

**LEGISLATIVE ASSEMBLY FOR THE
AUSTRALIAN CAPITAL TERRITORY**

SELECT COMMITTEE ON ESTIMATES 2003-2004 (No 2)

Members:

**MR B SMYTH (The Chair)
MR J HARGREAVES (The Deputy Chair)
MS R DUNDAS**

TRANSCRIPT OF EVIDENCE

CANBERRA

THURSDAY, 4 SEPTEMBER 2003

**Secretary to the committee:
Ms S Leyne (Ph: 6205 0490)**

By authority of the Legislative Assembly for the Australian Capital Territory

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

The committee met at 10.01 am.

Appearances:

Mr S Corbell, Minister for Health and Minister for Planning

ACT Planning and Land Authority:

Dr C Adrian, acting chief planning executive

ACTION:

Mr G Thurston, chief executive officer

THE CHAIR: Minister, welcome to this day of hearing on the second appropriation bill. There is a little bit of housekeeping first, the official warning. You should understand that these hearings are legal proceedings of the Legislative Assembly protected by parliamentary privilege. That gives you certain protections but also certain responsibilities. It means that you are protected from certain legal action such as being sued for defamation for what you say at this public hearing. It also means that you have the responsibility to tell the committee the truth. Giving false or misleading evidence will be treated by the Assembly as a serious matter.

To assist the recording of the morning and the production of the transcript, if you could please identify yourselves when you first speak and the capacity in which you appear. We have also asked all the other ministers if we could have answers within three days of any questions taken on notice so the committee can compile its report and have it tabled and ready for the Assembly in the September sitting.

With that, Minister, would you like to make an opening address?

Mr Corbell: No, I don't feel I need to make an opening address. The appropriations for my portfolio areas are not extensive and I would be happy to simply take questions.

THE CHAIR: Any general questions, members? Or do we want to go straight to the particular lines? We will go straight to the lines.

Minister, the Cotter Tavern demolition, what's happening there? I understand the lease has been surrendered, it's now government property.

Mr Corbell: That's right, yes. The lessee has surrendered the lease and as part of that surrender, arrangements were made for the government to demolish the dwelling. That demolition, I think, is pretty much complete now and the land is now again unleased land. I am not sure whether Dr Adrian can provide you with any further details on that.

Dr Adrian: Not much more detail. We entered into an arrangement with the existing leaseholder. The lease was due to come back to the territory in October 2004. We entered into an arrangement with the lessee for that lease to come back earlier with us taking responsibility, as the minister has indicated, for demolition, removal of all the demolished material and at the moment the site has been cleared and is subject to the investigations that are taking place through the non-urban study.

THE CHAIR: Was the lease surrendered or was compensation paid?

Dr Adrian: We entered into a negotiated agreement where at the end of the day the lease was surrendered, but it was a negotiated outcome where we took responsibility for paying for demolition, cartage, tip fees and so on.

THE CHAIR: So no payment was made on the surrender of the lease?

Dr Adrian: No, no payment.

MS DUNDAS: So the lessees of the Cotter Tavern didn't have insurance to cover this kind of damage?

Dr Adrian: My understanding is the lessee did have insurance. But the arrangement was, I think, essentially that the lessee would have had an insurance payout but we ended up taking responsibility for the full demolition and clean up. We were not in a position where we had to pay any compensation for improvements. Normally when a lease is surrendered there'd be issues of the territory paying out for improvements, so no improvements were paid for.

MS DUNDAS: So what happened to that insurance money though?

Dr Adrian: It would have gone to the lessee.

MS DUNDAS: Just claimed and then not used for the purpose it was taken out?

Dr Adrian: That was really left in the hands of the lessee.

MR HARGREAVES: Going to build another pub on the site?

Mr Corbell: Who knows, Mr Hargreaves? But I think the advantages of the territory acquiring the site are that it means that we can perhaps create a better land use outcome at the Cotter. Previously, if you wanted to take your kids to buy an icecream you had to cross the main road, so it wasn't necessarily the best location for a concession or kiosk type facility. So there's an opportunity to potentially reconfigure the Cotter, depending on the outcomes of the non-urban study, to make it safer for people to access concessions.

In relation to the compensation issue it is worth making the point that effectively the arrangement was reached where the territory paid for the demolition of the site and we have gained possession again of that land through a surrender. If we had to pay for compensation we would have been paying significantly more, so the negotiation with the leaseholder was one that I think met the needs of everyone. The leaseholder no longer wanted to operate the facility. The facility had been destroyed in the fire. The territory had an opportunity to reconfigure the Cotter and we were able to clean up and get the clean up done in a prompt way without added cost, which was reasonable to both the territory and which met the needs of the lessee.

THE CHAIR: I have many recollections of debates with the previous owner and the court cases and little bits and pieces that governments have struggled with over time. So that sounds like a good outcome. There was something we perhaps should have asked the

Urban Services Minister yesterday, although you might be aware of it. Are there dilemmas with the bridge across the river? I understand it's been washed out a few times and it's washed out at this stage.

Mr Corbell: It is a matter for the Urban Services Minister technically, but as I understand it, it is a low level crossing and it was constructed by the army immediately following the fire. Apparently it has subsequently met a whole series standards. For what was a temporary facility, it's actually met the standards for a permanent facility, so I think it was subsequently asphalted.

THE CHAIR: It has been, yes, except it was washed out in the recent rains.

Mr Corbell: I don't think it was washed out so much as it is a low level crossing so it floods when it rains. So that's what closes the road, I understand.

MS DUNDAS: Will that be something that's looked at in the redevelopment of the Cotter area—building the bridge back up?

Mr Corbell: You would have to ask the Urban Services Minister, I think. It is not my responsibility.

MS DUNDAS: So not even as part of the non-urban study?

Mr Corbell: I would assume that we would be building a road crossing there that would not be subject to the weather but you'd have to ask Bill.

THE CHAIR: Are there more questions on the tavern? No? The \$43,000 for aerial photography, what is the purpose of that? Is that not just normal activity undertaken by the department?

Mr Corbell: This is aerial photography that took place as a result of the fires. There was a requirement to get a sufficient survey of fire-damaged areas so aerial photography was undertaken—I think in the month or so following the fires—to survey the sites, the suburbs affected, to understand the extent of the damage, obviously for future planning purposes and really also as an important historical record. So that was conducted and it was an additional survey that was not otherwise anticipated.

THE CHAIR: If it is was conducted in the month after the bushfires, that would have been February or March this year.

Mr Corbell: Yes.

THE CHAIR: Why wasn't it included in one of the other appropriations or the budget?

Mr Corbell: It's a reasonable question. There were actually two surveys conducted. One survey was conducted in the month or so after the fire. Another survey was conducted, I think, a number of months after that. But due to the building arrangements with the contractor, the second survey was billed to ACTPLA first and so money was paid for that and the bill for this first survey was not received until after that survey work was conducted, after the bill for the second survey was received.

THE CHAIR: Surely we don't budget by the arrival of bills?

Mr Corbell: No we don't.

THE CHAIR: Don't we have a system in place that only allows purchase orders to be placed against cost centres?

Mr Corbell: Indeed. I'll ask Dr Adrian to explain the circumstances a bit better.

Dr Adrian: Well, what Mr Corbell said is correct. It was an unusual situation where there were negotiations between Ecowise Environmental had actually conducted the survey, part of the money was paid by them, and then at the end of the day we entered into negotiations with them and we agreed that the second bill, we would pay that, because we were also beneficiaries of the aerial photography that was done, and that was after the Budget. Hence our request for money through the second appropriation.

THE CHAIR: When was the request made for the first set of photos?

Dr Adrian: Both the requests were made through ESB. My understanding is there were discussions at the time with ESB, the taskforce, and with ACTPLA about shared arrangements, and the agreement, or the commitment was made by ESB at the time for the two flights to be done.

THE CHAIR: So the first survey was done, I assume, in February?

Dr Adrian: The first survey was flown on 23 January and the second survey was soon after that—late January. The first one was just looking at the immediate bushfire extent, and the second survey was a much broader sweep of the full area affected by the fires.

MS DUNDAS: Do you have a date for that second survey?

Dr Adrian: 31 January.

MR HARGREAVES: So does that mean that the bill has already been paid?

Dr Adrian: Yes, that's right.

MR HARGREAVES: So what we're seeing here is a mechanical treatment to actually seek appropriation to reimburse, and the general program that would happen in this financial year isn't affected?

Dr Adrian: That's correct. Otherwise, ACTPLA would have been taking the money out of other resources. So it's a reimbursement for an activity that wouldn't normally take place—in this case directly bushfire related.

THE CHAIR: I go back to the first question, why wasn't this in the second or third appropriation of last year, or in the Budget that covers this year, if I assume some sort of approval was given that the surveys be conducted in the first place?

Dr Adrian: There certainly was approval, in this case by the head of ESB. His approval was given for the surveys to be conducted, obviously before they were done in January, but the agreement on who was going to pay for what component, certainly the second flight, wasn't agreed until this financial year.

MS DUNDAS: So in the past eight weeks?

Dr Adrian: Yes, in terms of finalising the arrangement. Certainly since the budget.

THE CHAIR: Okay. When did the bill arrive, the unpaid bill?

Dr Adrian: I haven't got those details.

THE CHAIR: Could you get me that detail?

Dr Adrian: Sure.

THE CHAIR: It just seems quite odd that we would have something occur, and then work out who's going to pay for it later.

Mr Corbell: I think it was the nature of the response. At the time there was obvious desirability of getting aerial survey of the fire-affected areas. Subsequent to that it became apparent that the information was going to be used by a wider variety of agencies than was originally anticipated—and ACTPLA was one of those—so it was not unreasonable to ask ACTPLA to meet with some of the costs of that.

Dr Adrian: I'm informed that the invoice was received on 7 July.

THE CHAIR: And that came straight from Ecowise, or from ESB?

Dr Adrian: From Ecowise, yes.

MS DUNDAS: Are there any other issues like this that you think we should know about that are waiting around for negotiations between departments before payment can be made of things similar to this relating from the bushfires?

Dr Adrian: I couldn't speak for other agencies, but in terms of ACTPLA, no.

MS DUNDAS: So negotiations have finished? This is the last kind of detailed bill for those kind of things that we can expect to see?

Dr Adrian: That's right. There's nothing else in the pipeline that we'd anticipate being charged for, for example, that is related to the bushfires, no.

MR HARGREAVES: But would I also be correct in my assumption that these sorts of cost-sharing arrangements around agencies is not terribly unusual, except that in most of the cases they can be absorbed within their existing appropriation, existing programs, and what we're actually seeing here is the absorption of that cost within your program costings and appropriations, but the strain of that is such that you're seeking an addition \$43,000 to compensate for that?

Dr Adrian: I think that's correct. As members would be aware, there are many programs that are shared between agencies. In some cases that might be through newly appropriated money; in most cases it's through normal appropriations. In this case it was the special circumstances associated with the bushfires.

THE CHAIR: Was 7 July the first time the bill was issued by Ecowise?

Dr Adrian: Yes.

THE CHAIR: Or had the bill been issued earlier and had the public service asked that it then be split so various groups had their own components?

Dr Adrian: No, not that I'm aware of. That was the first time the bill had been talked about.

THE CHAIR: I would be worried that a service was provided in January and it took the government six months to pay for it. But if the bill hadn't been provided, I guess you can't pay what you haven't got.

Dr Adrian: No, that was the first time the bill had been received.

THE CHAIR: Are there more questions about that?

MR HARGREAVES: No.

MS DUNDAS: When was the second bill? You said there were two sweeps.

Dr Adrian: No, that's the only bill that we paid. The other component was paid by Emergency Services.

MR HARGREAVES: The aerial picture is very clear for me, thank you, Dr Adrian.

THE CHAIR: The management of unleased territory land: ACTPLA is assumed responsible for all unleased territory land if it's not under the direct control of another agency. The \$150,000 is to provide bushfire hazard management of that land. Why didn't the land when it was transferred to ACTPLA come with money to manage it?

Mr Corbell: It did. This is an additional appropriation to increase and improve the level of resourcing available for hazard reduction activity on unleased territory land that ACTPLA is responsible for. This is in response, I guess, to our assessment following January, as to what is a sufficient level of hazard reduction maintenance required, given that the land that ACTPLA is responsible for often tends to be land on the urban edge, adjacent to greenfields areas.

THE CHAIR: The management of it will be what? Will it be control burn, grazing, slashing?

Mr Corbell: It will be slashing and grazing mostly. That already occurs but this will allow for an improved level of activity and oversight and it will be mostly slashing and grazing to control what is mostly resumed paddock.

MS DUNDAS: How much land are we talking about?

Mr Corbell: I couldn't tell you off the top of my head. I'd have to take that on notice.

THE CHAIR: If you're going to take that on notice, could we have a list of the land that ACTPLA is now responsible for—unleased land that ACTPLA is responsible for?

Mr Corbell: Yes, we can do that.

Dr Adrian: We can provide that. It's roughly in the order of 500 hectares. One comment I would make about the land is that it actually varies almost week by week, because there's a process of handover from ACTPLA to the Land Development Agency. When the land is in our responsibility and is handed to them, an arrangement is in place between ACTPLA and the Land Development Agency to ensure continuity and to ensure that the land management functions on that land, are not lost. The other component is that it's done in close concert with the other land management agencies.

With the carriage being primarily with DUS, we have an arrangement looking at fire fuel management on all public lands—involving CUPS, Environment ACT, Forests, ACTPLA and LDA. That is really a new arrangement that's been entered into with the new authority and the Land Development Agency.

MS DUNDAS: So what was this land doing beforehand? Who was looking after it?

Dr Adrian: Under the previous arrangements, the land that ACTPLA is now responsible for was being controlled by the land development component of Urban Services.

Mr Corbell: Land Group in the Department of Urban Services.

MS DUNDAS: So when it says here that ACTPLA has assumed responsibility for unleased territory land, that happened on 1 July when ACTPLA was set up, it was just automatic?

Dr Adrian: Correct. In fact, if you look at that aggregate of land, from 1 July it headed in two parts. Either it came to ACTPLA or a component of it is with the Land Development Agency in preparation for sale.

THE CHAIR: Are there more questions? No? How many ACT border marks are we getting for \$250,000?

Mr Corbell: Well, it's not a case of getting them, it's work to try to find out how many are left. As you would be aware, Mr Chairman, there's quite a range of historic border survey marks along the border between the ACT and New South Wales. Many of those were wooden and they are the original border survey when the territory was established following the Seat of Government Act. The fire, we think, has significantly damaged or destroyed many of those surveys.

They are of significant historical value and are heritage listed. So, in conjunction with ACT Heritage Unit, ACTPLA, through the Commissioner for Surveys Office, will be doing an initial scoping and preliminary investigation into what is the state and extent of the damage to the surveys. The focus at this stage will be trying to do some sections of the one-mile marks, I understand, along the border—the key survey points along the border. This will allow us effectively to commission a small group of people to physically go out into what are quite remote areas and examine the survey markers.

THE CHAIR: So in the 135-kilometre stretch there are 135-mile markers, I take it?

Mr Corbell: Yes. I'm not very good at that transformation but—

MR HARGREAVES: Probably a few less than that, given that they are miles and not kilometres.

Mr Corbell: I'm not exactly sure how much of the border will be surveyed in the first instance—examined in the first instance.

Dr Adrian: I can't do the sums either, but there are one-mile markers and then there are half-mile markers as well. But, as the minister has indicated, the task in the first instance is to try to relocate exactly where those one-mile markers were or are, what state they're in and then we will have to ascertain what further work will be required.

When you start thinking about it and the sort of terrain that's being talked about, it is potentially a major task and probably over a number of years, if you want to totally restore all the markers to the state they were in, recognising their heritage significance. If you look back at the original work, I think it was done over a five-year period back around 1910. So it was a mammoth task at the time and whilst the technology has changed somewhat today, the physical task is pretty much the same.

Mr Corbell: It's extremely labour intensive. You can't drive, for example, you have to walk in and walk along the border essentially. So it's an expensive task because you have got to pay people to be out there for days on end just walking from mark to mark.

THE CHAIR: Matthew Higgins does it for fun.

Mr Corbell: I know, but we also employ him, and we pay him to do that.

Dr Adrian: He's actually a consultant to the heritage unit and will be involved in this for obvious reasons.

MS DUNDAS: Is New South Wales contributing to this project?

Mr Corbell: Not at this stage. However, I think it would be appropriate that the government seek some further co-ordination and assistance from New South Wales, once we've done some preliminary assessment of the impact. It is a shared border, obviously, and it is just as desirable for New South Wales as it is for the ACT to know exactly where the border lies.

THE CHAIR: So this won't be taken as an opportunity for the anchluss and the expansion north to commence.

Mr Corbell: Without trying to be flippant about it, I think it was suggested that it was handy to know where the fire is and who's responsible for it into the future.

MR HARGREAVES: Bob Carr would like to have the border moved down to Parliament House.

THE CHAIR: The \$250,000—which seems like a large amount of money—is this just for the initial study?

Mr Corbell: Yes.

Dr Adrian: Just for the initial study.

MS DUNDAS: So we can expect, though, that this work will turn up again in next year's budget?

Mr Corbell: I anticipate it will show up in future appropriations, whether it's next year's budget or some other appropriations. I would imagine the government will be coming back to the Assembly seeking approval for additional moneys to do further work.

THE CHAIR: Will the change be to kilometre markers, or is to actually restore the mile and the half-mile markers?

Mr Corbell: I've been waiting on advice from the Commissioner for Surveys on that issue, but my immediate impression would be to retain the existing markers.

MR HARGREAVES: We don't really need them to work out where the border is these days. Presumably we're talking about re-instating some sort of heritage presence of the border creation.

Mr Corbell: They are actually needed to work out where the border is, technically. They are the legal point at which the border is measured.

MR HARGREAVES: Over 80 kilometres you actually pick up in miles, by the way.

Mr Corbell: Well, 135 kilometres would be 81 miles, so there'd be 81 mile markers and 81 half-mile markers. So you're talking 160 markers.

THE CHAIR: When is the first survey expected?

Mr Corbell: I don't have that detail, I must say.

Dr Adrian: I haven't got the deep work. I am only now finalising the arrangements. What we'd envisage doing is calling for tenders to undertake the work. The work would be on a contractual basis, so we'll be initiating that quite soon.

THE CHAIR: How was the amount of \$250,000 determined?

Mr Corbell: If I recall correctly, that's the initial assessment and advice from the commissioner.

THE CHAIR: Are there more questions?

MS DUNDAS: No more.

MR HARGREAVES: Top marks.

THE CHAIR: The purchase of the land at Majura—I think we were told yesterday that it's blocks 102, 104 and another number unknown. What blocks is it that the government's looking to purchase?

Mr Corbell: Essentially, officers might be able to give you all the block numbers. I can't off the top of my head. There are quite a number of blocks out there. Essentially, the government is seeking approval through this appropriation for an amount of money to potentially purchase all—and I should say potentially purchase all—of the land currently held by the Department of Defence that it has indicated it no longer needs. That is essentially land that surrounds the airport. The assessment of the amount appropriated is based on our evaluation of what the land is potentially worth to purchasers.

THE CHAIR: So it's not an amount that the Commonwealth gave you?

Mr Corbell: No, it's our valuation.

Dr Adrian: If I might just add to that. I haven't got the full list of blocks, there's something in the order of about 50 blocks, so the valuation, in essence, covers all the blocks of defence land in immediate contiguity with the airport, in the immediate surrounds of the airport. It's an evaluation we undertook to get an initial assessment obviously of the value of the land.

THE CHAIR: Mr Tonkin said yesterday—and I don't hold him to it because he wasn't sure—that he thought it was blocks 102, 104 and I think he said 146.

Dr Adrian: It would include those blocks, but the valuation—and that is the point I want to make clear—includes a bigger area. It's a large number of blocks, some of which are very small. It would include the blocks, I assume, that he's mentioned, but it's a valuation on the full area of the defence holdings in the immediate vicinity of the airport.

MS DUNDAS: How are negotiations progressing?

Mr Corbell: The government has had negotiations with the Department of Defence. The government initially approached the Department of Defence seeking purchase of a number of blocks potentially for a correctional facility. Defence indicated to the government that it would prefer if all of the land was purchased, rather than just a couple of blocks piecemeal. We undertook an assessment of the valuation, which is the figure in the appropriation, and felt it was desirable and cleaner to simply purchase all of the blocks that defence had available for sale. Defence has indicated that it would prefer to

sell direct to the territory, but a final decision is yet to be made. I understand that will be made by Senator Abetz, who is Parliamentary Secretary to the Minister for Finance.

MS DUNDAS: So the \$1.5 million that we're setting aside now, is that the top amount you're willing to pay for all of the blocks of land?

Mr Corbell: It would depend on the Commonwealth's position. There may be a negotiation and if there is a negotiation, we would want to get the best possible price for the territory. Based on our valuation, this is what we think is a reasonable price, but in any negotiation there may be some movement upwards or downwards. If there was movement upwards, the government would have to accommodate that movement, potentially, say, within the Treasurer's Advance.

MS DUNDAS: Depending on how negotiations go, are you still keen to purchase all of the blocks of land for this price?

Mr Corbell: Yes. The government is keen to purchase all the blocks available. I should, for the purposes of the record, make it clear too, that the government is still of the view that the Commonwealth no longer requires this land and it should be returned to the territory at no cost.

THE CHAIR: Good luck.

Mr Corbell: We're also operating in a quite pragmatic way, given the existing political environment and the view of the Commonwealth on this matter.

MS DUNDAS: Has this figure of \$1.59 million been discussed with the federal government as the asking price?

Mr Corbell: I would think it would be safe to say they're aware that we've done a valuation and that's the figure that's been arrived at.

MR HARGREAVES: The publicity that this hearing has given and its appearance in the appropriation bill make it obvious to blind Freddy now, doesn't it?

THE CHAIR: Talking to the Treasurer and the head of the public service yesterday, there was acknowledgement that the airport wanted to extend—certainly the north-south runway, I think, Mr Drumgold said, by 450 metres and ultimately the east-west runway. I haven't got the transcript, but I thought he said, therefore, they were now looking at the area to the north-east, which is these blocks 102 and 104, that Mr Tonkin mentioned. Is that now the government's desired location for the prison?

Mr Corbell: The government is exploring a range of options. But I think for the specifics of locating the prison, it's probably best to ask the Attorney-General. He is responsible for the project.

MR HARGREAVES: Roll on the prison.

THE CHAIR: When do you expect an answer from the Department of Defence?

Mr Corbell: We are keen to have an answer as soon as possible, but it's a bit hard at this stage to tell when the Commonwealth will indicate its preferred position.

THE CHAIR: The only other area I think you are responsible for is the ACTION EBA?

Mr Corbell: That's correct.

THE CHAIR: An extra \$2.628 million for the EBA. What was gained in the bargain, was this a straight pay rise for ACTION employees or were trade-offs made for productivity?

Mr Corbell: I'll ask Mr Thurston to give you some details, but just before he does, the point that should be made is that this was quite a short EBA period and this is essentially a period designed to get ACTION employees into line with their equivalents—general service officers in other parts of the ACT government service. So the government's focus primarily was in trying to get some uniformity of pay outcomes across the service including people who work for ACTION. But Mr Thurston can give you some more detail on the specifics you asked.

THE CHAIR: How long is the bargaining period, how long is this EBA for?

Mr Corbell: This agreement will expire, in, I think, March?

Dr Adrian: April.

Mr Corbell: April next year.

MS DUNDAS: Is there a set down bargaining period before that?

Mr Corbell: Six months before the expiration.

THE CHAIR: So this EBA is simply an extension of the existing EBA?

Mr Corbell: Not quite, no. It's a new EBA, but it's only for a short period.

MS DUNDAS: So you start negotiations in two months?

Mr Corbell: That's correct. It is an exercise Mr Thurston is really looking forward to.

THE CHAIR: It also puts the bargaining period due just before the next budget and certainly before the next election.

Mr Corbell: Yes.

THE CHAIR: Why wasn't a longer period sought? Normally an EBA is three years.

Mr Corbell: As part of the negotiation, the government agreed to align this EBA's expiration, and commencement of the subsequent EBA, in line with the processes for the EBAs in place for line agencies in the government service—as part of the negotiating position the government reached with the union and the employees of ACTION.

MS DUNDAS: Are you going to provide us with the detail?

Mr Thurston: Yes. ACTION was one of the forerunners in the EBA in 1999 and we expired before the rest of the ACT public service. ACTION then went into a one-year extension of the previous agreement, which expired on 15 January this year.

Through the initial EBA process ACTION employees became the lowest-paid ACT public servants. We then had the extension which actually put us at the forefront because others hadn't had a renewal and this particular agreement brought us totally into line with the mainframe of the ACT public service, the DUS, GSOs and ASOs. So ACTION employees now are on a similar level to every other public servant in the ACT jurisdiction. I think that was a good point that we got to. There are still some productivity issues which are built into the forward budgets that ACTION is still working through and achieving good results. We have achieved budget for the past three years and obviously that has been achieved by making the savings that were identified.

THE CHAIR: In relative terms, how do ACTION's staff and bus drivers compare with the other jurisdictions?

Mr Thurston: Outside of the ACT? We are just completing some benchmarking of some 70 bus operators around the country by a firm called INDEC. They're working for the Victorian government and the New South Wales government. They've identified that ACTION's pay rates are high but then you need to look at the ABS statistics which say that the wages in Canberra are higher than every other jurisdiction other than the Northern Territory and even \$100 a week more than Sydney. Therefore that would prescribe that ACTION bus drivers, as other public servants, would be up at the higher level rather than the lower level. But we're expecting those survey results in the next couple of weeks. But that will be interesting to see just how we do benchmark.

THE CHAIR: Minister, will that survey be made available?

Mr Corbell: I need to take some advice from the ACTION board on that. It could be a survey that's used for the purposes of wage negotiations and I wouldn't want to compromise the government's negotiating position. So, subject to that qualification, we would be happy to make it available as long as it didn't compromise the government's negotiating position with ACTION employees.

THE CHAIR: Thank you. Mr Thurston, the productivity issues that are still outstanding include what?

Mr Thurston: Our range of issues which have been built in over the last three EBAs including this one. This survey is specifically about how we do benchmark in the transport industry against our colleagues elsewhere. That will be the key bit of information to see where we are now. We've had this benchmarking every year for the past five years, so there's been a consistency in approach. I think that will enlighten as to where we sit now with the current situation. They survey will be broader than has ever been done before and I would suggest in more detail than has ever been done before. But it was commissioned by other jurisdictions and we've played a part in that to get some advice for ACTION.

MS DUNDAS: The next round of negotiations and the new EBA, will that be met within current budget parameters or do you expect that more money will be coming from Treasury to help meet that?

Mr Corbell: It will depend, I think, on the process of the negotiation itself. Obviously there's a process of scoping out what the union wants to make in terms of its claim, and then the government making some assessment through the ACTION board of what it thinks is a reasonable pay rise to grant. There are other issues there around the length of the agreement, the trade-offs for productivity improvements and so on. So at this stage the way the government normally addresses these issues is that some level of provision is usually made within the budget. Usually contingent on negotiations is then an explicit Cabinet decision to make offers within a certain range and then arrangements are made through the relevant appropriation bill to ensure that that money is available.

MS DUNDAS: The next certified agreement is being brought down in April 2004. Would that be for the first pay date within April or commencing on 1 July? So would that then have to be met within existing budgets or would there be a subsequent appropriation?

Mr Corbell: It's a bit hard to speculate, Ms Dundas, simply because it's hard to know at what point agreement will be reached and, if agreement is reached after the potential date of the new EBA, whether there's backdating provisions and so on. So it's a bit hard to speculate at this time.

MS DUNDAS: Well, without giving the game away, was provision made in the 2003-04 budget for the next EBA—for April, the one that's coming up?

Mr Corbell: No specific provision is made. Treasury makes an underlying provision for all wage increases as part of the budget process. So certainly built into the overall budget framework is some underlying level of provision but that's for across the government and then the government can draw on that during its negotiations once agreements are reached. I think this government's approach will also make specific appropriation once we know what the bill will be.

MS DUNDAS: So provision was also not made in the 2003-04 budget for the certified agreement that has just been signed?

Mr Corbell: Again, it was drawn on from the underlying provision the government made for wages in the budget overall. So it wasn't explicitly dedicated to ACTION, no. There was an underlying level of provision in the budget that is then subsequently appropriated for the specific purpose.

THE CHAIR: Minister, that would appear to be the end of the questions. Thank you for your attendance and the attendance of your staff today.

The committee adjourned at 10.43 am.