says:

The BDA is being closed and uploaded at 2 pm tomorrow. We require the file by 12 noon please. The following will also affect Housing and—

and there is a gap—

BDA's do I need to notify them or will you of the timeframe and treatment.

Results that have occurred and that need to be input into the BDA

1. Housing \$10 million to go to DUS as normal approp and to Housing as SPP

Housing to accept as normal payment.

A response from DUS to Treasury reads:

Thanks for the advice, but could you please let me know what part of the FMA will cover the increase in approp by the \$0.10m? Is there to be a 4th approp? or is it still considered as TA with the associated audit problems as per last year? or is there something else?

The response from Treasury to DUS was:

The directors will communicate on the defence that will be taken. Treasury adjudicate the situation to defensible and we expect questions from the auditor and are aware that the auditor will be interested in the situation.

Minister, given that this activity was going on inside your own department, why didn't you know anything about it?

**Mr Wood:** Mr Smyth, I think you've been there and you've done this. This is part of the normal traffic at budget time. There's a lot of flow of information backwards and forwards. You've quoted, I expect, what one officer or some officers are saying in both Treasury and Housing in all that argy-bargy, if you like, that goes on as officers negotiate on what is going to be the final budget statement. So I don't see anything unusual. Certainly, differences of opinion, questioning, challenging, asking, proposing, and the issue is eventually resolved at the budget table, and that's what happened. I don't see anything unusual about that.

**THE CHAIR:** Hardly argy-bargy, Minister. It was hardly a negotiation: "Here, take \$10 million." "Okay, we'll take it". It's got to be the easiest earned 10 million bucks in the history of Housing in this territory.

**Mr Wood:** I'm not going to argue, because if someone's offering me money, I'll certainly take it.

**THE CHAIR:** Minister, the point is: why did Treasury give you the \$10 million before you asked for it and before you received the legal advice? The defence of the government has been that you had legal advice that made it urgent and unforeseen, but the clear evidence and the timing of these emails say that Housing had the money before the legal advice was received.

**Mr Wood:** I can't respond on timeframes; I haven't attended to the detail of it. I'll read what you say. But there's a lot of communication goes on—telephone and email conversations, meetings. Whether things are done in anticipation, I'm not sure; but, knowing the intense traffic that occurs, I'm not surprised.

**THE CHAIR:** When did you find out that you'd been given an additional \$10 million for housing.

**Mr Wood:** The finality of it was pretty late in the piece, at a budget cabinet meeting.

**THE CHAIR:** That's not what I asked. When did you find out you'd received \$10 million for social housing, for community housing?

**Mr Wood:** I didn't get \$10 million for community housing. I got \$10 million.

**THE CHAIR:** You did initially, and it was accepted by your department for social housing and community housing in particular.

**Mr Wood:** I don't know if it was accepted. There was that discussion, but that's not what was settled in the end.

**THE CHAIR:** Minister and members of the department, we are lucky to be joined by a delegation from Azad Jammu and the Kashmir Legislative Assembly. I would like to extend to that delegation, which includes Mr Tahir Anwar Khan, the Chairman of the Public Accounts Committee, and Mr Tariq Farooq, the Minister for Revenue, the welcome of the Assembly. We hope you enjoy our Estimates Committee today.

**MRS CROSS:** Minister, as a new member of this Assembly and as a person who is experiencing an estimates committee for the first time as a committee member, I always seek to be guided and informed by wise people like you, given that you are the longest serving member of this Assembly. I want to ask you a question, given that Mr Smyth touched on the \$10 million. Is the TA process in place for urgent situations? Is allocation of money from the TA used in urgent situations?

**Mr Wood:** That's one of the general views of a use that it can be done for.

**MRS CROSS:** Could you educate me and tell me what it's there for?

**Mr Wood:** I'd rather you talk to Treasury about that. But my view from where I sit, not having to make the final definition on how a TA should be proposed and approved, is that yes, urgent matters would be one of those issues to be considered. Matters arising unexpectedly would be one of those issues.

**MRS CROSS:** Is it common, again given that you have the corporate knowledge on this, for an amount to be promised, allocated—give it any title you wish—and, of that amount, for less than 5 per cent of it to be used and the rest of it to just sit there? Is that something that one would expect of such a high amount of money?

**Mr Wood:** I don't think that would be common, but nor do I think that it's unheard of or unusual.

**THE CHAIR:** Minister—perhaps one of the officers will have to answer this—in the context of housing, what does SHSP stand for?

**Mr Hutchison:** Social housing subsidy program. I believe the acronym relates to a subsidy program for private rental leasing.

**THE CHAIR:** Minister, last week when we were questioning you on this issue, Dr Adrian, Mr Hutchison and others didn't seem aware of the social housing issue, including yourself. Why did a senior housing policy officer send this email to another officer:

Enclosed is a spreadsheet which looks at reallocating the funding for 2002-03 to take account of the additional \$10m which ACT Housing is to receive for 2001-02.

Are the figures OK?

I'll table it for the interest of members because under budget payments in budget 2001-02 you received an amount of \$251,000 for SHSP, for social housing, and right underneath it says that there is proposed additional funding to the SHSP off \$10 million. Minister, I'm at a loss: how can you sit there and tell us that nobody in your department knew that this \$10 million was intended for social housing?

**Mr Wood:** It didn't eventuate, did it? It didn't turn up.

**THE CHAIR:** The \$10 million turned up, but you used it for another purpose.

**Mr Wood:** Not under that heading.

**Mr Hutchison:** Mr Chairman, I was involved in those negotiations. The request which we sent for Treasury specifically stated that the money we were seeking was to be used for fire safety. Subsequently, we received a letter back from the Under Treasurer which not only talked about fire safety, but canvassed a whole raft of other issues outside that request. Subsequently, there were further discussions and ultimately the instrument that was tabled in the Assembly identified that \$10 million for fire safety and fire safety alone. In addition, the minister issued a press statement around 21 June also identifying it for fire safety. So there was some confusion, I believe, which was subsequently resolved in discussions with Treasury officials.

**THE CHAIR:** When was the confusion resolved?

**Mr Hutchison:** It was resolved subsequent to the receipt of that letter from the Under Treasurer.

**THE CHAIR:** On 4 June? The only letter that I have from the Under Treasurer is of 4 June. That's a letter that still contends that you don't need money for fire safety because you got \$10 million for social housing.

**Mr Wood:** Mr Smyth, are you saying that in your experience in cabinet, especially at budget when there are a large number of bids under discussion, the scene didn't change, that there weren't variations? Housing was proposing, from an early stage, to attend to fire safety and it ramped up that interest, as you know, during that process.

**THE CHAIR:** Perhaps I should read the next email, because the defence was manufactured after you received the money. You got \$10 million for social housing and changed it to fire safety, Minister.

**Mr Wood:** Mind you, Mr Smyth, you've got a bunch of emails very substantially and you're reading some of this debate—

**THE CHAIR:** I am happy to make them all available, Minister.

**Mr Wood:** I'm sure they're pretty much around the place. You're making quotes there that are valid because they were sent, but I emphasise they were part of that continuing debate which was resolved by cabinet.

**THE CHAIR:** But I note, Minister, last week none of your officers had any memory of this, you as well. Now we at least have some memory coming through.

**Mr Wood:** I don't know about that.

**THE CHAIR:** I'll read the next email because it is instructive.

**Mr Wood:** I think you put words into people's mouths sometimes.

**THE CHAIR:** No, nobody had a memory of this last week, Minister.

**Dr Adrian:** Mr Smyth, I do have a memory of it and I indicated last week I did have a memory of it then.

**THE CHAIR:** Of receiving money for social housing?

**Dr Adrian:** I indicated—

**Mr Wood:** Of being part of the debate about it. The money was received in the budget. That's where the money was received, Mr Smyth. Sorry, Dr Adrian, go on.

**THE CHAIR:** It wasn't received in the budget, Minister; it was received as part of the Treasurer's Advance.

**Mr Wood:** Yes, okay, correction; it was a separate issue at the time.

**THE CHAIR:** If we're putting words in people's mouths, it has come from the Treasurer's Advance. And that's the whole point; it should have been in the budget, although the Under Treasurer, in his letter of 4 June, says, "No additional money for fire safety for Housing because you've got enough money in your budget." The \$10 million you had already received was for social housing and Treasury was of that view until at least 12 June when they were sending emails to your officers asking where the money will go and how community housing will spend their half, the \$5 million. That's the point. It's that none of what is said is consistent.

**Mr Wood:** ACT Housing and its minister had to convince Treasury of the importance of our priorities. That's what we had to do and that's what we did.

**THE CHAIR:** That's interesting, because the next email is quite interesting. Again, it's from Housing to DUS Corporate and says:

We have been approached by Treasury to take up \$10 million this year as service purchase payments, I presume following the outcome of Budget Cabinet III. I am happy to do this although...I would prefer to record the money as income in advance.

It goes on to say:

I assume that also as the money has not been appropriated under Appropriation No 3 and is due to come to us this year, that the money will be forwarded from the Treasurer's Advance. My understanding is that we are writing a Submission to Alan Thompson advising of the need for urgent expenditures to be undertaken for fire safety and building code compliance—

this is 28 May and it is the first time in all of these documents that fire safety appears—

but that any formal Submission to the Treasurer seeking the Treasurer's Advance will be written by the Purchaser/Corporate. A copy of our Submission will be available in draft form this afternoon or early tomorrow.

Do you need anything further at this time?

So it's on the 28th that it shifts from social housing to fire safety.

**Mr Wood:** No, no. My initial budget submissions were on a number of items—

**THE CHAIR:** And were rejected.

**Mr Wood:** Including, as the main issue, fire safety. Dr Adrian has got something to add.

**MRS CROSS:** Can I just ask for clarification? When you said “no”, the “no” was for what? “No, no”, you said. What was that for?

**Mr Wood:** I'm disagreeing with Mr Smyth.

**MRS CROSS:** Disagreeing on what he's just read out.

**Mr Wood:** On his assessment of the impact of what he's read out.

**MRS CROSS:** On his assessment of what he's read out. Okay.

**Mr Wood:** Dr Adrian has something to add.

**Dr Adrian:** If I might make some comments. Our position all the way along was that fire safety was a priority. When we got the legal advice and there were discussions with the Government Solicitor's Office prior to receiving that formal legal advice, the position was that fire safety was a priority. At the same time, we were negotiating as part of budget bid proposals bids in relation to other housing matters. I think that's been clear.

There were clearly different views, and I think you've indicated the views of the Under Treasurer in relation to how he saw, in his letter, that money being spent. There were then ongoing discussions right through until the instrument was signed by the Treasurer, presumably reflecting cabinet decisions, where the \$10 million was for fire safety. In addition to that, we received particular new money proposals in the budget which was brought down on 25 June.

**THE CHAIR:** Which may be a valid excuse or a valid reasoning of what has occurred, except you have the document of 29 May which was to go to Howard Ronaldson from Mr Thompson, which says:

Attached is draft letter from Alan T to Howard R in relation to the \$10 million for fire safety.

Peter, I noticed that Ainslie Village is included in Attachment B, could you (1) please omit and make it add up to \$16 million; and (2), if possible, add some words (any words) under the “Deficiencies” section for Kanangra, Jerilderie and Fraser Courts.

Clearly, it's about spending money, not about an issue, because suddenly you've taken Ainslie Village out of the list and magically the figures still add up to \$16 million—the \$6 million that the Under Treasurer says Housing's already got and the \$10 million that Treasury has offered you. I think the fire safety excuse falls over when you read that email.



**Mr Wood:** Well, it's not where I came from.

**MRS CROSS:** Could you clarify that, if you don't agree with Mr Smyth, for the purposes of the committee?

**Mr Wood:** My discussions over the period were on a range of initiatives that I wanted to come out of the budget. You take in initiatives and you don't always win them. You lose a lot, although I prune mine pretty well to be realistic. Fire safety was at the head of my list in terms of my priority and reflected in the funding claims I made and it emerged as the major initiative at that time.

**THE CHAIR:** How is it that the Under Treasurer, the individual responsible for dispensing the money at the behest of cabinet, still maintained on 4 June that there was to be no money for fire safety, because those bits had been knocked off earlier by budget cabinet rounds, that Housing had \$6 million for fire safety and that anyway you had already had an additional \$10 million for social housing?

**Mr Wood:** It may reflect the Under Treasurer's view of what he saw as priorities.

**THE CHAIR:** No, no, it's the Under Treasurer's statement of fact back to Mr Thompson that you will get no more money for fire safety.

**Mr Wood:** But it didn't work out that way.

**THE CHAIR:** Indeed, his letter says that it's not urgent because, in fact, yes, you've got legal advice but you have to do your management plan first.

**Mr Wood:** It was his view and it wasn't sustained. Don't you understand that?

**THE CHAIR:** But you already had the money. That begs the question: when does it change? Yes, you got \$10 million on the 23rd, according to these emails; it's been uploaded into the BDA.

**Dr Adrian:** We formally got the money by way of the signing off of the TA instrument by the Treasurer.

**THE CHAIR:** On what date?

**Dr Adrian:** That was on 14 June.

**THE CHAIR:** Okay. And you received notification, I believe, from Treasury on 12 June asking for clarification of how the community housing money would be spent. As late as 12 June, Treasury thought you were getting \$10 million for social housing.

**Mr Wood:** And we were resisting. We were saying that—

**THE CHAIR:** No, that's not what your emails were saying. You were taking the money.

**Mr Wood:** No, you're reading officers' emails.

**MRS CROSS:** But don't they represent the department?

**Mr Wood:** The view coming from the department, especially at budget time, comes from the minister and from the head of the department, and we were resisting the Under Treasurer's line that you've been reading out. We resisted that because we believed we had a higher priority, not to underestimate our interest in community housing.

**THE CHAIR:** Minister, are you a member of the government? You are, I take it, from the nod and the wink that's becoming the hallmark of your government. Let me read—

**Mr Wood:** Don't ask silly questions.

**THE CHAIR:** No, no, Minister, I'd like to read—

**Mr Wood:** I'm sitting here in front of you and you want to ask silly questions.

**THE CHAIR:** These are not silly questions. This is an abuse of the Treasurer's Advance.

**Mr Wood:** The question about am I in the government. Come on, get real!

**THE CHAIR:** Because it's an important question, Minister.

**Mr Wood:** Are you in the opposition?

**THE CHAIR:** Yes, I'm actually the Leader of the Opposition. I'm quite pleased—

**Mr Wood:** And I don't need to ask that question.

**THE CHAIR:** I'm quite pleased to be here asking you these questions. I'd like to quote from the letter from the Under Treasurer, the man who's charged with putting the budget together—

**Mr Wood:** And who was resisting money going in the direction that I wanted it to go.

**THE CHAIR:** Apparently the rest of the government was resisting it because, on the issue of fire safety, it says:

I assume that in the first instance, an appropriate management plan is being developed, as advised by the Government Solicitor's Office, which balances the risks against the cost and difficulty of reducing those risks.

So the legal advice is debunked by the Government Solicitor's Office, which says, "Put together your management plan." But it goes on to say:

As you are aware, the Government has agreed"—

the government of which you are a part has agreed—

to provide an additional \$10m to Housing in this financial year...The funding for this purpose will be from the Treasurer's Advance, and the appropriation will be as a capital injection, with payment to be made to ACT Housing during the current financial year.

The additional funding is for social housing.

That was 4 June, after Mr Ronaldson had received the advice from Mr Thompson. It says that the government had agreed. Are you saying that the government didn't agree and that Mr Ronaldson was misrepresenting the position of the government?

**Mr Wood:** He's not in the cabinet.

**THE CHAIR:** My experience is that the Under Treasurer attends most of the budget cabinet meetings—

**Mr Wood:** He's still not a member of the government.

**THE CHAIR:** And is responsible for recording them and for carrying them out.

**Mr Wood:** No.

**Mr Hutchison:** Mr Chairman, could I provide some clarification for the committee in relation to an earlier email that you read? I think you assumed, because the letters "SHSP" were in capitals, that proposed additional funding actually came under that program. In fact, it's just a single line item and has no relativity to the line above it. The other point of clarification that I'd like to make is that social housing includes public housing.

**THE CHAIR:** Yes, it does, and the split, according to the emails, was \$5 million for public housing, which would have been a worthy expenditure of \$5 million, and \$5 million for community housing.

**MR HARGREAVES:** Where does it say that?

**THE CHAIR:** In one of the other emails I have there is a split.

**Mr Wood:** As part of that ongoing debate.

**THE CHAIR:** Indeed, Treasury was asking as late as 12 June how community housing was to get its \$5 million.

**Dr Adrian:** Mr Smyth, I'm quite happy to clarify that. In that period, when we received the Under Treasurer's letter, it was pretty clear in his letter what his view was. There were extensive discussions between the department and the Treasury at that time, and then subsequently involving the minister, about clarification of that. We had a different view in relation to how that money should be spent. The outcome—

**THE CHAIR:** Dr Adrian, the Under Treasurer doesn't dispense money.

**MR HARGREAVES:** Let the man finish, Mr Chairman. Let Dr Adrian finish.

**THE CHAIR:** He says, “As you are aware, the government has agreed to give money.”

**Mr Wood:** Let me take up that point. As I’ve said before, I’m a member of the government; that’s the question you asked. Mr Ronaldson was never a member of the government.

**THE CHAIR:** That’s true.

**Mr Wood:** There are no grounds that I’m aware of for that comment. The government made its decision, which was the outcome that you’re contesting. That was the government decision, not Mr Ronaldson’s. He did not make a decision for government. He expresses his view, and certainly not—

**THE CHAIR:** So the letter is wrong?

**Mr Wood:** As I hear you read that letter, there’s no justification for him to say, “The government has.”

**THE CHAIR:** All right. But he does go on:

An appropriate split of funds between public housing and community housing needs to be determined. It would be appreciated if this could be settled quickly. In relation to support for community housing, the mix between capital asset transfer and grant allocations to the community housing sector also need to be determined. I request that these allocations be finalised in consultation with the Treasurer.

Is the man delusional?

**Mr Wood:** It didn’t work out that way.

**Dr Adrian:** And he did point out in there, Mr Smyth, that these things should be finalised quickly. He clearly had a view. As I’ve indicated on a number of occasions, we had a different view, and we took up that challenge, if you like, and there was extensive debate leading up to the final decision that the government made into how the money should be allocated.

**THE CHAIR:** A final question on this, Minister. Were you advised by your department at any time that asking or using the \$10 million from the Treasurer’s Advance would be a breach of the FMA?

**Mr Wood:** No.

**THE CHAIR:** Okay. Other questions.

**MRS CROSS:** Thank you. It is a bit of an anti-climax what I’m about to ask.

**Mr Wood:** You’re about to get down to some serious questions, good.

**MR HARGREAVES:** Can I just make the point, before you do, Madam Deputy Chair, that Mr Smyth has been on this issue for the best part of half an hour.

**THE CHAIR:** Oh, no, three months.

**MR HARGREAVES:** No, on this particular bite of this soufflé. Can I just say that I'd like the opportunity to have the same information that Mr Smyth has before him. He was able to rattle it off like a deck of cards, go bang, bang, bang, bang. The rest of the committee, I would like it recorded, has not been privy to that information, so we are in no position to know whether it is true or accurate, whether you wrote it yourself. I'm just suggesting to you that you might like to table the lot.

**THE CHAIR:** I am happy to table the lot.

**MR HARGREAVES:** I might say, for the record, that it is a fat lot of use tabling them when the minister is about to depart and not giving the committee the opportunity to think about it and check out for itself whether it's true, it's false, or it's brindle.

**THE CHAIR:** We can bring the minister back. I'm happy to table all the documents.

**MR HARGREAVES:** I have to make the point for the record that I'm not particularly impressed with ambushes. This committee does not operate that way and it has never operated that way. We do not just put it down on the table like that. I want it recorded that I'm not very happy with that. Putting people on the spot by saying that on the such and such of June this happened and on the such and such of May that happened and then expect them to respond with some accuracy, not allowing them the opportunity to finish, is, I think, abysmal and rather low.

**THE CHAIR:** Mr Hargreaves, thank you for your sermon—

**MR HARGREAVES:** Mr Chairman, you had half an hour and I would ask for a little bit more time.

**THE CHAIR:** Come to order, please, Mr Hargreaves. In relation to your sermon, these questions were started last week and the minister claimed he was unaware and would go away and search out such documents. I took the minister at his word.

**MR HARGREAVES:** For the record, I have no quarrel with the line of questioning in terms of eliciting further information on an issue which is of some concern to the committee. I have a lot of trouble with the technique. I have a lot of trouble with the way in which it was done. I don't think that it was particularly fruitful and I don't think that it was particularly helpful for the committee. It didn't help me one zot. I also want to ask a question on the issue.

**THE CHAIR:** Come to order and ask your question, Mr Hargreaves. If you are concerned about time, ask your question.

**MR HARGREAVES:** My question, and I may have asked it before, is: was the full amount of \$10 million actually drawn down or was it an amount of contingency awarded by the Treasurer through the Treasurer's Advance in the event that you actually had to expend money on the fire treatment at those flats?

**Mr Hutchison:** The money was drawn down, Mr Hargreaves.

**MRS DUNNE:** Sorry, can we go back there? Can you say that again, Mr Hutchison?

**Mr Hutchison:** The money was drawn down.

**MRS DUNNE:** Because last week—with your indulgence, Mr Chairman—Mr Hargreaves asked that question of Mr Hubbard and Mr Hubbard said that it wasn't drawn down.

**Mr Hubbard:** What I meant was last week that it's actually drawn down out of Treasury and put into Housing's budget and they carry it in their budget numbers until it's expensed.

**MRS DUNNE:** Mr Hubbard, could I ask you to go back and review what you said last week, review the *Hansard* record, because my recollection was that it hadn't been drawn down, your account of what happened was that it hadn't come out of the CFU? So can I ask you to go back and review that, because when I went away and thought about it I thought that that doesn't add up with the use of the Treasurer's Advance? So could you check that and get back to me?

**Mr Hubbard:** Yes.

**MRS CROSS:** Did you get your answer, John?

**MR HARGREAVES:** No.

**THE CHAIR:** Yes, you did.

**MR HARGREAVES:** No, I didn't. I will determine whether I've got the answer, Mr Chairman. I am quite capable of doing that myself. I don't need your help, thank you very much, Mr Chairman.

**THE CHAIR:** Mr Hargreaves, I'll rule you in or out of order, as required.

**MR HARGREAVES:** You can rule me out of order and then wear the press release that follows.

**THE CHAIR:** That's fine, Mr Hargreaves.

**MR HARGREAVES:** Mr Chairman, the question that I had was whether it was drawn down. That has been responded to. But it is my experience that when draw downs actually occur and when allocations are made out of the Treasurer's Advance or anywhere else for that matter they usually are made with accompanying advice as to what the amount of money is for. I'd like to know whether that accompanying advice was there and, if it was there, what it said. I'm happy to have that on notice.

**Mr Wood:** We'll take it on notice.

**Mr Hutchison:** My understanding is it's the instrument that was tabled and the instrument clearly said that that money was for fire safety in public housing.

**MR HARGREAVES:** So the instrument, which was the legal authority for Housing to receive the \$2 million, clearly said it was for fire safety and not for social housing?

**Mr Hutchison:** That's correct.

**MR HARGREAVES:** Thank you very much.

**MRS CROSS:** Can I go?

**THE CHAIR:** Yes, Mrs Cross, and thank you for your filibuster, Mr Hargreaves.

**MR HARGREAVES:** I just got the truth. It has taken you a lot longer to try to filibuster your way through that lot.

**MRS CROSS:** Minister, this is probably pretty boring: on page 236 of BP 4, output 1.4, I'm looking under one of my favourite topics, timeliness, at the time taken to process applications averaging 15 days or less. I was thrilled to look at the 2002-03 target of 100 per cent and disappointed to see the outcome of 50 per cent and then I looked down to note (3), which says, "The below target estimated outcome is a result of unexpected technical problems with processing applicants earlier in 2002-03." Could you explain to me what the technical problems were, because that's quite a severe drop?

**Mr Hutchison:** The technical difficulties related to our computer system, which couldn't distinguish between working days and calendar days. We actually reported what our system told us. We've moved, as you can see in the new output class 1, to have a new measure, which is the percentage of housing applications processed within 21 calendar days rather than 15 working days and the 21 calendar days is much more rigorous because it includes public holidays, Easter and the like, which were excluded under the old measure because it was working days, so if you had public holidays they were not considered. It's virtually the same if there weren't public holidays but, given that there are public holidays at Easter and other public holidays during the year, the fact that we go to 21 calendar days and we don't distinguish the public holidays is a more rigorous measure, whereas before if you were looking only at working days you would exclude those days.

**MRS CROSS:** Aside from that, the initial explanation in the note was that there was a technical problem.

**Mr Hutchison:** The computer system that we operate.

**MRS CROSS:** Who manages the computer system?

**Mr Hutchison:** We do.

**MRS CROSS:** "You" being the department.

**Mr Hutchison:** ACT Housing, yes.

**MRS CROSS:** To whom do you go to when you have glitches in the department?

**Mr Hutchison:** With this particular system we have a private contractor. It's a system that is utilised throughout Australia by housing authorities, with the exception, I think, of Victoria.

**MRS CROSS:** For the next part of my question I am going down to the cost and I'm looking at other housing assistance, including grants to community organisations. The target for 2002-03 is \$10.359 million. However, the outcome is \$7.897 million, and there is nothing in the outyears. Can you explain why that's the case?

**Mr Hutchison:** As you recall, output 1.4 is the combination of public housing and community housing. We've since split them. I'll just have to seek some advice. I'm advised that's \$3 million for community housing which we didn't think that we'd be able to commit this year, but we now believe that it's likely that we will be able to commit it by the end of this financial year, but we took a conservative view as to putting it in the estimated outcomes for 2002-03.

**MRS CROSS:** So the estimated outcome will probably go up from \$7 million to \$10 million; is that right?

**Mr Hutchison:** Yes.

**MRS CROSS:** And where will that \$3 million come from?

**Mr Hutchison:** That \$3 million was allocated this financial year for community housing. We went through a process of engaging the community sector in how best to achieve these outcomes.

**MRS CROSS:** So where is it in here, that \$3 million that we can now add to this \$7 million?

**Ms Lambert:** It was a budget initiative last year. It was a budget initiative in whenever it was, 2001-02.

**MRS CROSS:** I'm just ensuring that it's somewhere.

**Mr Hutchison:** It's included in that amount of \$36 million.

**MRS CROSS:** What amount, Mr Hutchison? Just speak into the microphone because it's very hard to hear you.

**Mr Hutchison:** It's included in the bottom line on page 236, the government payment for outputs. It's included in that figure.

**MRS CROSS:** How do I know that it's there, though? How did you work that out? I don't see how it could be there.



**Dr Adrian:** If you look at those figures, they're not meant to add up down the page, so to speak. The government payment for outputs total—actually, you need to take each of these output classes and you need to go back to the first table that we considered.

**MRS CROSS:** This total must be a total of other things that are in here. Where is the \$3 million in here? I want to assure myself that that money is there. I can't take just your word for it, I'm sorry; I need to see it.

**Dr Adrian:** The figure that's there, if you look at the \$35.871 million, that is a subset of the total for the department. For example, on page 221, at the top of that page, there's a total for the department for government payments for outputs. It's actually a subset of that. The point that Bob's making is that when the estimated outcomes were done for 2002-03 in terms of other housing assistance, including grants to community organisations, there was an assessment made at the time that it was unlikely that the \$3 million would be allocated. As it has turned out—

**MRS CROSS:** I understand that. Could you possibly give me, and take this on notice, a written reconciliation of these figures?

**Dr Adrian:** Sure.

**MRS CROSS:** That would help me. Thank you very much. I appreciate that.

**Dr Adrian:** Okay.

**MRS DUNNE:** I have a question on housing, but I don't know that I particularly want to ask it in relation to this discontinued output.

**THE CHAIR:** Either/or, Housing or 4.1.4.

**MRS DUNNE:** Okay. It's a general question about people's eligibility for housing. Is it possible for Housing Trust tenants to operate home businesses?

**Mr Hutchison:** On my understanding it is, but they must declare the income and it must be a business which is appropriate for residential accommodation. You wouldn't expect somebody in a flat to be running a mechanic's business from there; but if they were perhaps doing consulting or something else, as long as they declare their income, it doesn't disturb other residents and it's in keeping with the planning laws, we wouldn't have necessarily an objection to it—and it was legal.

**MRS DUNNE:** This is legal as far as I know. Would you have a problem or would you at least run your filters over it if it was the case that someone was operating as a sole operating prostitute from a government house?

**Mr Hutchison:** I would have a genuine problem with that. In my view, that's an illegal use of the premises.

**MRS DUNNE:** There have been complaints made to my office and, I know, to Mrs Burke's office about this happening, but I won't put the address in *Hansard*; I'll give it to you later.

**Mr Wood:** Yes, talk to us about it.

**MRS DUNNE:** It has been confirmed that this person also advertises in the *Canberra Times*.

**Mr Hutchison:** I'd be interested to receive that information and we'll act on it appropriately.

**MRS DUNNE:** Right, thank you.

**THE CHAIR:** Are there any further housing questions?

**Mr Hutchison:** Mrs Burke asked earlier for a breakdown of some figures. I'd like to supply them for the record. They related to an \$11.1 million variance. The breakdown is: \$7.5 million for expensing costs which were previously capitalised; \$1.5 million for additional costs arising out of the EBA negotiations; \$0.5 million for other costs, such as insurance and rates that have gone up; and \$1.5 million for the inclusion of housing policy in ACT Housing.

**THE CHAIR:** Is it possible to table them in the form of a chart?

**Mr Hutchison:** Yes, certainly.

**THE CHAIR:** Thank you.

**MR HARGREAVES:** I have a question about definitions. I really need some assistance in this regard. It goes to the \$10 million, but it could go to any subject at all, really. When people talk about social housing, community housing or public housing is it possible that confusion can be reached between a definition of a social housing program and a head of expenditure title, such as social housing? I don't mean an inadvertent confusion. If I were to say that you're going to get some money for social housing, for example, could I be meaning that you've got the money but it has to go under that head of expenditure?

**Mr Hutchison:** Arguably, anything can be confused by people. Certainly, social housing is a term that's emerging rather than something that has been in the vocabulary for a long time and it can mean different things to different people. It can cover the full range of not only public housing, but community housing, but also affordable housing is often under that umbrella of social housing.

**THE CHAIR:** It's a pity Ms Tucker is not here to expand on her view of social housing. She has raised it in these forums for many years and it's a commonly used term in these forums.

**Ms Lambert:** As someone who came fairly new to these definitions, I can see what you're getting at and I think that social housing is often used now as a very broad term to include all those things that Mr Hutchison talked about, but public housing still retains a distinction, if you like, because it is a particular form of housing, but it is increasingly being referred to as part of, if you like, the social housing landscape. But it is quite

confusing to make those distinctions. I think the point I'd make is that all those forms of housing must work in partnership with each other to deal with the issues we've got in front of us.

**MR HARGREAVES:** On the issue of fire safety, to what form of "public housing" was that applied? Was that applied to public housing, community housing or social housing?

**Mr Hutchison:** Fire safety issues, of course, apply—

**MR HARGREAVES:** That particular fire safety issue.

**Mr Hutchison:** That particular fire safety money was focused on multiunit sites.

**MR HARGREAVES:** And under what umbrella do they come?

**Mr Hutchison:** They are predominantly and, I think, primarily public housing and that was the focus of that particular application.

**MR HARGREAVES:** Okay, that's what I wanted, thanks.

**THE CHAIR:** Except it wasn't urgent.

**Mr Hutchison:** We believe it was urgent because the liability that we thought didn't attach to the failure to bring those properties up to the latest BCA requirements, the legal advice we got was that in fact the territory would face a substantial financial liability.

**THE CHAIR:** Would or may?

**Mr Hutchison:** Would.

**THE CHAIR:** Can you show me where it says "would" in the legal advice?

**Mr Hutchison:** I don't have the legal advice in front of me, but I can recall reading it and being alarmed by it. There was a recognition that it would take quite a long time to address the fire safety issues and in the meantime the suggestion was made that we should attempt to mitigate as much as we could the liability while we got on with assessing, planning and implementing the fire safety program.

**THE CHAIR:** You make the point there that it would take time. Part of the legal advice says that what you need is a plan of management to minimise your risk. Has the management plan for the introduction of fire safety been completed?

**Mr Hutchison:** Yes.

**THE CHAIR:** When was it completed?

**Mr Hutchison:** The exact date, I wouldn't know, but we prepared—

**THE CHAIR:** Could you take that on notice, please?

**Mr Hutchison:** Yes, certainly.

**Mr Wood:** Okay, we'll do that.

**THE CHAIR:** Because if we go back to the letter to Mr Thompson from Mr Ronaldson, I'll read you the paragraph again:

I assume that in the first instance, an appropriate management plan is being developed, as advised by the Government Solicitor's Office, which balances the risks against the cost and difficulty of reducing these risks.

The previous paragraph—I'm glad you mentioned the BCA, the building code of Australia—says, and the legal advice notes this:

I note that the BCA does not put a positive obligation for compliance at all times. However, ACT Housing has a duty of care for such compliance particularly where it relates to fire safety. Addressing these issues should therefore be a matter of priority for the existing Housing budget.

I put it to you, Mr Hutchison, that you had \$16 million available for fire safety. You had that \$16 million available since 21 June 2001. Evidence given to this committee last week was that the department has spent just over \$2 million on fire safety. How can the expenditure of \$2 million out of \$16 million be seen as urgent?

**Mr Wood:** Well, we're going back into the history.

**THE CHAIR:** The history is important. Mr Hutchison raised the issue.

**Mr Wood:** We sought that clear commitment that we were switched on to this issue, we recognised the problems, and that we could comfortably proceed knowing we had the support to do it.

**THE CHAIR:** You are proceeding very comfortably, Mr Wood; you spent \$2 million in 12 months. That's a very comfortable approach to something for which the excuse of the government for using the TA was that it was urgent. There is no urgency in your approach to this issue or the way that it is being carried out.

**Mr Wood:** It was urgent that the problem be acknowledged and the commitment be made.

**THE CHAIR:** The acknowledgment does not necessitate using the Treasurer's Advance and the advice from your own department was that they were uncomfortable with the use of TA, they'd rather it would appear in the outyears as income, and the government chose not to accept that, and therefore breached the Treasurer's Advance.

**Mr Wood:** No. I'll keep responding, but I think we've been down this path.

**THE CHAIR:** Minister, I have noticed that in most of the departments there is additional funding for bushfire-related activity. Did the Department of Disability, Housing and Community Services receive any additional funding? I don't mean

insurance money, but over and above either in the second or third appropriation or as part of the initiatives; if so, where is it?

**Mr Hubbard:** The department did get some funding through the second appropriation, and it's shown on page 221. If you look down the columns, you'll see two-thirds of the way down there's "Operating result from ordinary activities—extraordinary revenue". That's the highlighting of the bushfire funds.

**THE CHAIR:** So that's in 2002-03 and came through in the third appropriation?

**Mr Hubbard:** In the second appropriation.

**THE CHAIR:** Was any money bid for or received in the coming budget, in the 2003-04 budget, for bushfire-related activities?

**Mr Wood:** In total, if this is what you are pursuing, there's an additional \$8.8 million.

**THE CHAIR:** Where does that appear?

**Mr Wood:** Across two lines there.

**Dr Adrian:** \$4.4 million this year and \$4.4 million next year, 2003-04.

**MRS CROSS:** Where is it, Dr Adrian?

**Dr Adrian:** Page 239. At the bottom of that chart, you'll see it under capital injection.

**THE CHAIR:** Sorry, it wasn't identified. Most of the other departments have had a specific line either in their output classes or—

**Mr Hubbard:** Up a bit higher you'll see there's another line for extraordinary revenue and extraordinary expense. Because this is a capital item it gets capitally injected; that's the difference. There is some insurance money coming in up there.

**THE CHAIR:** But the insurance money is the \$11 million.

**Mr Hubbard:** That's right.

**THE CHAIR:** Okay. You received \$11 million as extraordinary revenue, but only expended \$4 million of that. Has the rest been carried over or have you turned a profit? You received extraordinary revenue of \$11.7 million. You had extraordinary expenditure of \$4.2 million. Have you turned a profit of \$7.5 million, or is that expended somewhere else?

**Mr Hutchison:** My understanding is that we haven't received it yet, the \$11.761 million.

**THE CHAIR:** On page 239 in the 2002-03 estimated outcome it is claimed that you've received extraordinary revenue of \$11.7 million and you've expended \$4.2 million.

**Ms Lambert:** On page 244, the two dot points above “Statement of financial position” explain those two numbers there. That represents the estimated outcome, the \$11.7 million, for estimated insurance payments.

**THE CHAIR:** You’ve received \$11 million. Has that been spent?

**Mr Hubbard:** We haven’t actually received the \$11 million. We expect to received \$11 million. What happens with insurance is that, as soon as you’ve got an indication of what it’s going to be, you’ve got to recognise it, and what will happen is that that will be used for a number of different things, and one of those things will be the replacement of houses burnt, obviously.

**THE CHAIR:** So you haven’t received the \$11.7 million yet.

**Mr Hutchison:** That’s right, we haven’t received it yet.

**Ms Lambert:** But we estimate that’s what we’ll receive.

**THE CHAIR:** So where does it appear in the outyear? Is it consolidated then?

**Mr Hutchison:** It’s through the capital program, the buying of replacement properties.

**THE CHAIR:** Okay, so the money will go into replacement houses. Are there any further questions?

**Mr Hubbard:** I just had the *Hansard* sheet, which I managed to lose just then. I’m just clarifying the question you asked, Mrs Dunne. It was a double-barrel question. It came from Mr Hargreaves and it was about the draw down of funds. The first part of the answer was that within the department we draw down our funds fortnightly. That’s actually the case, and there’s a lot of traffic that goes on between us and Treasury about, basically, where the money has got to go within our accounts, et cetera.

The second part of my answer was: “Where it does vary slightly is with Housing. Money appropriated to Housing actually goes to Housing because it’s a PTE,” and they actually do have the funds available from the start of the year.

**MRS CROSS:** What’s a PTE?

**Mr Hubbard:** Public trading enterprise.

**THE CHAIR:** Minister, thank you for attending today. I think that that concludes questions from the committee on Urban Services and Disability, Housing Community Services, as well as the Arts. I would like to thank you and the members for attending. But just for the interest of the audience and the members of the committee on something that Mr Hargreaves said earlier, I think Mr Hargreaves has forgotten the issue whereby 200-plus pages were delivered to Mr Quinlan and Mr Hargreaves concerning the taxi industry in the 2001 Estimates Committee and none of those documents were tabled for the rest of the committee, none of the committee members were given those documents.

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**MR HARGREAVES:** I refer you to the *Hansard* of the same year about my questioning.

**THE CHAIR:** Minister, thank you for attending. There endeth the day's hearings of the Estimates Committee.

**The committee adjourned at 4.57 pm.**