

**LEGISLATIVE ASSEMBLY FOR THE
AUSTRALIAN CAPITAL TERRITORY**

SELECT COMMITTEE ON ESTIMATES

(Reference: Appropriation Bill 2004-2005)

Members:

**MR B STEFANIAK (The Chair)
MS K MacDONALD (The Deputy Chair)
MS R DUNDAS
MRS V DUNNE
MR J HARGREAVES**

TRANSCRIPT OF EVIDENCE

CANBERRA

FRIDAY, 21 MAY 2004

**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 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 9.16 am.

Appearances

Mr Bill Wood, MLA, Minister for Disability, Housing and Community Services, Minister for Urban Services, Minister for Police and Emergency Services, and Minister for Arts and Heritage

Urban services, arts and heritage portfolio

Mr Alan Thompson, Chief Executive Officer, Department of Urban Services

Mr Allan Eggins, Executive Director, Corporate, Department of Urban Services

Mr Alan Phillips, Director, Corporate/Corporate Budgets, Department of Urban Services

Mr Gordon Davidson, Executive Director, City Services, Department of Urban Services

Mr Hamish McNulty, Executive Director, City Management Department of Urban Services

Dr Maxine Cooper, Executive Director, Environment ACT, Department of Urban Services Heritage

Ms Elizabeth Fowler, Director, Environment Protection/ Environment ACT, Department of Urban Services

Mr John Heinemann, Manager, Finance, Environment ACT, Department of Urban Services

Mr Stephen Ryan, Acting Executive Director, City Operations, Department of Urban Services

Ms Sue Ross, Executive Director, Customer Services and Information, Department of Urban Services

Mr Tom Elliott, Director, Customer Services and Information/Canberra Connect, Department of Urban Services

Ms Anna Lennon, Executive Director, Policy, Arts and Transport, Department of Urban Services

Mrs Karen Greenland, Acting Director, Policy, Arts and Transport/Road Transport, Department of Urban Services

Mr Brian MacDonald, Director, Policy, Arts and Transport/Road Transport, Department of Urban Services

Ms Lyn Allan, Acting Director, ArtsACT, Department of Urban Services

Mr Gary Rake, Business Manager, ACT Forests, Department of Urban Services

Ms Harriet Elvin, Chief Executive Officer, Cultural Facilities Corporation

Mr Hilton Taylor, Acting Director, ACT Forests.

THE CHAIR: If everyone would pay attention. This is to all witnesses. You should understand these hearings are legal proceedings of the Assembly, protected by parliamentary privilege. And that gives you certain protections and also certain obligations and responsibilities. You are protected from certain legal action such as defamation but you've also got a responsibility to tell the committee the truth. Giving false or misleading evidence will be treated by the Assembly as a serious matter. Do you all understand that? Good, you're all nodding. Thank you.

Also I need to ask everyone who actually gets a guernsey to say something to identify yourself when you first come up to the microphone. State your name and the capacity in

which you are appearing. Please clearly identify when you are taking a question on notice. It's then your responsibility to check the transcript and respond to the question. Responses to questions taken on notice are required within three full working days. The transcript will be e-mailed to the minister and the departmental contact officer for distribution to witnesses as soon as it's available. Members, can you clearly identify if you want a question to be taken on notice and give any relevant page references. Proceedings are being broadcast to government offices, and the media may record proceedings and may come in and take visual footage.

Minister, do you want to make a short opening statement?

Mr Wood: Thank you, Mr Chair. Yes. It's been a busy year for DUS, a great deal of activity. There've been major efforts—a great deal of work arising from the bushfire and the recovery from the bushfire—and that's taken a substantial involvement from many areas of the department. You will see that that's reflected in the figures in the papers. Sometimes there was heavy expenditure in the former year, it drops off, so the expenditure does vary in various places.

DUS has also, as a result of the bushfires, been much involved—it's been really quite a heavy bit of work—in supporting its people as they go to the coroner's inquiry, and of course there's been major activity in the area of forests in determining its future and handling all those issues.

Additionally, there's been the return of Totalcare and all its activity into the department. That's been a major involvement that you don't hear about, mainly because it's been done so well. The department has now absorbed all that, and it's working extremely well. As well as that, PALM has left this year. So, again, you'll see in the figures considerable variations because of the return of Totalcare and the removal of PALM. So that's responsible for a lot of the figuring.

Another big activity, as you all know, with DUS this year is the Gungahlin Drive extension project and all the work that that has involved.

It's also been a good year for the arts and a busy year for the arts. The Glass House, which has been a project on the books now for over 10 years—and I want to acknowledge the funding of the former government in that—has involved a lot of background work and negotiation between officers and Treasury, a very well-worked-out business plan. When we get the final funding, it just doesn't happen that it comes up without that very substantial background of work. Likewise with the Link. That project, which began in the time of the former government, is now firmly in place, again because of very solid work in the background.

One other matter that's of interest I note here is the bushfire memorial that's proposed. All the advice we had on that was that you don't hurry those things, and there's been very sensitive and careful consultation with the community on that, and it continues to move forward. There's also been, within the department as within other agencies of government, year by year, an ERC process. That's just been completed. I'm sure you'll want to know something about that. It's just been completed, and the work on handling that is commencing. So DUS has been fully employed over the year in what I would see as a very successful year.

THE CHAIR: Thank you, Minister. I'll start off with a few questions. My first question is on financial statements, page 192. You mentioned in your opening statement about the integration of Totalcare's activities and functions. Has there been any assessment as yet of any impact arising from the integration of Totalcare, either positive or negative?

Mr Wood: It's a matter that's of great interest to me, Mr Stefaniak, as all those negotiations were done. We are monitoring that very closely, and I'll ask for some detail on that.

Mr Thompson: Minister, I'll say a few things. Alan Thompson, Chief Executive. I'll also ask Gordon Davidson to join me as well. I guess the significant point for us is that three of Totalcare's businesses have joined urban services—they're three big and busy businesses—but the reality is that for the last two or three years of their life in Totalcare they were not profitable businesses. So they've now joined urban services. And the process of them returning into the public service was going to be accompanied by a review process.

Gordon Davidson who looks after City Services, where all the Totalcare businesses are based, is just starting that business review process off. I'll hand over to Gordon to just talk about that in a little bit. It will be done with participation of staff. I think the pleasing thing, though, is that these three businesses have now been with us for eight weeks—something like that—but at this stage the preliminary financials are actually looking a bit better than we had expected. But if I hand over to Gordon, he can describe the review process that we're about to embark on.

Mr Davidson: Gordon Davidson, Executive Director, City Services. As Alan said, the businesses have been back with us now for a couple of months. Facilities management and roads maintenance services transferred on 1 March, and then the linen business transferred on 1 April. To get there we ran quite an extensive project management arrangement. As the minister commented, it seemed to go fairly smoothly.

Mr Stefaniak asked about the costs incurred by the department. The costs associated with organising the transfer are estimated at about \$700,000. Until 31 March we had actually spent about half a million. That was made up of about \$300,000 in salaries and about \$200,000 in other project costs. So that's got the businesses over to the department.

We are expecting some other costs to be incurred during the review process that Mr Thompson referred to. The budget papers allow \$1.5 million for migrating the IT systems. We expect that to be done over the next 12 months or so. And the business reviews that we're just kicking off will look at optimising the performance of the businesses.

There will be some costs involved in running those consultancies, probably another up to \$200,000, and then any costs associated with restructuring those businesses following those reviews will depend on the outcome—and we don't know the outcome yet. What we're aiming to do during the reviews is optimise the performance of the businesses and carry out whatever restructuring we need to do in order to achieve that.

THE CHAIR: Have any staff lost their jobs?

Mr Davidson: Sorry?

THE CHAIR: Have any staff been terminated or given redundancies?

Mr Davidson: No, all of the employees of Totalcare have been offered a job in the government.

THE CHAIR: And they're meaningful jobs?

Mr Davidson: Not meaningful jobs. We brought the businesses across on a business-as-is basis.

MRS DUNNE: Actually, I would like some clarification because we spoke with the Treasurer and Mr Harris earlier in the week about the costs. They talked about the costs from the Totalcare side, which is fine, but the figure used by Mr Harris for the cost of integrating Totalcare into the ACT bureaucracy was about \$1.5 million.

Mr Davidson had two figures: \$700,000-odd for DUS, and presumably there's some for health elsewhere—and that's really not for you to say—and \$1½ million for the integration of IT. Can you give an exposition on what the integration of the IT is? We might need to take it on notice, Minister, and we might have to actually go back to other ministers as well to get some sort of breakdown of the figures because I'm actually hearing two different sets of figures for the integration costs.

Mr Davidson: Well, yes, I'm aware that Totalcare incurred some costs on their side of the equation. I think those costs have been quoted.

MRS DUNNE: Yes. I'm not really interested in that. That's not—

Mr Davidson: The project management costs, the \$700,000 that I've talked about, are DUS costs, and the \$1.5 million that's allowed for in these budget papers is substantially for IT transition. That occurs because Totalcare have been running on a different system to government, and the aim is, given that they're now part of government, to have them operating on the same common systems. I can't really go into any more detail than that.

MRS DUNNE: No. Perhaps, Minister, you'll need to take it on notice.

Mr Davidson: That's an estimated budget figure at this stage.

MRS DUNNE: We don't really have a whole-of-government figure, or the whole-of-government figure we got the other day, which was \$1½ million, doesn't tally with what you're telling us here.

Mr Davidson: I think Mr Quinlan quoted the \$1.5 million because he knew that was the figure that had been allowed for in the DUS budgets. That's it in a nutshell, I think.

Mr Phillips: Alan Phillips, Director, Finance. On page 206, I think the figure Mr Harris was referring was the \$1½ million migration costs.

MRS DUNNE: But that's not the whole figure?

Mr Phillips: I think that Mr Davidson had also alluded to \$700,000 costs already incurred. They are project costs for the DUS involvement so far in bringing the Totalcare businesses into the department, which are not shown as a separate budget line.

MRS DUNNE: Somewhere also I saw a figure for—

Mr Phillips: There are also 2003-04 costs we're talking about, I think.

Mr Davidson: That's the \$700,000.

MR HARGREAVES: May I clarify something please, Vicki. Do I understand correctly that there was \$1.5 million provided in the budget for the migration costs but of course there would be expected to be costs absorbed by DUS within your own budget? Am I sort of seeing how much it's costing over and above what you would have paid yourselves out of your own budget? In other words, if for example we were to totally cost the migration it would have two parts to it: one part would be the additional costs of those figures that we just couldn't absorb—and that's the \$1.5 mil—and then the other costs are things that your department would bear, because you could, through re-organisation of priorities. Am I anywhere near the right track?

Mr Phillips: What, the \$700,000 is costs that are incurred this year, the 2003-04 year to date?

MRS DUNNE: For which you didn't have a particular allocation; they're just—

Mr Phillips: We didn't have a particular allocation and the \$1½ million—

MRS DUNNE: They're just admin costs.

Mr Phillips: As Mr Hargreaves points out, it is for 2004-05 and it's specifically identified in the budget papers.

MRS DUNNE: I don't know where I saw it, but correct me if I'm wrong: is there money also for the linen service?

Mr Wood: Yes, there's a capital item.

MRS DUNNE: I did see that.

Mr Wood: \$1-point-something million for a new loading system.

MRS DUNNE: That's not really a translation cost; that's just a cost that the linen service would have to bear anyhow.

Mr Wood: Yes.

Mr Davidson: That line is in the budget papers as additional funding for 2004-05 under the \$1½ million for transitional costs on page 206.

MRS DUNNE: It's on page 206 as well, is it?

Mr Thompson: Those linen costs would have applied whether linen were part of Totalcare or part of the government and—

MRS DUNNE: Right, \$1.39 million.

Mr Thompson: Yes.

MR CORNWELL: This may have been canvassed before, but have all the Totalcare business units been transferred to urban services?

Mr Thompson: No, Mr Cornwell. Essentially, they ran themselves as five businesses. One has transferred to health. One is still sitting there as part of Totalcare, and that is Fleet. And I think that was discussed at the Treasury committee the other day.

MR CORNWELL: I thought that might have been the case, yes.

Mr Thompson: And then the other three, which is the majority of the people, have moved into urban services. The Fleet one, I think that was explained at the Treasury hearing. It was initially proposed to join urban services. We did this fairly comprehensive review about how the Fleet business works. And a lot of it works on novated leases, which require three parties. If you moved it into urban services you would delete one of the parties.

MR CORNWELL: You've lost one of the parties.

Mr Thompson: It just wouldn't work. So Treasury is now looking at other models for how that might work.

MR CORNWELL: Fair enough. The other question I had is: what is the intention of these business units within the department? Are they expected to make a profit, or are they just expected to pay their way?

Mr Davidson: Perhaps I'll start.

MR CORNWELL: What's the target?

Mr Thompson: The history over the last perhaps three years would be that each of them would have been sometimes in profit but sometimes not. Our intention, through this business review process that we talked about some few minutes ago, would be to make sure that they are at least breaking even and preferably returning a return to the territory. That is the aim.

MR CORNWELL: Good luck. Thank you.

MS DUNDAS: Totalcare, when it was Totalcare, had to tender for ACT government contracts. I guess one of the signs that Totalcare wasn't operating as well as it could be was when it started losing ACT government contracts. Now that a lot of services are

going to be picked up by the new CityScape Services, is that going to operate on the same basis—that they have to tender for ACT government contracts?

Mr Thompson: Ms Dundas, are we talking about CityScape or City Services?

MS DUNDAS: Sorry, CityScape Services, is that what it's called?

Mr Davidson: City Services.

Mr Thompson: Just to explain: CityScape is our horticulture business; it's been operating under that name for seven or eight years now, I guess. Its clients are primarily the ACT government—housing is a big client of CityScape—and the National Capital Authority is the other client.

In terms of the new businesses that have joined us—they're all part of Gordon's domain—of those, facilities management has a range of clients, mostly within the ACT government but not entirely. Facilities management do work for some private sector clients. Particularly in terms of the fire and accident make-good and burglary, they've got a system for securing the building, that sort of thing. They do work for the National Capital Authority, and then they do work again for a range of clients inside the ACT government. Certainly so far as the work that they'll be doing from here on for urban services is concerned, we would not be putting them through a tendering process. We would be ensuring value for money, but we wouldn't be going through tendering.

In terms of the roads business, the roads maintenance: their range of clients has been smaller. They do some work for the National Capital Authority and occasionally for other business around Canberra, but the vast majority of their business for many years has been—basically they've had as their client—the urban services department. From here on we won't be putting them through a tendering process. We'll be ensuring value for money and allocating certain works to them.

MS DUNDAS: Did Totalcare have the cleaning contracts for ACT Housing and then they lost that contract?

Mr Thompson: Clearly they lost that a while ago.

MS DUNDAS: You've talked about how you see the new services working through urban services. Have you worked out any other relationship with other ACT government departments?

Mr Thompson: Gordon, do you want to answer?

Mr Davidson: Well, yes. A good example of that is in the linen business where 50 per cent of their work is for the department of health, and that'll be allocated through a service level agreement. Their other clients are small private-sector clients whom they'll be seeking to win work from in the competitive market. Regarding the facilities management business, we are in the process of setting up service level agreements with various other government agencies to do their maintenance work on a continuing basis.

MS DUNDAS: When City Services comes through facilities management and they start

doing, without tender, all the DUS work, will they still be capable of tendering for external work?

Mr Davidson: Yes. Their charter will include competing for work in the private sector on a sort of competitive neutrality basis.

MS DUNDAS: And what processes will you put in place to make sure that the government's funds aren't necessarily undercutting other sectors or other contracts?

Mr Davidson: We appreciate the point that we can't allow these businesses to do work in the private sector at a loss. So we'll be ensuring that the prices that are put in for those works are real prices which are not, if you like, loss leaders.

Mr Thompson: I might just comment that, it's interesting, Ms Dundas, at the moment—and we had a good session with all the senior people in FM about a week ago—because the building industry and the maintenance industries in Canberra are going very well, that's not really the issue. The issue in many ways is that they're having approaches from the private sector requesting them to do work for them, particularly in this security area, because there are no people offering from the private sector. It's one of those situations that indicate that some parts of the Canberra economy are going very well, perhaps a bit too well.

MR HARGREAVES: Is it also the case that, in fact, part of the problem with lack of contracts was the price was too high, not the price was too low?

THE CHAIR: Any further questions on Totalcare? If not, we'll move on. Capital injections, page 195, BP4. What is the reason for the rollover of \$16 million in capital works? Could you tell me why that rollover was so substantial and will it be repeated this year? Have you also taken any action to prevent a recurrence?

Mr Thompson: Mr Stefaniak, thanks for the question. I think there are two principal reasons for this quite high rollover figure. One is one that's been around for a long time and is still a challenge to all capital works organisations in the ACT, not just the government, and that relates very much to the various approval processes that apply both through ACTPLA and, to some extent, through the National Capital Authority. Sometimes, and for some of those projects, the timing of the actual physical construction is delayed simply because the approvals take longer than we had expected. A good example would have been Horse Park Drive, which is now finished, but was finished rather late because we ended up having to, if you like, redesign part of it.

MR CORNWELL: There was a tree in the way, as I recall it, yes.

Mr Thompson: There were trees in the way, exactly.

MR HARGREAVES: And what happened to the chainsaw symphony, I wonder.

Mr Thompson: We were very caring.

THE CHAIR: Go on, Mr Thompson.

Mr Thompson: Obviously the front and central example right now, of course, is Gungahlin Drive, where that same situation is applying, and I'm sure the Assembly will meet and discuss that next week.

The other issue, though, that is real in the ACT right now is that the engineering and commercial building sectors are very busy. There's been a challenge to get a range of competitive tenders in for some of our work and, with regard to at least one job, we've taken it off the market and we'll re-tender it. That's to do with Sutton Road, the Sutton Road upgrade out to the east.

The reasons for that high level of activity here relate partly to work in and around Civic. QIC and the Silverton site are busy; the land agency is busy. We did have quite a range of work under way ourselves. But the other issue, I think, is that there's very robust road construction happening in Sydney and Melbourne right now, and to some extent resources have actually left the territory to go and work in Sydney and Melbourne.

MRS DUNNE: What you're saying, Mr Thompson, is that you're not getting people to tender or they're putting in tenders that they know won't get a look in, won't be accepted, because they're too high.

Mr Thompson: Well, I'm sure they would love the tenders to be accepted. There's a healthy profit margin in them. But for a couple of them—and Sutton Road was a good example—the price was significantly higher than our pre-tender estimate. In general, we've been pretty right with our pre-tender estimates against the total cost. So, when we get these blips with higher prices, we look and review whether we have a reasonable price. So in the case of Sutton Road, we were going to build it a little bit earlier than originally programmed; now we'll re-tender and hope that the market's a bit calmer.

MR CORNWELL: The costs of these roads have gone up, haven't they? We're paying more for less; that's what it comes down to. Surely this can't just be a matter of competition out there, because some of the cost increases are substantial.

MR HARGREAVES: For example?

MR CORNWELL: Yes, I'm getting some information, Mr Hargreaves.

Mr Wood: Well, I'd like to see some comparisons there.

MRS DUNNE: Well, we could go to the thorny chestnut of Gungahlin Drive, which started off as a \$58 million road, which is now a \$71 million road and which is not as wide as was originally planned. If we built all of Gungahlin Drive now, what would it cost, Mr Thompson?

Mr Wood: In two lanes?

MRS DUNNE: No, the whole lot; the four lanes.

THE CHAIR: Four lanes, two lanes each way.

Mr Thompson: I wonder if we could get Hamish McNulty to join us. I can't recall. We

have done the figures.

MRS DUNNE: Here's a man with GDE close to his heart.

Mr McNulty: Hamish McNulty, Executive Director, City Management. I think the most recent estimate undertaken for the full construction of the full road was about \$120 million.

MRS DUNNE: In today's dollars, \$120 million if you built it now.

Mr McNulty: Yes, in today's dollars.

MRS DUNNE: What will the delay of roughly 10 years blow it out to?

Mr McNulty: Sorry, I do not understand. In today's dollars \$120 million.

MRS DUNNE: Yes, if we do not build it now. If we build only the two lanes now and 10 years down the track we build the extra two lanes—as is the current program—what will that cost then?

Mr McNulty: I do not have the number at my fingertips, but my recollection is that there was a premium of about \$8 million or \$9 million—I think; of that order. I am not sure.

Mr Thompson: We did not bring the figures with us. My recollection was that, if you built it all at once, it was of the order of the figure Hamish is quoting but that, if you built two lanes of the carriageway but did some of the underpass works as part of the first job, when you came back—whichever year that was—you would be paying a premium of some millions. Then the rest of the cost would basically go up roughly in proportion to CPI. Most building works are moving roughly in accordance with CPI movements at the moment.

THE CHAIR: Are you saying, Mr McNulty, that if you built the other two lanes later—because of all the work you're doing now for \$71 million—it would cost only about \$8 million or \$9 million extra?

Mr McNulty: No. I am saying that the additional cost of building it with the second carriageways later would be \$8 million or \$9 million more than it would be if you built it all now.

MRS DUNNE: We are saying \$71 million now for the two lanes—\$120 million. so an extra \$50 million for the extra two lanes if you built it now and then a premium in relation to CPI. You would add the CPI to that \$50 million plus \$9 million for stuff you would have to undo and do again.

Mr Thompson: It is not so much “undo”. where you run into the cost is physically organising a major contractor to be on site, all the road diversions and so on. If they are done once, then there is none of that set up cost a second time.

MRS DUNNE: We have varying success when we duplicate carriageways. I think that most people were pretty shocked at how much of the original road we did not use when

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we did William Hovell Drive. Essentially it seems to have been rebuilt.

Mr McNulty: I do not believe that is correct. We used substantial amounts of the existing road, but the new carriageway moves from one side of the existing road to the other.

MRS DUNNE: It did bob and weave a bit, did it not?

Mr McNulty: That was purely to get a good design for a duplicated carriageway, as opposed to a single carriageway road. To a large extent, the existing carriageway was re-used.

MRS DUNNE: Was it?

Mr McNulty: It is where we crossed over, if you like. The bits in between were not used of course.

Mr Thompson: The other thing to be said about Gungahlin Drive—and we obviously did a fair bit of thinking about whether to go two lanes versus four lanes—is that the traffic studies for that part of Canberra showed that it would be desirable in peak periods to have four lanes, but that a two-lane road would provide an extraordinarily good service to people in that part of Canberra for something like 22 hours a day. It will slow down at peak period, but even then the level of service is significantly better than the people in Sydney and Melbourne would get from the road.

MR HARGREAVES: Are you treating the Gungahlin Drive extension in terms of two lanes versus four lanes in a similar way to how you treated Drakeford Drive in Tuggeranong from, say, Kambah Village through to the Isabella Drive roundabout?

Mr McNulty: Yes.

MR HARGREAVES: It will expand as the traffic flow justifies that expansion.

Mr McNulty: Yes. we have said all along that the additional carriageways would be built when the population of Gungahlin and the level of traffic demanded it.

MR HARGREAVES: Is that the reason why the road between Johnson Drive in Theodore and the Lanyon Valley has not been updated to a four-lane highway—because the traffic demand does not sustain that?

Mr McNulty: That is correct.

MR HARGREAVES: Therefore the same principle would apply to Gungahlin Drive.

Mr McNulty: Yes, correct.

Mr Thompson: I think the modelling that was done—and it is part of the PAs—suggested that the busiest part was from Ginninderra Drive down to Belconnen Way. If we did it in stages, as Mr Hargreaves said, that would probably be the bit we would start on first.

MRS DUNNE: Why would you duplicate one bit and create bottlenecks at either end? You would be hurtling along Ginninderra Drive and thinking, “You beauty!” You would then get to Barry Drive, experience a bottleneck and have to merge again. Why would you do that?

Mr Thompson: If, at the time, the territory had plenty of cash, by far the best solution would be to duplicate the whole thing. At times the history of the territory’s capital works has been that there has not been enough in any one year. The previous government agreed to do Drakeford Drive in stages. As I understand it, that was driven by the cash flow availability from 1999 through 2000, through 2001. That would be the reason why we would work with the Treasury of the day to maybe build it in stages, although we would prefer to have one contract from end to end.

THE CHAIR: Minister—this is not for your public servants—would it not have been better to bite the bullet and build the road as a four-lane road, like I think the Tuggeranong Parkway was built? I know that was quite a while ago—back in 1974. Given that you know Gungahlin is going to grow, it is obviously cheaper to do that now than to do it even in stages later on. Wouldn’t it be better to build this very major road now? It is that; it is probably akin to Tuggeranong Parkway.

Mr Wood: I think you have heard the answer to that. The government certainly considered the issue of whether we would go for the four lanes or the two lanes. Given all that you have heard as a quick summary in the last five minutes, we opted to do the two lanes right now and the rest later.

MR CORNWELL: In 2003-04 municipal road maintenance was 97 lane kilometres at a cost of \$58,146 per kilometre. In this budget, 2004-05, we see only 95 lane kilometres—that is two lane kilometres less—at a cost of \$69,514 per kilometre.

MRS DUNNE: \$69,000 for maintenance?

MR CORNWELL: That is two kilometres less of municipal road maintenance and yet it’s going to cost another \$11,386 per kilometre. What is the explanation?

Mr Wood: Is that what you were referring to earlier, in costs?

MR CORNWELL: Yes, it was. I put out a media release but, of course, the media didn’t think it was terribly important. I’d like to know what the answer is, please.

MR HARGREAVES: Maybe there’s a message in that.

MR CORNWELL: Yes, maybe there is.

MRS DUNNE: Can you just run those figures by me again, Mr Cornwell? This is page 214 of BP4?

MR CORNWELL: Yes.

MR HARGREAVES: We got onto output classes straight away, Mr Chairman.

MRS DUNNE: No, it isn't. It's just that that is where you find the information.

MR CORNWELL: My research officer has researched this, obviously, and she's accurate. We're saying that there has been a massive increase of \$11,386 per kilometre in cost of the municipal road maintenance in this budget as opposed to the last, and we're getting two lane kilometres less for the same amount. I'm just wondering why.

Mr McNulty: The kilometres you refer to are in respect of planned maintenance, which is essentially resealing and resheeting of roads. The total cost of municipal road maintenance includes all the other maintenance activities we do right across the network, which covers probably 2,500 lane kilometres of municipal roads.

MRS DUNNE: But it says that we did 97 this year, or are estimated to do 97 this year, and you estimate to do 95 lane kilometres next year.

Mr McNulty: Of planned maintenance—resealing, resheeting and resurfacing roads. That is the work you do to try and mitigate against future maintenance. The total cost of municipal road maintenance, which I think is the number Mr Cornwell's people divided by 95 to get the roads per kilometre, refers to all the road maintenance activities over the entire municipal road network.

MR CORNWELL: Why didn't that happen last year?

Mr McNulty: That happens every year.

MR CORNWELL: The two, therefore, are still compatible, surely.

Mr Thompson: Perhaps I can assist there. One of the things that began to be built into the budget last year or the year before was a ramping up of road maintenance. It's a subject that has been discussed at these committees over the years. We've got this huge asset base in our roads, we've not been investing enough in their maintenance, and we've now got a higher level of overall road maintenance funding beginning to roll through our funding. It shows up in the two top items under "cost" on page 214.

You can see that there's a significant increase in both territorial road maintenance and municipal road maintenance. The sum total is about \$2.3 million extra, from memory. Essentially what's being said there is that we will use that money in the best way we know how, and we'll be catching up, to some extent, on backlogs in some areas. It won't necessarily be, for this year, in the scheduled maintenance category. Is that a fair way of putting it?

Mr McNulty: Yes, absolutely.

MRS DUNNE: To pursue that just a little, what you're saying, Mr McNulty, is that the quantity indicator of 95 lane kilometres of maintenance for municipal roads is not all that you do?

Mr McNulty: No.

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MRS DUNNE: You do something else, other than that?

Mr McNulty: Yes. That is planned maintenance, which is a particular sort of maintenance activity. The total road maintenance would include things like street sweeping, filling potholes—the whole range of activities you do when you maintain a road.

MRS DUNNE: On notice then, can you give an exposition of what road maintenance is? How much is sheeting and sealing? How much is filling potholes? Can you tell us how much sheeting and sealing costs per kilometre?

Mr McNulty: Yes we can—absolutely.

MRS DUNNE: Off the top of your head?

Mr McNulty: No.

MR CORNWELL: Please take it down. The 2003-04 figure that is quoted here is 97 lane kilometres of planned maintenance at a cost of \$58,146 and in 2004-05 we see only 95 lane kilometres of planned maintenance at a cost of \$69,514.

MRS DUNNE: I think they're saying that they're doing more street sweeping. That is why.

Mr McNulty: The 95 lane kilometres of planned maintenance costs substantially less than the overall cost of maintenance.

MR CORNWELL: Have a look and come back with it, if you wouldn't mind.

MRS DUNNE: I think what this means, Minister, is that these output measures aren't worth a cracker. I'm sorry. They just don't tell anybody anything.

Mr Wood: Okay. so you want to see the difference year to year, and just whether there has been more of one that has inflated the cost, or just what has done it?

MRS DUNNE: Yes.

Mr Wood: Okay, we'll get back to you on that.

MRS DUNNE: Thank you. Getting back to Gungahlin Drive, I want to go back to the point Mr McNulty made. Is Gungahlin Drive better designed for duplication than was William Hovell Drive? You basically had to forego all the surface on William Hovell Drive.

Mr McNulty: I can't speak to the original design of William Hovell Drive. I can, however, tell you that Gungahlin Drive has been designed as a four-lane road, and we're building the first two carriageways of that.

MRS DUNNE: Are you going to build the outside and then fill in the middle, or vice versa?

Mr McNulty: It varies depending on the location and the best way to do it.

MRS DUNNE: We're still going to have the bobbing and weaving?

Mr McNulty: There are staging plans which, once again, I haven't got firmly printed in my memory, but we can provide details. It varies from location to location.

MRS DUNNE: One of the issues raised consistently by the opponents of the road is that the \$71 million does not include the upgrade of Glenloch Interchange.

Mr McNulty: No. The \$71 million includes the full costs of stage 1 of the road, from Glenloch Interchange to the Barton Highway. It includes all the work we need to do at Glenloch Interchange.

MRS DUNNE: So the piece of information being touted by the Save the Ridge group is misinformation?

Mr McNulty: Yes, it is.

MRS DUNNE: I thought that was the case, but I wanted to hear it from you.

Mr Thompson: Mrs Dunne, perhaps a reminder—I think it goes back two budgets. We were presenting the information about GDE as two distinct projects. One was about the Glenloch Interchange upgrade and the other was about the rest of it.

MRS DUNNE: You put it all together, on our recommendation last year?

Mr Thompson: Yes.

Mr Phillips: If you look at page 2—that is right. It's Gungahlin Drive extension, including Caswell Drive, and Glenloch Interchange upgrade separately.

MRS DUNNE: I know it says that there but there's consistent information out in the community that that is not the case—that Glenloch Interchange is not included in that \$71 million.

Mr Phillips: That is incorrect.

MRS DUNNE: I would like to, if possible, put it to bed—put it to rest as an issue.

Mr Phillips: It's incorrect.

MRS DUNNE: Thank you. Minister, Mr Thompson has said, "We don't have the cash at hand to build the road at once." Has the government considered borrowing to build the whole road at once, in view of the fact that the \$9 million premium is a considerable proportion of the second phase and that the interest you pay might be less than the \$9 million premium for the second phase?

Mr Wood: Did we consider borrowing? I don't think we got to that stage. We examined

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whether we would go the four lanes or two; we looked at the traffic studies, the flows. At that point we said, "Two lanes will suffice." I don't recollect any discussion about changing the system to borrow for it.

THE CHAIR: I've got a specific question about "forward design" on page 207 of BP4, at the bottom. Why has \$1 million been provided for the design work for the proposed Majura Parkway? What will we get for this spending in 2004-05? If you go down, you'll see forward design work for the Kings Highway. The \$1 million seems to be in sharp contrast to the \$50,000 for forward design for the Kings Highway. What will we get for that spend?

Mr McNulty: the scale of the work envisaged in those two projects is considerably different. The Majura Parkway is essentially about building a new four-lane road from the Federal Highway down to the airport on a different alignment to the existing Majura Road. That is a significant and long project. The work for the Kings Highway is of nowhere near that extent. I think that is the short answer to the question.

THE CHAIR: Do you know what it is?

Mr McNulty: Not off the top of my head.

THE CHAIR: Can you find out and tell us?

Mr McNulty: I can certainly find out.

THE CHAIR: You will take that on notice?

Mr McNulty: Yes.

THE CHAIR: In relation to page 209, works in progress, ACT NOWaste, how is work progressing on the stages of the Mugga Lane landfill project? Why does BP4 show the estimated completion date for stage 2 as June 2005 when previously it was December 2004?

Mr McNulty: I think it's fair to say that that project has been a difficult one, for a whole host of reasons. There are issues about the existing contract with Thiess and getting access to the site. Also with a change in management in the ACT NOWaste section there's been a review done of the best way to achieve landfill space on that site and get the best value for the money. So the design of that project has been reviewed and that has delayed the project. Our clear intention is to get the most space we can for the expenditure of that money for landfill space—and whilst it has been delayed, I think there will be a significantly better outcome because of it.

THE CHAIR: Has there been any change to the specifications of the project?

Mr McNulty: There may well have been, yes.

THE CHAIR: Do you know what they are?

Mr McNulty: That is being finalised at the moment.

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MS DUNDAS: I was looking over the December quarter capital works progress report. It talks about the Mugga Lane disposal trench and indicates that there were some delays there in both the new work and in the work in progress. In respect of the work in progress what work has been done on the disposal trench, the first stage of which is meant to be completed by August 2004?

Mr McNulty: On the site, none, because we're still rationalising the design to get the best value out of the design that we can.

MS DUNDAS: Basically you haven't started digging?

Mr McNulty: No.

MRS DUNNE: This has been in the capital works budget for some time. I remember Ms Dundas asking difficult questions about this the estimates before last. That is why I was thinking it was going to be a race as to who asked the questions first. You haven't expended the stage 1 money that was in the 2002-03 budget?

Mr McNulty: No.

MS DUNDAS: No. you have expended some finance?

Mr McNulty: There's been money spent on design, yes.

MS DUNDAS: That has all just been on design?

Mr McNulty: Yes.

MS DUNDAS: So the \$100,000 that you've spent in finance in previous years—

MRS DUNNE: \$300,000, isn't it?

MS DUNDAS: That is the total financing to date. Total expended money is \$100,000, according to the December report.

MRS DUNNE: Okay.

MS DUNDAS: You've had \$300,000 approved out of a project of over \$4 million, all up, and you've spent \$100,000 just on design?

Mr McNulty: I don't have the report you've got.

MS DUNDAS: It's the December capital works project report.

Mr Thompson: Sorry. The \$100,000 in the December report was expenditure at that date on design. In BP4, which Ms Dundas is also referring to, the \$300,000 is estimated expenditure as at 30 June.

MS DUNDAS: So total design cost is going to be \$300,000?

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Mr McNulty: Of that order, yes.

MS DUNDAS: As of 1 July 2004 we can expect trench digging?

Mr McNulty: We are finalising the details to allow work to commence as soon as we can, yes.

MS DUNDAS: From memory, stage 2 of the trench was plastic liner to make sure that the trench didn't leak, if my memory is correct.

Mr McNulty: That is correct.

MRS DUNNE: Clay lining, plastic lining.

MS DUNDAS: Sorry, some form of liner.

MRS DUNNE: Yes.

MS DUNDAS: So none of that may well be expended until the trench has been dug?

Mr McNulty: Correct.

MR HARGREAVES: Why would you?

MRS DUNNE: Just checking.

MS DUNDAS: It's about how this government is managing its capital works program. We do continually have long delays and we're budgeting for money to be spent that's dependent on another project and that project has been delayed. When did you know that the first stage, the actual digging of the trench, was going to be delayed so drastically?

Mr McNulty: I guess it first came to my attention probably late last year.

MS DUNDAS: And that's when you noticed that no work had been done and asked why. This project wasn't meant to take this long.

Mr Thompson: Ms Dundas, I think at that stage—and I became aware of it then—we realised that the negotiations with the contractor who runs the site had essentially stalled and we needed to reinvigorate those. At the same time, as Hamish said, it became clear to us that there was a better way of getting good value for money for the ACT taxpayer by doing some redesign, which we're doing now. The aim is to get in there as quickly as we can now and get the work done. In terms of the capacity of the landfill to operate: there's still enough capacity in this timetable to allow an expansion of capacity well in advance when it's needed for the actual landfill operations.

MS DUNDAS: I understand our current landfill was going to be full around was it 2006 or 2009, somewhere in there, and that's why we needed this new trench.

Mr McNulty: That's correct.

MRS DUNNE: So it will be ready well before then?

Mr McNulty: We will.

MRS DUNNE: And how big is the hole, Mr Davidson?

MR HARGREAVES: And you can stop digging now.

MS DUNDAS: That's a very important question. What's its capacity? How long is it meant to be online? How long is this trench meant to last us?

Mr McNulty: I believe it gets us through to about 2009.

MS DUNDAS: No, the new one you're building.

Mr McNulty: Yes, that's the one we're talking about.

MS DUNDAS: So basically by 2009 we expect all our trenches, all our waste management sites, to be full and working at capacity?

Mr McNulty: No. It's tied up with what happens to the no waste strategy and whether—

MRS DUNNE: Don't get me started. Don't mention that strategy, Hamish.

Mr Thompson: If I could perhaps explain. By 2009 this next trench will probably be approaching being full but that site, the Mugga site, has potential for us to go on well beyond that date. Okay? So the issue for the ACT government and the ACT community, unlike some other communities, is not so much running out of landfill capacity; it's very much more about whether we as a community want to head further down this path of absolutely minimising the amount of waste going to landfill. But the site at Mugga, with careful management, can accommodate more waste well beyond 2002 if that was the choice of our community.

MS DUNDAS: So to make sure that the capacity is usable, will we need another appropriation to build another trench?

Mr Thompson: Most likely, yes. And there's one of the trade-offs. With the no waste strategy, you make savings in terms of landfill costs. So the full implementation of a no waste strategy would mean that these sorts of capital works on landfills would happen only very infrequently, perhaps once a decade or something like that. There's the positive about no waste. The negative of course is that to get to no waste you need some sort of treatment plant, and those treatment plants all have very significant capital costs. There's the dilemma for the government and for the community.

Mr Wood: And costs, difficulties with operating successfully.

MS DUNDAS: So that's why we're maintaining a steady target of the amount of waste to landfill; we're not looking to reduce actually the amount of waste to landfill?

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Mr McNulty: We are looking to reduce the amount of waste to landfill. I think, as a proportion of the total waste stream, the amount of waste to landfill is decreasing. But the trends in total waste generation are such that, while our percentage of waste being diverted from landfill is going up, the total waste generation is also going up. Therefore, the amount of waste going to landfill, if you like, is sort of levelling off at the moment; it's not going down. But our target is clearly to minimise the amount of waste going to landfill; that's been quite clear for a long time.

MRS DUNNE: I'd like to come back to no waste generally, but can I just go back to something, Mr Thompson, you said before—you said it twice—about there having been problems with negotiating with the contractor who runs the Mugga Lane site. I'm not really sure that I understand the relationship. The government decides it wants to build a trench; this organisation leases the site to run it, but you can't negotiate with them to get onto the site to build a trench.

Mr Thompson: We are negotiating now, yes.

MRS DUNNE: But you've been on hold. This money's been in the budget since July 2002. You get to the end of last year and you're thinking, "Hey we're not making much progress here; we need to kick-start negotiations with the contractor." What's the problem with the relationship between urban services and the contractor that you actually have to negotiate to get onto the site?

Mr Thompson: Well, we always would have had to negotiate because we had assigned a site to that contractor and, for very good reasons, the contractor maintains a high level of security on that site. And it's a well-run site. Other landfill sites have had problems with fire and all sorts of damage. Well, they haven't had any of that; they actually run it in a very careful way.

The essence of it, as I am now understanding it, comes down to personalities on both sides. The negotiations, which both Hamish and I thought were well advanced, were not advanced. There's been a change of people, and now we're moving forward again. Is that a fair way of describing it?

Mr McNulty: Absolutely, yes.

MRS DUNNE: And the personalities involved have been spoken to severely?

Mr McNulty: There has been a change of personalities involved at our end.

MRS DUNNE: I think I can read between the lines.

MS DUNDAS: And just to clarify that: you said at the end of last year, the end of 2003, you became aware that things weren't progressing as you first thought, when the project for actually digging the trench was meant to be completed in June 2003, as it was originally set down. What brought it to your attention that these delays were occurring? Were you out emptying your trailer and noticed that there wasn't any trench?

Mr McNulty: I've got to say that last year most of our people were distracted on other things, including the bushfires, and we were focused elsewhere. Once that began to wind

down, we looked at what else was going on, what else had been held up and what's going on. And that's when it sort of came to our attention.

Mr Thompson: To the huge credit of the no waste people, at one week's notice they started a major landfill on the site at Mount Stromlo. They ran it very successfully for those four or five months. We cleaned up all the bushfire damage. But it was a big distraction from their ongoing business.

Mr Wood: And this has been written into the budget papers, yes. But also, as you've heard, it's not precisely time critical. There is space in time to manage this and it's proceeding within that ultimate timeframe.

MRS DUNNE: Where's the money? Where's the \$4.8 million less the \$100,000 you've spent?

Mr Phillips: Page 209 of BP4.

MRS DUNNE: I can see it there on page 209. Who's got it? Is it on the short-term money market? Is it being hedged? Where is the money? Has it been appropriated to DUS? Is it still in—

Mr Phillips: The capital works is funded on an outgoing basis. So each year in the budget papers you'll see the money, \$60 million or \$70 million, for capital works programs. So that will be a decision that will need to be determined in the finalisation of next year's budget to provide funding for the ongoing delivery of the capital works program.

MRS DUNNE: Where's the money? Sorry, that didn't answer the question, Mr Phillips. Where is the money now? Is it still with Treasury? Is it in DUS?

Mr Phillips: Budget paper 4 shows estimated expenditure on those two projects for 2004-05 of \$4.5 million.

MRS DUNNE: For 2004-05, yes.

Mr Phillips: That's this year that we'll be moving into. So as these projects get let and proceed into the field we will draw that money down.

MRS DUNNE: You draw that money down from the—

Mr Phillips: From Treasury.

MRS DUNNE: From Treasury, as you let the project. So at the moment you've only really drawn down \$100,000 or possibly \$300,000.

Mr Phillips: That's correct.

MR HARGREAVES: Is there any difference between that and any other process? No difference?

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Mr McNulty: It's the same process for all the projects.

MRS DUNNE: I just wanted to know where the money is when it's been sitting around for three years.

MR HARGREAVES: So the money always sits with Treasury full stop. Always until you draw it down.

Mr Thompson: Until the projects commence, yes.

MR HARGREAVES: So there's no difference between this and anything else.

MS DUNDAS: Sorry, can I just ask another quick question about trenches and landfill. The 2002-03 budget also had reference to the west Belconnen landfill resource recovery and rehabilitation. Was that project on time or were the bushfires also leading to distractions there?

Mr McNulty: I don't know; I'd have to check.

MS DUNDAS: I know it's an old budget, but it had the same timeframe as the—

MR CORNWELL: Yes, I'd like to know about that, too.

Mr Thompson: My recollection is that that work is complete. But as I say, last year our no waste people were very distracted by setting up and running this big operation on the site at Stromlo, and some other projects for quite a period weren't given new focus. And we recognise that.

MS DUNDAS: Yes. And that's why I'm just asking: was this another project that was able to be completed in the main before the bushfires hit, or was it one that was delayed?

Mr Thompson: Can we take that on notice?

MS DUNDAS: Yes, absolutely.

MRS DUNNE: On a similar topic: what is the Parkwood recycling estate and, therefore, what environmental compliance does it meet? Is this the sort of ongoing thing about the intractable waste storage at Belconnen?

Mr McNulty: It's about stormwater improvements on the Parkwood Road estate.

Mr Thompson: Well, as you go in towards the west Belconnen landfill, don't turn left in through the gate; keep on going another couple of hundred metres and there's a little industrial-cum-recycling estate there. It's needed some environmental works that are—

MRS DUNNE: Where are all those little acre lots? That's not the land for—

Mr McNulty: There are various sized lots.

MR CORNWELL: There is correspondence, Minister, if I recall.

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MRS DUNNE: Thank you.

Mr Wood: Yes, Mr Cornwell, in relation to the mini estimates, we have.

MR CORNWELL: So it's for drainage and—

Mr McNulty: It's to make sure the stormwater run-off from that site is treated before it gets into the river.

THE CHAIR: If it ever rains again.

MR HARGREAVES: Or if they leave the taps on.

MRS DUNNE: But that's not an issue for the landfill. It's a separate issue for the landfill.

Mr McNulty: It's separate for the landfill.

Mr Thompson: Yes, it's outside the landfill boundary.

MRS DUNNE: Thanks.

MS DUNDAS: Just on the crime prevention street lighting project that's due to be completed by April 2005—I'm happy for this to be taken on notice—can we have a list of which streets have had their lights improved and what is the forward plan. Maybe you can give me an answer now to this question: how were those decisions made about which streets would be prioritised?

Mr Thompson: Hamish, can you answer that?

Mr McNulty: Yes. There are a couple of inputs, and one is correspondence we get from people obviously—ministerial letters—and the other is discussions with the AFP.

MS DUNDAS: And it's just for streets, not for roads? You do have footpaths that don't have roads attached to them and you have footpaths that do have roads attached to them.

Mr McNulty: Sorry, no, I think it's generally for street lighting where crime is an issue.

MS DUNDAS: Wherever that street might be, yes.

MR CORNWELL: I'd like to come in on that, Ms Dundas. In regard to the crime prevention street lighting, there's a 10-month delay. It was due in June 2004, now April 2005; refurbishment of Bible Lane, December 2004, now June 2005; Moore Street health building, level 5 refurbishment, June 2004, now 2005; final stage of the Glassworks, June 2004, now at least March 2006; and finally the Morshead Drive-Pialligo Avenue upgrade was June 2004, now April 2005. Why all these delays?

Mr Thompson: Well, on the last one, Mr Cornwell: that will be a combination of the state of the construction market plus, in that case, some of the complications around

sorting out some details in and around the airport. But an even more important point to make about Morshead-Pialligo is that the majority of the work is finished and it's there and it's being used; it's just the remnant of the \$700,000.

MR CORNWELL: Well, could you take the rest of them on notice for me, because I'd be curious to know just why we've had these fairly significant delays.

Mr Wood: Well, I'll give you the Glassworks one. In order to make that proceed we needed a very strong business case. Treasury properly required that it show that it could sustain itself once done, once spent, once built; so there was a very prolonged period there developing a business case, assessing the feasibility of it—apart from the desirability of it—and that took a considerable period of time. So, wipe that off; that's the answer.

MR CORNWELL: Almost two years.

Mr Wood: Indeed, but it may be a mark of this government that we just don't jump madly into something.

MR CORNWELL: It is. Outside they talk of nothing else.

Mr Wood: I could contrast that with certain other governments, but I won't go down that path. I was actually quite impressed with the very careful work that was done on that so that, when it is built, it actually is going to manage itself.

THE CHAIR: Although you have put money in your recurrent budget for that, too, haven't you—\$700,000 for about four years?

Mr Wood: Yes. Now that we've committed to the go-ahead there's money there actually to run it.

THE CHAIR: That seems to contrast with your saying that you're carefully making sure and you're taking a lot of time to make sure it can run itself. That would seem to imply that it doesn't need money but I note you've got—

Mr Wood: Well, if I went back to the business plan I could show you the line on how that runs.

THE CHAIR: Perhaps you could bring that down this afternoon because that also comes under arts.

Mr Wood: Okay.

MR CORNWELL: The Holt shopping centre upgrade is to be welcomed. However, Deakin shops have missed out again, Minister. I've got a *City Chronicle* of 9 December, which states:

Deakin was not allocated funding in 2003-04 due to competing priorities in the overall capital works program but has been re-listed for the capital works construction funding in the 2004-05 financial year.

I'm quoting you. Where is it?

Mr Wood: Well, it's listed for consideration. That's always the case when you're looking at capital works in that order. That wasn't a commitment to fund it in 2004-05; because the planning work's been done, it remains on the list for consideration.

MR CORNWELL: Well, there have been commitments over the years for this Deakin shopping centre and it appears that it just keeps falling off.

Mr Wood: Well, my commitment has always been clear. It remains on that list for consideration when the priorities are listed. In this year, it was Deakin. We looked at Deakin, Holt and maybe one other there that doesn't come to mind. Holt seemed to be the most urgent.

MRS DUNNE: On the subject of Holt: what are you going to do with the Holt shopping centre?

Mr Wood: As I understand it—I might stand to be corrected—the old PALM has done its study, and that would provide the basis for what's to happen.

MRS DUNNE: Have you got design? Mr McNulty, you're flicking through pages. Do you know what's going to happen with Holt shops?

Mr McNulty: I don't have the details. What's here is the general work that we do at all shopping centre upgrades. We've been improving the infrastructure, improving the amenity, improving the look of the place; so that's as much detail as I have at the moment.

THE CHAIR: I think you need a new street sign saying Holt Place, for starters.

MRS DUNNE: Yes. \$900,000 seems an awful lot of money; it almost looked like you could rebuild the whole shops for \$900,000. Why is it taking two years to do? It's over two financial years the money is being expended.

Mr McNulty: One reason for that is we have to design it as well as construct it in that period. So there's a design process, then a construction process.

MRS DUNNE: This is one of the things I don't understand. You don't know what you're going to do, but you know how much it's going to cost. So that really what that means is that you have to cut your cloth accordingly, and you might actually end up discovering that there's something that you need to do that you don't have money for.

MS MacDONALD: Would you prefer they allocated a blank cheque?

MRS DUNNE: No, I'd like to have some idea that you knew what you were doing before you allocated the money. Then you might be able to spend it in the year that it's allocated.

Mr Thompson: Perhaps if I could explain or, I suppose, reflect on the process that does

operate with the shopping centre upgrades—and it's almost a chicken and egg—now we've got an indication of the amount of money, and it's reasonably comparable to that which would have applied for other smaller shopping centre upgrades, we're in a position to kick off a design and go through quite an elaborate process of consulting with the stakeholders, shop keepers, customers and the like.

That consultative process takes some time. In many ways it's a much more realistic process if there's a top figure on the expenditure; otherwise there's a tendency for a lot of the stakeholders to ask for Rolls Royce treatment. So at least this way we can say, "Look, here's roughly what we can work with in money. That'll get you a product which will be like the following shopping centres around Belconnen or elsewhere," and then you can have quite a useful discussion with that community.

If we didn't have the figure, then it's very hard to have a realistic discussion, because you end up with extraordinary demands. As one of the members said, the demands could extend to an investment in the precinct worth more than the shops. That would be an odd result.

MRS DUNNE: For instance, and by comparison, what did the Higgins shops upgrade cost? It's fairly recently completed.

Mr Thompson: I went to the opening, and my recollection is it was in that order. Yes.

MR CORNWELL: On capital works, Mr Chairman: the Civic Library and Link project. When is it anticipated this project will commence?

Mr Wood: I haven't got a precise date on that. I would imagine it would be pretty soon because, to my knowledge, most of the preliminary work has been done and NCA approval has been given. There's been extensive architectural work. So it would be pretty advanced.

MR CORNWELL: It will have to be, won't it, because it's scheduled to finish in December 2005, which is 18 months. That's a pretty tight schedule.

Mr Wood: It's a tight schedule, yes. It's just really waiting to jump now. I don't know if there's some little thing yet to happen with it or not.

MR CORNWELL: Well, why are we spending \$300,000 on the existing library? I know we need a toilet, but is it going to be gold plated or something?

Mr Wood: No. As I understand it, the owner is providing that.

MR CORNWELL: There's a Civic library refurbishment, budget paper 3, page 224, \$300,000.

Mr Wood: That \$300,000 was the transfer. This all happened in a short space of time. The \$300,000 was in anticipation of a transfer down to the Actew building. As that was put in, it had to be put in in the anticipation that might happen. But then, in a later stage of the budget debate, because we came to capital later, the capital money was forthcoming for the new building, the Link/library.

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At the same time, let me stress, we fully expected that there could well be two moves, that we would have to move from there to there and then back to the Link because we simply weren't in a position where we wanted to stay under the terms at the Shopfront there, at the interchange. So that's all the background of it. In the period, I guess, when the budget was closed off, because of some community reaction, which I actually appreciated, the owner of the building came to the party in terms of rent and in terms of providing a facility; so we don't need that double move.

MR CORNWELL: You don't need the \$300,000?

Mr Wood: No, we don't need that. But it was built in because it needed to be.

MR CORNWELL: In other words, that'll go back to Treasury; it was put it there anyway.

Mr Wood: And I can say that tenders by August, construction to begin November/December for the Link/library.

MR CORNWELL: Twelve months to complete. It's not just the library, is it; it's this two-storey thing.

Mr Wood: It's the Link/library.

MR CORNWELL: There has been consultation with the community?

Mr Wood: Quite a lot.

MR CORNWELL: About this.

Mr Wood: Well, it goes back. The history goes back, of course, to the former government that started the project.

MR CORNWELL: It's the access that worries some people, particularly the elderly, et cetera.

Mr Wood: There's no building built these days that doesn't have every—you mean access from the street? Well, I've had discussions, as you may have had, with Friends of ACT Libraries.

MRS DUNNE: They were here last Monday.

Mr Wood: We looked carefully around Civic for other sites. We looked at the new building over on the far side in the car park there. But there was no site available, and I think they acknowledged that.

Meeting adjourned from 10.32 to 10.47 am.

MR CORNWELL: Do you have an identification of exactly where Majura Parkway is going to go?

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Mr McNulty: There are some preliminary concept plans, yes.

Mr Thompson: This is something where we have to interact a lot with the NCA, because it's one of the Canberra gateways, particularly at the southern end. They've developed various concepts about linking this road with whatever it is.

Mr McNulty: The road that goes between Fairbairn Avenue and Constitution Avenue. They want to link up through Russell and make that the main entry to the city from Fairbairn Avenue.

Mr Wood: That was on the original plans almost, right through the middle of Canberra.

Mr McNulty: I can't think of the name of the road. It's the one that goes up the side of ADFA.

MS DUNDAS: It has ADFA on one side and the ovals on the other.

Mr Thompson: Yes. It ends at a quite elaborate roundabout. It is not the Russell roundabout. There's another one up the hill, behind Russell.

MRS DUNNE: The roundabout to nowhere at the moment.

Mr Thompson: Yes, the roundabout to nowhere.

Mr Wood: It comes down to Constitution Avenue and Constitution Avenue is the gateway to the city..

Mr Thompson: Is it General Bridges Drive?

Mr McNulty: No, that's within Duntroon.

THE CHAIR: Everyone seems geographically embarrassed at present.

MRS DUNNE: On Majura Parkway, how long is it and how much roughly will it cost?

Mr McNulty: I think it's about a \$50 million project, based on what we know now.

MRS DUNNE: Four lanes?

Mr McNulty: Four lanes, yes.

MRS DUNNE: And how long is it?

Mr McNulty: I can't recall off the top of my head.

Mr Thompson: My memory is that it is nine kilometres, and mostly it's a very straightforward road in terms of road construction until you get down near the airport and then it gets complicated, depending on what solutions we come up with between the ACT government and the NCA about the Canberra entry and about providing linkages

onto the Monaro Highway. We know that it will need at least some grade separation through there.

THE CHAIR: Will it be west of the current road?

Mr Thompson: No, I think it moves around a little bit. At the top end it's east. My memory of it from the rough lines I've seen is that it swings across to the other side at some stage.

MRS DUNNE: Until you get down to the airport, there's no grade separation. There are no bridges to speak of and no earthworks to speak of.

Mr McNulty: No, there are no bridges. There will be some crossings over some water courses, just minor things like that, but no significant bridges like on Gungahlin Drive.

THE CHAIR: I hope that you will not be taking out any of the existing facilities, such as the firing ranges and the rifle clubs up the top end.

MS DUNDAS: Or the Girl Guides camp.

Mr McNulty: There are some issues with the Girl Guides camp, which we're dealing with. I don't think the gun clubs are a problem. I think that they would be on the other side of the road.

THE CHAIR: Mr Thompson seemed to be indicating that at the top you would go east and you would swing around to the west down further.

Mr Wood: And part of the drive will be the drag strip, too!

MRS DUNNE: While you're rolling out the black stuff, you should take a diversion.

Mr McNulty: Northcott Drive was the name of the road.

THE CHAIR: I have a question about pages 195 and 205 of BP4 in relation to Barton and Parkes. What is the status of pay parking on the streets of those suburbs? There is a reference on page 195 to a withdrawal of this proposal, yet on page 205 there is a reference to a deferred introduction of this proposal. Which one is correct? Is this an example of a bit of sloppy work from the Treasury or something?

Mr Phillips: I'd hate to say that, but on page 205, deferred introduction of pay parking in Barton and Parkes, every year has been taken out. It's something that has been removed from the budget funding at this stage.

THE CHAIR: Has it been killed off yet? If so, how did that happen?

Mr Thompson: If I can give some limited enlightenment on this. The proposal was put in for this on-street parking some two years ago and that was an initiative of the ACT government, but very much consistent with some proposals that the National Capital Authority had to introduce pay parking within the parliamentary triangle. Since then there has been a series of federal parliamentary processes, mainly through one of the

committees. I can't recall the name of the committee, but we've certainly appeared at that committee. Essentially, that committee was rather negative towards pay parking in the parliamentary triangle.

MRS DUNNE: Senator Lightfoot wanted to save the public servants of the ACT from paying for parking, I think.

Mr Thompson: That's the shorthand of it, yes.

MRS DUNNE: I can say that, but you can't.

Mr Thompson: Yes. But the essence of it is that we're not yet aware fully of a firm federal government position, so we've said that there is no point in us proceeding with our pay parking activity unless something happened in the parliamentary triangle, but we are not aware of a final position of the federal government or the National Capital Authority. It's an unsatisfactory situation, but that's where it sits.

MRS DUNNE: I have a question about armour cable replacement. What is armour cable replacement and why are we so bad at spending the money?

Mr McNulty: Armour cable is a sort of cable that was used for street lighting many years ago. It is a cable buried direct in the ground and is causing significant problems now because it has reached the end of its useful life and is failing. A lot of the streetlight problems we have are because the cable has failed, not anything to do with the actual lights. In working with Actew, we've identified the worst areas and are working through a program of replacing the cable.

MRS DUNNE: What are the worst areas?

Mr McNulty: The older areas, essentially. We've done a lot of work in Yarralumla, but it's the older areas.

MRS DUNNE: This year there is \$250,000 in new money and there is \$700,000 for work in progress from last year, but if you look back at the December quarterly capital works report you will see that in 2001-02 there was \$500,000 allocated, of which by the end of December last year we'd spent \$52,000.

Mr McNulty: That does not sound right.

MRS DUNNE: That's what it says, that we've spent \$52,000.

Mr Thompson: Ms Dunne, we've had a reasonably active program—

MRS DUNNE: I'm sorry, there is \$52,000 to spend. This is a photocopy and my glasses are not up to it. So you've actually expended \$448,000 of the \$500,000, leaving \$52,000 to be spent, but that's 2001-02 money. In 2002-03, \$700,000 was allocated, of which \$344,000 was unexpended at the end of December last year. There is still \$700,000 for works in progress and another \$250,000 allocated this year. Why are we allocating more and more money when there is still \$350,000 roughly from two and three financial years ago not spent?

Mr McNulty: The reason we need to keep allocating money to it is to keep the streetlight network working and it's an important issue for residential areas.

MRS DUNNE: But we're not spending the money, Mr McNulty. When are we going to catch up?

Mr Phillips: Could I make a comment on that? It's really the practicality of managing a capital works program and we don't start all capital works in August and have them finished by June in the same financial year. That's just not logistically possible and it's not the nature of the capital works program; it's a rolling program, so there are quite a few projects. Where you've indicated armour cable replacement there are a number of amounts of money that have been provided in successive years. The expenditure against those is not full expenditure in the year that the estimated cost of the work has been identified. There will be some expenditure in that year and some in the subsequent year because work may start in the second half of the year and go into the subsequent financial year.

MRS DUNNE: Yes, but we're talking about money from not the current financial year but the last financial year which is roughly 50 per cent unexpended and it is all money that was supposed to be expended in that financial year. It wasn't money that was phased, because there was more money in the next financial year and there is more money in the next financial year. The \$250,000 here is money to be expended in 2004-05, as was the \$750,000 last year that was supposed to be money expended in 2003-04. I understand that some projects go on beyond and this is a project that goes on beyond because money is being allocated each year to it.

It isn't as though you said four or five years ago that you will spend \$2 million over four financial years on armour cable replacement. You've actually allocated money each year and not spent it. It's not a matter of rolling over, Mr Phillips; it's money that is just not being spent. I would like to know why it is not being spent. Mr McNulty says it's important to do the work and I take his word for that. It's about ensuring that streetlights work and that's a matter of public safety, security and a whole range of things like that. If we're not spending the money, we're putting public safety at jeopardy. Why hasn't it been expended?

Mr McNulty: ActewAGL do the work for us and, once again, their work force was somewhat distracted last year on repairing bushfire damaged electricity networks. That is one contributing factor. But whether that's the only one I can't tell you.

MRS DUNNE: I hope soon that we will all stop getting the bushfire excuse for everything that doesn't happen. Can we have on notice an indication of where the works are supposed to have been carried out from 2001-02? I am pretty unimpressed actually that money from 2001-02 has not been expended but you are continuing to appropriate money for it. What are the works in progress from 2001-02 to the end of 2004-05 and when do you actually expect to spend the money? It could be said, Mr Thompson, that it's a hollow log for urban services.

Mr Thompson: It is definitely not a hollow log for urban services. It might be for some other agency.

MRS DUNNE: A hollow log for Actew. In last year's budget papers \$1 million was set aside—I think it was actually in the previous budget—for Lawson infrastructure stage 1. Have we spent that money, seeing that Lawson is not going to come on line? Is that an urban services thing or a LDA thing?

Mr McNulty: I believe it's an ACTPLA project which, if it had been spent, we would have spent for them but, because of the Commonwealth requirements for land at Lawson, no, the work hasn't been done.

MRS DUNNE: But that's really a question for the Minister for Planning.

Mr McNulty: I believe so, yes.

MR CORNWELL: Page 197 of BP4 refers to garbage and recycling truck sales. What was this all about?

MRS DUNNE: I didn't think we owned garbage and recycling trucks.

Mr McNulty: In the old collection contract the government actually owned the trucks. For the new contract the contractor owns the trucks, so we've sold the surplus trucks.

MR CORNWELL: I turn to the reference to red light cameras on page 198 of BP4. You budgeted for \$99 million in revenue in 2003-4 and the figure has gone up to \$109 million for 2004-5. Are we increasing the fines or increasing the number of speed cameras? What is the reason for the increase?

Mr Wood: There are no more speed cameras.

Mr Phillips: Mr Cornwell, the major increase there is the water abstraction levy. Speed/red light camera revenues are roughly the same, I think. It's the same as traffic infringement notices.

MR CORNWELL: What is the current situation with Poltech, the supplier of the lights?

MRS DUNNE: I'm so glad you asked that question.

Mr Wood: We don't have any relationship with them, to my knowledge. They've gone phut.

MR CORNWELL: That's what I understand. Who is looking after the lights?

Mr Wood: CSIRO and others.

Mr Thompson: Perhaps I can begin to explain and then ask Mr MacDonald to join us at the front. We have in Canberra a series of red light and speed cameras, which were installed by a company called Poltech, I think Victorian-based.

MRS DUNNE: Are those the fixed ones?

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Mr Thompson: The fixed ones, yes. The company has gone broke. That was a huge problem in Victoria. We've been able to manage the ongoing operation of our cameras by using some of the same people who now work for a different entity. I think Brian could give us the detail of that.

Mr MacDonald: Brian MacDonald, general manager, road transport. The ongoing maintenance of the cameras is now being done on a local basis. Some staff who were working for Poltech are now working for other agencies. I think there are at least two agencies involved at the moment. We are confident that they are doing a good job and they are able to maintain them. We have regular testing of those cameras to ensure that they are functioning properly.

MR CORNWELL: I have one last question, relating to tree safety. You are allowing \$250,000 per annum over the next four financial years for additional tree maintenance work. What is that for? Is it related to the bushfires?

Mr Wood: It's for geriatric care, isn't it?

Mr Thompson: There are a couple of issues that are now confronting the ACT community. One is, as Mr Wood said, the fact that we have a crop of trees, particularly in the inner part of Canberra, now maturing. That means that regularly we have limbs fall off, we have trees blow over and the like; they're getting old. That was always going to happen. The overlay over that is the drought, not the bushfire. The bushfire funding is somewhat separate. We've spent a lot of that this year, but basically in the urban areas we're not looking at further funding for bushfire issues to do with trees. The drought has undoubtedly compounded the damage. You can see it all round Canberra, along streets and in the bush, where trees are under deep stress.

MR CORNWELL: I have one last comment on that. I make a plea, Minister, concerning 12 Burrendong Street, Duffy. Would you please remove the gum tree? It was agreed that it would be removed in April 2004. As of two days ago it's still there.

Mr Wood: You had a look, did you?

MR CORNWELL: Yes, I did, actually.

Mr Wood: I take your word that it has been agreed.

MR CORNWELL: The Chief Minister said that.

Mr Wood: Is this my letter?

MR CORNWELL: No, Mr Stanhope said, "It has been decided that the tree will be removed during April 2004."

Mr Wood: Is that the one where the residents were quite disturbed about it?

MR CORNWELL: Correct. More than that, they're traumatised by the whole thing.

Mr Wood: It has been a bit of a saga because the tree is basically a sound tree.

MR CORNWELL: Yes, indeed. But if you would, please.

MRS DUNNE: With regard to the extra money for street trees, you said, Mr Thompson, that there was particular emphasis on drought maintenance sorts of things. Is it tree surgery, lopping, that sort of thing, or would you be taking interventions to ensure that trees were not adversely affected by the drought?

Mr Thompson: We have a program to water the younger trees, up to age three. It has been a very active program for the last few months and may even carry on a bit into this winter, given it's so dry, but we don't attempt to water more mature trees; it just would be beyond our capacity to do that. The majority of that funding is about dealing with trees in distress and some of them die and you've got to just fell them or clean up the mess after they've fallen over. For others, depending on the species, it's a matter of removing branches. Eucalypts are a classic; they shed limbs and once you spot a limb that's about to be shed you get rid of it quickly before it falls. It's that sort of tree surgery work, if you like, that most of this would be invested in.

MRS DUNNE: I want to pursue that just a little. You say that it's beyond your resources to water the more mature trees, but we've got a huge investment in street trees, even if you just talk about street trees, and some of the exotic trees seem to be at last succumbing to the stress. They seemed to be doing better for a while. In terms of our investment in 30, 40 or 50 years of growth, will there come a time when you will say that if we don't have substantial rains you will have to start watering these trees or lose 50 years of growth, and are we coming to that time? It seems to be increasingly a problem.

Mr McNulty: At the moment, as Mr Thompson said, we're watering 12,000 trees less than three years old, but there are about 600,000 trees for which CUP is responsible. The task of watering those would be outside anything we could possibly ever afford to do.

Mr Wood: That's why we've asked neighbours and neighbourhoods to throw a bit of water on them. In fact, the amount of water you'd have to put on those trees would be pretty immense anyway.

MRS DUNNE: There is no point in just putting a sprinkler on and watering the surface, and we want to discourage people from doing that, so would you perhaps assist neighbourhoods with interventions like putting stuff into the ground so that you can actually deliver the water to the roots rather than having it evaporate? It is a community investment.

Mr Wood: Yes, that's certainly the case. I have not given any thought to that. I don't know whether there has been if circumstances get so dire.

THE CHAIR: They might.

MS DUNDAS: How is the department going to meet its general savings of \$3.6 million?

Mr Wood: I indicated at the outset that we've had this ERC process. The budget papers talk about general savings, but the detailed work of looking through and just seeing how

that is to be done is only now beginning. It might be a question for a year's time: how did you do it? But we don't have any firm lines at this stage.

MS DUNDAS: Not even an answer about going to reduce overheads. Will you be looking at staff cuts or have you ruled that out altogether? Have you made those kinds of parameter decisions?

Mr Thompson: Obviously, the aim will be to minimise any effects on service delivery. The starting proposition here is about rationalising our corporate service functions across the businesses and we are just kicking off some work to assess that. It's an area that, if we can achieve it, will certainly let us keep on delivering all those external services without any effect on the community. There is one downside, that is, that urban services is a department where things keep on being added to it and then subtracted from it and it's common knowledge that we operate our businesses where each of them are not totally self-contained but moderately self-contained.

They've got their service delivery people and they've got some corporate support inside each of those businesses, whether it's linen, CityScape or Canberra Urban Parks, so the way we'll look to take those costs out is to amalgamate some of those functions. It will almost certainly result in some reductions in staff, but there's a natural turnover for us at any rate, so we don't see ourselves needing to go into voluntary redundancies or anything like that. We'd see it mostly being achieved by—

MS DUNDAS: Not replacing staff once they retire.

Mr Thompson: Not replacing them and taking advantage of the natural movement of staff that does occur around the ACT government.

MS DUNDAS: Why does the department declare a dividend? Is that because of CityScape?

Mr Thompson: The main dividends or payments back to Treasury, apart from all the fees, funds and so on that we collect on behalf of government, are from our property portfolio. One of the functions we have is to be the territory's property manager. We collect rent from government tenants and any other tenants and the net proceeds after costs are repatriated back to Treasury.

MS DUNDAS: The glassworks project seems to have been going on for quite some time. I'm possibly a tad confused, but the capital works program for December indicated that there was going to be no projected expenditure for the glassworks project for 2003-04, but we're putting more money in as a capital initiative this year. How much money has been allocated to the glassworks project over the years and what are we actually getting for that money?

Mr Thompson: I will get Lyn Allan and Anna Lennon to join us. Over perhaps the last three years there have been various preliminary studies about the merits or otherwise of having a glass arts centre in the ACT sponsored by the government. About a year ago it became very focused on the old powerhouse at Kingston and some money was allocated. However, it then became very clear that to do a comprehensive job it would be well above the appropriation for last year and it was agreed within government to look at the

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whole process again. We have worked through the overall proposition with people from urban services and from Treasury and the government reconsidered the glassworks project as part of the budget process and the new total budget figures are in here and they are in the vicinity of \$7 million.

Ms Allan: Lyn Allan, Acting Director of ArtsACT. It is about 10.

Mr Thompson: Ten, is it, Lyn?

Ms Allan: No, 9.454, I think.

MS DUNDAS: That \$9.4 million: is that just—

Ms Allan: That is the total value of the project.

MS DUNDAS: Does that \$9.4 million include the ongoing funding to keep the centre operating?

Ms Allan: No. That is the total construction.

MS DUNDAS: So it is just capitals.

Ms Allan: Yes, capital costs. That includes the already allocated money.

MS DUNDAS: Okay. Was there any money spent in the 03-04 year on capital for the glassworks centre?

Ms Allan: Not on capital out of that money. There was allocated also a budget initiative to continue the work towards the project, and that was a \$45,000 budget initiative and that is in the process of being spent.

MS DUNDAS: And that was design money?

Ms Allan: No, it was called technical advice, I think, in the budget and we have used it to tender for a marketing branding strategy because we need to plan that well in advance.

MS DUNDAS: Okay. So when do you think the glassworks will open?

Ms Allan: We are looking at mid '06.

MS DUNDAS: So the money that is coming through, the \$85,000 for the 04-05 financial year and the \$400,000 for the 05-06, is for operating costs. How will that money be spent?

Ms Allan: In order to establish it properly we need to have staff on board in the year minus one at least because they will need to be establishing the programs and getting the centre established so that when you open the doors it is actually working. So that will be employing people for the most part.

MS DUNDAS: Okay, but there won't be any more design work being done, because that

has already been completed this year?

Ms Lennon: Anna Lennon, Executive Director, Policy Arts and Transport group. No, there will be money expended on design work. There has been some preliminary design work done in previous years, which informed the business case. It was part of a series of studies that were undertaken. The main commitment to design work will, of course, be the final design. How much money do we have allocated for that, approximately?

Ms Allan: We haven't split it yet.

MS DUNDAS: I have one other overview question.

THE CHAIR: On the glassworks?

MS DUNDAS: No.

THE CHAIR: I have got just one on the glassworks. I noted Ms Dundas has said it is \$85,000 this coming year and then \$400,000. You have got \$580,000 for 06-07, \$571,000 for 07-08. What is that money going to involve? Is that basically employing people? Is it envisaged there will be ongoing sums around that region to keep the glassworks functioning and operating?

Ms Allan: It is basically the operational costs above the income that the centre will earn. We anticipate that the centre will earn some income and that that income it earns will increase. We don't anticipate the operating subsidy to be that level forever into the future. We anticipate it will decrease.

THE CHAIR: Do you have any idea, do you have any projection, as to what income the centre would earn? Have you any idea in dollar figures of what it is envisaged the centre would earn?

Ms Allan: Yes, we do. We have a detailed business plan for the centre. In year one of operation we would be looking at around \$430,000 total income. The total expenditure is then about—I can't quite read it; it is very small; I have got the line with the gap on it; it is complex—is 455 and then plus R&M. That is what adds up to the total figure that you have got there of five.

THE CHAIR: All right. Have you got some outyears after the centre starts actually earning income?

Ms Allan: Yes, we have done projections about to year 10.

THE CHAIR: All right. So what are you looking at, say, around years 4, 5, 6? Just give me what income you are looking at.

Ms Allan: In income? Year 5, year 6?

THE CHAIR: Yes. I just want something indicative.

Ms Allan: Total income: you are looking at around about a million. That's roughly.

THE CHAIR: So then this effectively would be a subsidy and the expenses would go down. Do you envisage those expenses going down to zero?

Ms Allan: No, we don't.

THE CHAIR: You don't. What do you envisage them going down to?

Ms Allan: It's a bit hard to tell. We have done fairly detailed projections for the first five years, but we would hope that they would get down to around the 150-200—and this is hoping; this is not absolutely definite—by year 10 and stay around that level.

THE CHAIR: Thank you. If we could have a copy of that document that would be fine.

MS DUNDAS: There is a removal of some non-continuing budget initiatives for 05-06, 06-07. What are those budget initiatives that are non-continuing?

Mr Phillips: Which page are they on?

MS DUNDAS: 206 of BP4. It's an 04-05 technical adjustment.

Mr Phillips: Yes, that is definitely a technical adjustment. Basically, there was an ongoing line in the budget papers for capital injections to Canberra Connect when they came across to the department for three years—it is very technical—and also for purchase of ACTION buses. After 2004-05 those programs ceased but they were still in the budget development application, therefore there is a reversal to take those amounts out.

MS DUNDAS: Why is it so increased for 06-07?

Mr Phillips: Because there was 1½ million for the Canberra Connect capital injection, which should have ceased after 2004-05 but it remained in the budget development application, so that has been backed out. So that is 1½ that comes out. And the balance is for ACTION bus purchases.

MS DUNDAS: So the ACTION bus initiative isn't being non-continued until 06-07?

Mr Phillips: That is right—3.6. Take it out on those two years.

MRS DUNNE: Why are we buying ACTION buses? Why is DUS buying ACTION buses?

Mr Phillips: The funding comes to urban services in terms of CSO payments and bus funding that is passed through to ACTION in our role as owner.

MRS DUNNE: Yes, I see.

MS TUCKER: I know that in the overview you have already had some questions about the Civic Library and the Link facility but I just want to ask another one that was not asked. I am correct in saying that Bligh Voller Nield were the design team for the

library?

Mr Phillips: For the Link facility? Yes, that's right.

MS TUCKER: And there was also another study done to support that work, and I can't remember the name of the company. Basically, it was a demographic-type study. Can someone recall that one? Ian McCallum—

Mr Thompson: Libraries Alive.

MS TUCKER: Libraries Alive. Thanks. I am trying to find out—and I am having a problem so maybe you can help us now—what has happened with that work in terms of what we are ending up with now for the library at the Link.

Mr Elliott: Tom Elliott from the Department of Urban Services. I am the director of customer services and information. The Civic Link library project is actually a Cultural Facilities Corporation project. So from that perspective I can give you some advice around this but you really need to talk to the corporation.

In regard to the design work that was done, my understanding is that there has been protracted design work that got complicated through a number of NCA processes and the company you mentioned before still is the design architect around that. In terms of those designs, they have evolved to the current point. I think those designs have been on display recently, and it has been funded as part of a government initiative from—

Mr Wood: You are interested in the demographic study, but you may not have that.

MS TUCKER: It might be a question for the Cultural Facilities Corporation.

Mr Elliott: It could be, but in relation to that particular study work that was done, the community consultation design elements have been factored into the design as far as they could be, so that in terms of the consultation and design elements they are still implicit in the design that you see now.

MS TUCKER: Right. So you are saying that Libraries Alive has actually informed this current design. But the question always is how much and what are the priorities in terms of the final design? So I guess I am interested to know whether there has been further consultation with community users of libraries about what we have ended up with now.

Mr Elliott: To that degree, no. I guess the consultation is a few years old now but my understanding is that the principles that were articulated out of that design and in that consulting report have been implicitly embedded in the design, as far as the design has been able to be articulated at this point in time. And there have been compromises around that design. It has been one of those problematic projects. It is quite an interesting design and quite complex. There have been some compromises made, but essentially the principles that were articulated at the outset in there are still implicit in the design.

MS TUCKER: So what were the David Collins focus group discussions? Where did that fit into the process?

Mr Elliott: Recently?

MS TUCKER: Well I am asking you. I am trying to understand the process. As I understand it, there have been focus group discussions carried out by David Collins of Sydney.

Mr Elliott: Certainly the previous design reports and consulting reports were before my time, so I am referring to something I have read about but was not involved in—that was the Libraries Alive consultation some years ago. The recent focus groups were really about getting a feel for what community requirements might be from a perspective of relocating the current Civic Library to ActewAGL House.

MS TUCKER: So that was related to that interim position.

Mr Elliott: It had nothing to do with the link. It was at a point in time where we understood we would move the Civic Library to—

MS TUCKER: Okay, that's good. Thanks for clarifying it.

Mr Elliott: And that process was actually about finding out whether we had the right sort of design elements for the ActewAGL location that was proposed at the time.

MS TUCKER: And so, just in terms of the current situation—and I don't know if Mr Cornwell asked this question, so tell me if he did: I am still a little bit interested and confused by what the big problem is about a public toilet in the library. Is that still a problem? Have you asked about that already?

MR CORNWELL: I haven't, no. But I will support you—I am mystified by it, too.

Mr Thompson: We can give you some information on that.

Mr Elliott: I guess the public toilet and the public access to those sorts of facilities in Civic Library have been an ongoing issue for some members of the community for some time, I understand. In the negotiations around the new property lease it became a point of negotiation and attention, and in order to progress the leasing arrangements with the landlord the availability of public toilet facilities has been built into the leasing arrangements and new public facilities will be built in due course.

Mr Thompson: In the Saraton building.

MS TUCKER: In the current building—

Mr Thompson: In the current library, yes.

MS TUCKER: there are going to be. But there will be public toilets?

Mr Elliott: There will be. Yes, exactly.

MS TUCKER: All right. And is that because you are going to upgrade the existing staff toilets?

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Mr Elliott: No, we are going to work around that. The current designs mean that we are going to do some conversion to existing facilities and make the disabled toilet, which is not accessible to the public, accessible to the public by removal of a wall and some straight through walk into those facilities.

MS TUCKER: Thank you. I have got other questions but, as I understand it, you are going to go through to the outputs after this?

THE CHAIR: Yes. Perhaps we will just go to Mr Smyth and then back to Mrs Dunne. I think we will then go to the outputs. I think everyone has had a pretty fair go.

MS TUCKER: I, too, have another general question.

MR SMYTH: Mr Chair, I heard upstairs some discussion on the speed cameras. I was just wondering if I might ask an additional question?

THE CHAIR: Yes. And there is just one other thing that you need to do.

MR SMYTH: Well, there is one other thing. I have checked *Hansard*, Mr Chair, and the word “pathetic” doesn’t appear in *Hansard*. Am I being asked to withdraw something that doesn’t appear in *Hansard*?

MR HARGREAVES: No, Mr Smyth, you are being asked to withdraw something that is on the tape.

THE CHAIR: I think it’s on the tape.

MR SMYTH: I am not talking to you, Mr Hargreaves.

MR HARGREAVES: I don’t care, Mr Smyth. You are a guest in this committee.

THE CHAIR: Just shut up, Mr Hargreaves. Apparently it was checked on the tape.

MR HARGREAVES: Mr Chairman, I think the word “shut up” can be withdrawn also.

THE CHAIR: Would you just let me finish. If I said that, I am happy to withdraw that, Mr Hargreaves, but I am talking, please, so thank you. I don’t necessarily think it was in *Hansard* but it was something that was said in open forum and the committee resolved that you could just withdraw it in open forum.

MR SMYTH: I withdraw the word “pathetic”, although it is interesting that we are now getting down to words that are in common use and if “pathetic” is considered unparliamentary then the whole discussion will be very difficult.

MR HARGREAVES: You want to keep it going? We will keep it going, if you like.

MR SMYTH: But I do withdraw, Mr Chairman.

THE CHAIR: Thank you for the withdrawal.

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MR HARGREAVES: We can keep it going if you like.

THE CHAIR: You have got a question, Mr Smyth.

MR SMYTH: You could say “to be pitied”. Thank you, Ms Tucker, I will keep that in mind—someone is to be pitied.

THE CHAIR: You have got some questions, Mr Smyth, in relation to the cameras.

MR SMYTH: I was just interested in when we discovered that the speed cameras were incorrectly calibrated.

Mr Wood: Not our speed cameras. Do you mean the Victorian speed cameras?

MR SMYTH: No. We had difficulty as well, did we not?

Mr Wood: There was one difficulty at one time, I am advised, with a camera with water getting into it, and that was remedied. I am not aware of any other issue. I can see where you are coming from. We have had intense inquiries from Victoria because apparently there was a media statement there that the ACT found a problem and why didn't the Victorian government respond to it when it knew about this problem? Officers have searched diligently, under heavy pressure from me, to find out so we could get back to our colleagues in Victoria. Unless something has emerged in the last three days, there is no problem.

MR SMYTH: No problem. Thank you.

Mr Wood: Yes, there was an incorrect media report, apparently.

Mr Thompson: Mr Smyth, our problem is that Poltech, the original company, went broke and we had to quickly make some alternative arrangements. But, as Brian explained a little earlier, we have done that, we are using some of the same people but they are working for different companies, and our operations are continuing.

MR SMYTH: Thanks, Mr Chair.

THE CHAIR: I think Mrs Dunne and then Ms Dundas again.

MS DUNDAS: I have got things on 1.1.

THE CHAIR: Okay fine.

MRS DUNNE: I do have some questions about mobile speed cameras. Can I ask those under output class 2.1?

THE CHAIR: I think so.

MRS DUNNE: Just before I do, I just wanted to ask a couple more questions about capital works. Is the entire length of Boboyan Road being sealed?

Mr McNulty: No.

MRS DUNNE: The entire unsealed length?

Mr Wood: Not for that amount of money.

MRS DUNNE: I was going to say.

Mr Thompson: The sealing is down from Tharwa. It currently terminates more or less at the bottom of a hill. This amount of money will allow us to seal up—it is a very twisty, steepish part of the road—to a lookout, which I think, from memory, is the lookout over the Boboyan, where the Boboyan Pines were. It's very corrugated and it's quite dangerous. So it's to get a seal onto this more hazardous bit of road. I think, from memory, it is about—

MRS DUNNE: Is that Fitzs Hill?

MR SMYTH: No, it's way past Fitzs Hill.

Mr Thompson: It is well beyond Fitzs Hill. It is well into the Namadgi Park. My memory is it is about two kilometres of fairly steepish road.

MRS DUNNE: Okay. Is there a proposal to actually seal the rest of the Boboyan road at some stage?

Mr Thompson: We have got no proposals on our books at this stage. We have done some very basic analyses. You can look at it from a couple of different viewpoints. One is a very utilitarian economic modelling and if it doesn't stack up there. And I guess the other issue is the extent to which you would, if you like, affect park values if you started having lots of cars going through as well. So we have not taken it any further.

MRS DUNNE: Okay, thank you. Just one more thing. There is \$642,000 for the refurbishment in the North Building. I wonder why they call these buildings north and south, because they are actually east and west. What are we doing there and is that separate from the money that is allocated for the multicultural centre?

Mr Ryan: Stephen Ryan, Acting Executive Director, City Operations. It was announced that the multicultural centre was to move into the second floor of North Building. Before it can move in, health has to move out and we have to do a series of capital works improvements for the second floor. There was a lot of work done in the building for the ground floor and the first floor when CMAG went in but at the time, because health was already an occupant on the second floor, we were not able to get in and do the capital works that were required there. So these are the works that are required to enable the second floor to operate effectively.

MRS DUNNE: This \$642,000 is in addition to the money that is allocated somewhere else for the multicultural—

Mr Ryan: Well, specifically, property branch is the custodian, I suppose, of North

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Building and looks after the physical asset, so it is the money that has been allocated for property to do the looking after its asset. The other moneys that have been allocated in the budget to chief minister's and to health are to enable chief minister's to do a fit out and set the place up for the multicultural centre and to enable health to move into new premises elsewhere.

MRS DUNNE: Yes. But you are going to talk to one another, aren't you?

Mr Ryan: We are working closely with them, yes. And we are actually going to do joint tendering in terms of the works on the second floor of North Building.

MRS DUNNE: So what works do you have to do, Mr Ryan? Presumably what you are saying is to take the second floor up to standard?

Mr Ryan: Yes. It is bringing it up to Building Code of Australia standards—the air conditioning and heating, the water supply, all those sorts of support services.

MRS DUNNE: So when CMAG was done, that was never done?

Mr Ryan: It was done for the lower floors but not the second floor.

MRS DUNNE: Okay.

MS DUNDAS: Where is health going?

Mr Ryan: We have been out to tender for landlords to supply accommodation for health and health at the moment is considering the results of the expressions of interest and have been coming back to us with their specific requirements. Having looked through those, there are three sites under consideration for health—one in Lonsdale Street, one in Moore Street, and the old GIO, which used to be JACS.

MRS DUNNE: Which is being made good eventually.

Mr Ryan: I can answer that. Make good is what the landlord is doing, not what we do. When we left, when justice departed from GIO, you pay a make good payment instead of going through the costs of removing all your fittings. So the landlord themselves has received a payment from us in January this year, instead of us having to take all that stuff away. They now are going through and they are taking it all the way back, we are told, to the concrete shell and they are refitting that building.

MR CORNWELL: All the building, Mr Ryan? There is a coffee shop downstairs.

Mr Ryan: The building belongs to a private landlord. The make good we gave purely covers where justice was a tenant.

MR CORNWELL: Okay.

MS DUNDAS: Could I finish the question that I was asking before? Was there any discussion about moving health out to Gungahlin as part of helping that town centre's growth?

Mr Ryan: As the property branch, they approach us and ask us to find a location in Civic. You would have to ask health how they chose their location.

MS DUNDAS: Sure.

Mr Thompson: Perhaps I can add a little bit to that. My memory of a lot of work that was done about the structure of the health department—and remember the health department is now an amalgamation of an old small department, the bit that was sitting in the North Building, together with some other bigger operating arms—is that it was strongly recommended that the health management be pretty closely located with a lot of the operational arms, including those people who were over in—

Mr Ryan: The health building in Moore Street.

Mr Thompson: Yes. So I think to put that small head office somewhere quite remote would be certainly counter to those recommendations which—

MS DUNDAS: I don't think we would call Gungahlin "quite remote".

MRS DUNNE: It would be an incentive to build the road.

MS DUNDAS: There has been an ongoing discussion about helping Gungahlin grow—the need to get some public service offices out there. I will question health further about it.

MR SMYTH: I actually have a question for Mr McNulty on some roads.

THE CHAIR: I told you, Mr McNulty, that you would be like a jack-in-the-box today.

MR SMYTH: I was just wondering if in this year's roads program there is money to upgrade Ashley Drive, Johnson Drive or Tharwa Drive in Tuggeranong?

Mr McNulty: No.

MR SMYTH: No intention to?

Mr McNulty: Not at the moment. I think we have had a look at some of those and the traffic volumes don't justify upgrading them at this stage.

MR SMYTH: All right. The other area that I have had complaint about is Erindale Drive between the two roundabouts at the Erindale shopping centre. It's a four-lane road down from Woden, it hits a roundabout, it's a two-lane road out, and there is a lot of congestion and trouble getting through there. Are there any plans to upgrade that small section?

Mr McNulty: We have no proposals at this stage, no.

MR SMYTH: No. Are the traffic volumes on that being measured?

Mr McNulty: Yes. How recently, I can't tell you off the top of my head.

MR SMYTH: Could you take that on notice and find out what those traffic volumes indicate in terms of flow through there?

Mr McNulty: Yes.

MR SMYTH: Getting in and out of Tuggeranong both in the morning and in the afternoons is a continuous sore point. That seems to be the intersection that generates a lot of ire. If for a small bit of road we could make it work more effectively, that would be a good thing. Thank you.

MS TUCKER: On page 201 I notice you talk about increased revenue from motor vehicle registration, and I understand that the introduction of continuous registration has been put off for the time being, and I am not unhappy to hear this. But I am interested to know is this a change in policy or what is the problem? Are there technical issues?

Mr Wood: There is a range of problems around it and, in fact, there is a legal problem that emerges—a number of problems. What at first seemed to me, I have to say, a process that could be followed, became much more difficult to deal with. You have a bit to say about that. There is the full detail of it.

Ms Lennon: Last year at this time it was discussed extensively and there was a marked disinclination on the part of the estimates committee to support it. We therefore went back and looked at how else we could achieve the policy objective, which is to keep unregistered and uninsured vehicles off the road—not, as I think it was described last year, just as a blatant revenue-raising expedient. We have identified various strategies that we can use. One is to be more assiduous about enforcing the law as it is. To assist us, the police have now commissioned new technology, called RAPID, which enables them to check the registration of vehicles virtually on site.

We're also looking at the possibility of using speed vans and red light cameras to randomly check for vehicles that may be on the road unregistered. We're looking at other strategies, such as education in terms of the financial risk that people run by driving uninsured vehicles. We're looking at the level of the fine and whether it would be appropriate to increase it. We're looking at sending out reminder letters to people when they haven't registered their vehicles on time and at the compulsory return of plates after a vehicle has been unregistered for three months, unless seasonal registration is intended to be taken out.

MS TUCKER: Basically, there has been a change of policy and you are looking at other ways of dealing with the driving of unregistered vehicles.

Mr Wood: Among other things, we listened to the committee.

MS TUCKER: Great. You said that there were legal problems.

Mr Wood: Yes, in the whole background there are some problems. Are they legal problems?

Ms Lennon: There's a requirement to enact a regulation to introduce continuous registration. There are complexities, it must be said, around the backdating of insurance, because our insurance is linked to the registration.

Mr Wood: Yes, that's the point I was referring to, whether it's a legal problem or not.

MS TUCKER: Basically, that hadn't been thought through before you decided to proceed.

Ms Lennon: I think it's fair to say that it was thought through but I think that it was rethought. There was a question about the equities of it and, in fact, it was rethought. It's quite a complex issue and it's approached in very different ways around Australia. We did that research and had another look at it, had a look at how we could deal with the problem, and, in fact, found that it would be quite a difficult problem to deal with. I could bore you for quite some time in taking you through that. Going back to laws, which is the policy objective here, there are other ways that may more effectively achieve those ends.

MS TUCKER: That's good to hear.

Mr Thompson: One of the things—this does apply in some of the other states and it's less than satisfactory—is that, if you moved to a continuous registration regime where you backdated the registration, that would be fine, but at the same time the same person is taking out insurance and that insurance would not be backdated, so they might be paying for 12 months of insurance but if they're two months late they're effectively only getting insurance for 10 months. That feels rather unfair, if you like. For those two months in between they're essentially uninsured and the insurance company—I'm not saying it's a windfall gain to them—are not providing that backdated cover. It's that sort of thing that we've been working through.

MS TUCKER: In terms of what you say is the policy objective and the different means of achieving it, you have just given us examples. Is that it or is there something further that you can give to the committee? Are you still developing it?

Ms Lennon: At this stage, that's really it, I think.

MRS DUNNE: Ms Lennon, you said that you were going back to laws to meet the policy objective, but it's unclear to me what the policy objective is.

Ms Lennon: As I said, to keep unregistered and uninsured vehicles off the road. The point of registration is not to tax the ownership of vehicles; it's to tax the use of vehicles in a sense, to use the word loosely, to defray the expense of maintaining the roads and to ensure that people are properly insured.

THE CHAIR: I refer to the general savings on page 205 of BP4. The third point refers to budget technical adjustments. You have \$3.6 million for the coming year and in the outyears. That seems quite a considerable amount of savings. Where are they coming from?

Mr Wood: Mrs Dundas asked that question earlier. You might have been out of the

room at the time, Mr Chair.

THE CHAIR: I'll check *Hansard*. I will not repeat it.

MRS DUNNE: It's about buses and stuff. This question is just seeking direction. Are the energy efficiency improvements in minor new works referred to on page 208 something I should ask you about, Minister, or Mr Stanhope as Minister for Environment?

Mr Wood: No, ask us.

MRS DUNNE: Good. What is it? Is it the Macarthur House lighting refurbishment renamed or is there something new, because the Macarthur House lighting refurbishment was a hardy perennial for a while there?

Mr Ryan: No, this is across all our portfolio of properties. Macarthur House was a separate one that was actually done via Environment ACT, but in our budget bids each year we put in a bid for improvements to our portfolio of properties. We have about eight office buildings and, on top of that, an array of community facilities that we manage. It's just minor works—improving the water, lighting, just anything we can on the energy efficiency side.

MRS DUNNE: What sorts of things will you be doing with that \$200,000 next year?

Mr Ryan: We've done energy audits of all our properties. We have a rolling program of energy audits and, as a result of those energy audits, we put in place minor works programs. They're just minor. They would be things like water efficiency in the toilets and kitchens to make sure that we're not having water coming out too quickly and just wasting water.

MRS DUNNE: What sorts of things would you be doing in that regard? What would you do to increase the water efficiency of a kitchen?

Mr Ryan: There are little devices that you can put inside the taps.

MRS DUNNE: Aqualoc valves.

Mr Ryan: Yes; there you go.

MRS DUNNE: Are you putting in Aqualoc valves?

Mr Ryan: We certainly have. Places like Macarthur House have already had it done, and it's just a rolling out program.

MRS DUNNE: Thank you, Mr Ryan; I'm so glad you said that. How many Aqualoc valves have you put in across your portfolio?

Mr Ryan: Can I take that on notice?

MRS DUNNE: Thank you.

THE CHAIR: We will move on to output class 1.1, customer services and information.

MS DUNDAS: I have some questions. I start with the number of public library loans, which are expected to increase by 50,000. Kippax Library, Belconnen Library, Civic Library and Woden Library, through all the different documents, appear to be undergoing some form of upgrade or refurbishment over the next year or two. Has the impact of those refurbishments been taken into account in the calculation of the number of public library loans and the number of public library customers? Would you like me to repeat that?

Mr Elliott: Sorry, excuse me.

MS DUNDAS: That's okay, Mr Elliott. You're expecting a slight increase in the number of public library customers and the number of public library loans and, through the capital works program and other issues, there will be upgrades and refurbishments being conducted for Kippax Library, Belconnen Library, Civic Library and, I think, Woden Library over the next 12 to 18 months. Do you think that that work will impact on the number of library loans and the number of library customers?

Mr Elliott: We've looked at the capital works program over the last couple of years and there are some on the way now and there are some coming forward. On the basis of that, because we're enhancing the facilities to some degree, we're projecting increased customer usage and increased loans at the same time; so there's a relationship there, as you point out.

MS DUNDAS: So that the work that's being done in these libraries won't have an impact, you won't see a negative effect.

Mr Elliott: Do you mean will it detract from the loans numbers instead of enhance them?

MS DUNDAS: Depending on the levels of refurbishment, are you going to have to close a library for a couple of days or are you going to have works being done which will mean that people will not necessarily want to go to the library for a little while?

Mr Elliott: In a general sense, you would expect to see some impacts. Depending on the way that the various projects are being managed, and in a general sense we try to keep the libraries open all the time through those refurbishments and we're able to retain service levels, we don't necessarily think that there are going to be any impacts. You'll probably see a decline for the period when work is being undertaken, but when the work is completed and the facilities are enhanced we would expect an increase. So, in a general sense and overall, because of the capital works program that's being undertaken, we expect to see an increase in loans and an increase in customer usage.

MS DUNDAS: Why won't there be an increase, then, in the number of public internet access terminals?

Mr Elliott: Most of the public Internet access terminals are actually funded through an alternative program, through chief minister's, and it's a matter of their arrangements in terms of addressing the digital divide. The conversations that we've had to date on that

are projecting a small increase. In fact, there is a physical aspect to this that we need to consider and also a recurrent aspect that we need to consider, that is, physically there are only so many public access terminals we can fit into some locations sensibly, with our collections and other user areas. The other aspect is: do we have the money to maintain and service those public access terminals? So there is a quantum that we get to where we're saying, "That's about as much as we can do." The conversation to date with chief minister's has been about a mild increase in those public access terminals, as opposed to a huge increase.

MS DUNDAS: What is the mild increase?

Mr Elliott: I think it's four.

MS DUNDAS: The estimated outcome for 2003-04 is 69 and that has been maintained at 69 over 2004-05.

Mr Elliott: Sorry, I thought it was 65 to 69, so it's the same.

MS DUNDAS: Which happened in this financial year. So over the next 12 months, 2004-05, you're not expecting any increase.

Mr Elliott: No, that's correct.

MS TUCKER: If I can follow up on that, there is federal money—from memory, about \$500,000—going to the digital divide. Is this recurrent funding or is our money federal money, just one-off? It is not clear on that.

Mr Ryan: I'm not aware of the precise amount of those funds that go to the Chief Minister's Department, I understand, to support the digital divide program, but essentially it is capital funds in the way that it's reticulated back down into the local service.

MS TUCKER: So you don't know whether that money from the federal government on the digital divide is ongoing.

Mr Ryan: I couldn't answer that question.

MS TUCKER: Maybe that could be a question, if we've already done chief minister's, that the committee could ask.

THE CHAIR: Yes, we've asked about the digital divide and the federal money.

MS TUCKER: Maybe it's mentioned in here somewhere. I'll have another look at whether it's ongoing. Don't worry, I'll have another look.

MS DUNDAS: The March 2004 output program support had a note that, due to the implementation of a new library system, the Horizon system, loans were extended from three to six weeks to cope with data migration and that system is now fully operational and the loan periods have returned to the normal three-week period, so results are meant to improve in the final quarter but loans are not expected to reach the full-year target.

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That issue isn't really picked up in these budget papers. Has the Horizon loan system impacted on the number of loans being processed?

Mr Ryan: I don't believe it has. I think the library service did a fairly outstanding job in managing that system with some augmentation. If there were some interruptions, they were managed through the sorts of processes you've already mentioned. I don't believe there will be any long-term impact on it at all. Customer usage of loans is really a matter of customer behaviour, as opposed to the systems that support it. If we're not using an automated system, we're using manual processes to process loans.

MS DUNDAS: The March output report indicated that you weren't expecting to reach the full-year target for the number of loans, but the budget papers indicate that you will. Are you expecting things to improve markedly in the last quarter. What's the real picture in terms of loans?

Mr Ryan: I'd expect them to reach their target, but I'd have to say that I'm not sure that they will.

MS TUCKER: I'm interested in the quality effectiveness measures. Customer satisfaction with public library services is the one I'm looking at. In terms of timeliness you have one for queuing times. I wish to ask a question about the quality of library services, which is not covered by this. How are you supporting, if you like, the social value of having reference librarians in libraries? This is an issue across Australia. You're now getting, basically, clerical people employed to deal with libraries and if a person goes into the library and says that they want to find something they are told, "Go and look over there." The reference librarian has always been an incredibly important aspect of a library and the value of a library in a social context. I'm interested to know whether there has been in the ACT, as is occurring in other places in Australia, a reduction in the number of reference librarians that are employed in order to reduce the costs of the library service.

Mr Ryan: Not to my knowledge. As you point out, it's a fairly complicated environment with regard to the dynamics of delivering library services and the professional staff that are employed in that process. I think there has been a trend away from the employment of professional librarians in a general sense. Partly, that's been driven by the use of self-service electronic sources, so people do their own research. That has driven, I guess, less of a demand for people to train in that environment and, in fact, to be employed in that environment. So you've seen a generic decline over a few years now. I think there has been a bit of a trend back in terms of people demanding a high level of professional servicing when they go to a library service and they're finding that the electronic self-services are not as self-service as they might have thought.

I think that's recognised in the library service and as part of the management and staffing arrangements that are going through the library right now there is a good, strong look at what I would call mid-level management service coordination versus the professional side of the business and how we mix and match that correctly. In answer to your question, I can't tell you the precise numbers but I can tell you that there is awareness of the dimensions of that problem and that's being addressed through the way that we're looking at the library service staffing right through ACTLIS.

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MS TUCKER: That's good, but I think that it would be interesting to see if you could give us a measure of that and whether it's actually about the number of reference librarians employed or you come up with some other measure. But I would be really interested if the committee would support this request to get a sense over the years of what the employment policy is in terms of, for example, reference librarians, which I would have thought would be an obvious measure, but maybe it isn't. You're the experts; tell us what the measure is. But this is a fundamental quality issue about libraries. I'm interested that you say that there is now a moving away from this assumption that we don't need these people anymore because we've got electronic stuff, because that is really not the feedback you get from the community. But how we as a committee or future committees can see how this is tracking in library services would be helpful.

Mr Ryan: Perhaps if I could suggest as a starting point that we take on notice your original question about how many professional libraries we have, et cetera, and start a process in that way, answer that direct question.

MS TUCKER: It would be interesting to get a picture of that over the last, say, 10 years or whatever you think is reasonable.

Mr Ryan: We can take that original question on notice, do some quantitative analysis, and then work on it from there, if you like.

MS TUCKER: Thank you very much. It would be interesting to see that.

Mr Thompson: Ms Tucker, we'll certainly endeavour to do that and I think we could easily do it over the last three or four years because there will be very good, if you like, corporate memory about who was qualified as a librarian and who wasn't. If we go back 10 years, it might be more challenging, because we don't have immediately attached to the name of somebody the fact that they're a qualified librarian. So, for a name 10 years ago, it might be hard to track whether they were a librarian.

MS TUCKER: That's disappointing. I would have thought it would be pretty important information. Obviously, the figures over the last three or four years are not going to help a lot. We're probably improving, from what Mr Elliott has said. We're not going to look good if we look at them over the last three or four years, because there was such a move away from it over that timeframe, as I understand it. So I don't know that it's going to be all that enlightening, but do your best.

Mr Thompson: We'll do our best.

MRS DUNNE: Can I just ask for some clarification, Mr Chairman? Mr Elliott, what is a public library customer? Here it's got 1.8 million people, so it's not people who hold library cards. How do you measure what is a customer?

Mr Elliott: A customer is a person who avails themselves of any sort of service through the library. It could be someone who walks in through the gate and uses a facility. It could be someone who gets a service with some assistance at the public internet terminal. It could be someone who borrows a book. It might be someone who books a community facility within a library.

MS DUNDAS: On the timeliness measure concerning the average queue waiting time of less than 12 minutes, in last year's budget the measure was about shopfront queue times of less than seven minutes, aiming for 80 per cent and achieving 70 per cent. That has now disappeared and we have this less than 12 minutes measure. Why aren't we still aiming for that seven-minute target? What has been happening with the shopfront timeliness?

Mr Elliott: This is a longish story, but I'll attempt to keep it as brief as possible. Several years ago there was a method of recording waiting times in shopfronts and the auditors were unhappy with the way that the measure was counted. We introduced a shopfront queue system that would allow us to accurately record how long a customer had to wait in a shopfront. In some of the refurbishment work that was going on at the motor vehicle registry, we installed that shopfront queue system in the motor vehicle registry. That was post our original implementation through the Canberra Connect shopfronts, and then we had an ability to accurately measure waiting times in both the motor vehicle registry and Canberra Connect shopfronts.

At around about the same time we had the implementation of rego.act, the transport information system, and one of the outcomes of that system was to disaffect at the first level of implementation our customer waiting times, which had been well documented and well talked about for some time. We've been able, through some developmental work around how we deliver services in both the motor vehicle registry and in Canberra Connect shopfronts, to bring that waiting time down considerably.

When we looked at the various waiting times between the motor vehicle registry and Canberra Connect shopfronts there was a discrepancy. Canberra Connect shopfronts were seven minutes—I have to go back to my notes—for whatever the percentage time was and the motor vehicle registry was a different measure. Because we were using exactly the same system doing exactly the same transactions, we decided to systematise or make a consistent measure. Our benchmark for this was what was happening in other states. We chose 12 minutes as an average across all transactions because we felt we could meet it well.

But we were coming up to the anniversary of the implementation of rego.act, which is 1 July, and we were mindful that we may get some aberrations in the data through that system, so we established a measure of 12 minutes, which we thought was reasonable and which met, as far as we could gather from our research, customer expectations, and we are now monitoring that measure on a quarterly basis. The measure has come down on a quarterly basis. I can provide those figures, if you like, because I have them here. If the current trend continues, we propose to reduce that 12-minute measure to probably 10 minutes and then we'll do another review later, probably next year. But at this point in time we thought 12 minutes was reasonable and we have, in fact, provided a consistent measure across all of the Canberra Connect shopfronts and the motor vehicle registry, which is a sensible thing to measure it or to systematise it, if you like.

MS DUNDAS: Those figures would be helpful if you could provide them.

Mr Elliott: Sure.

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MS DUNDAS: When was the decision made? You have one target in the 2003-04 budget and a different target in the 2004-05 budget, yet somehow you have been able to insert retrospectively a different target to meet the 2004-05 target.

Mr Elliott: We requested that there be some review of the target because of the consistency and it took a while to put through the process, but it happened in the period that it did and, therefore, there has been some retrospectivity applied to it.

MS DUNDAS: Would you say that waiting times have decreased or increased over the last two years?

Mr Elliott: In a real sense, since we've been able to record them accurately, I can tell you that for the first quarter, from July to September 2003, there was an average waiting time of 14 minutes and 28 seconds. In the next quarter, October to December 2003, the average waiting time was 12 minutes and 26 seconds. For January to March 2004 it was nine minutes and 26 seconds. The average year to date over that whole period is 11 minutes and 36 seconds. Based on some of those sorts of numbers, we presented or recommended a 12-minute waiting time, because we thought it was reasonable and we thought we could meet it within our current resources.

But, as you can see, the trend is coming down all the time. It might be that we will be able to attain a service level under 10 minutes. If we can do that and we think that's reasonable within our resources and what else is happening around the motor transport system, if we're not introducing continuous registration, which might impact, or other factors that we have to pay attention to, then we'd be more than happy to put forward a lower performance measure. We'd hope to drive at that all the time because it's about customer satisfaction and business improvement.

MS DUNDAS: Do you keep figures on the amount of time people are kept on hold through the Canberra Connect phone service?

Mr Elliott: Absolutely.

MS DUNDAS: Why aren't they recorded here?

Mr Elliott: They're recorded as an average.

MS DUNDAS: Sorry, it's the next one down.

Mr Elliott: That's an established benchmark and is, in fact, a national industry standard which we try to meet. On a one-to-one call basis you might wait longer, but on average we meet that performance measure very well.

MS MacDONALD: I wanted to follow on from a question Ms Dundas just asked. With the shopfronts, Mr Elliott, you've got the data and you're going to provide us with that. Is included in that information about the numbers of people who are waiting longer than 12 minutes?

Mr Ryan: We can give you fairly sophisticated breakouts on what happens on any given day in a shopfront so you can get averages—remembering that the period in time that

we're talking about is the period where a person walks into a shopfront environment, presses the button on the queue system, takes a ticket and then gets to the counter. It's not the period of time it takes to do the transaction, it's the wait time.

MS MacDONALD: What's the strategy for getting the average wait time down to 12 minutes or under?

Mr Ryan: Part of it's about doing some improvements around the rego system and how we utilise that system—simple things like changing some of the screen mechanisms so a counter operator can move through those sorts of things more easily. Other strategies we've got are about delivering our payment services in particular, because most people are into a shopfront to pay a bill—more than likely. We want to try and deliver those payment services through different channels—over the telephone or on the internet—thereby reducing the number of people in the shop.

MS MacDONALD: On that point, I don't want to have an argument with you but I just want to mention that I was in the other day paying my rates. It was a good opportunity for me to browse through all the information in the shopfront. I did go at lunchtime, so beware—it was my own fault. The comment made to me when I got to the counter was, "Oh, you could go and pay this at Australia Post." Australia Post has wait time as well, when you go into the post office. It was specifically the post office that was mentioned, not paying over the phone or using the internet.

Mr Ryan: Exactly. We undertook a contract with Australia Post some time ago, primarily at the request of the housing department. They wanted us to try and improve accessibility to some housing clients in the way they pay their rent. A lot of housing rent used to be paid in shopfronts. We undertook a contract with Australia Post to allow those residents to go to any post office to pay their rent. We did quite a lot of research with the housing department on that and that has been a very satisfactory sort of outcome.

In a general sense, therefore, we're trying to improve accessibility to government services by not only providing four or five points of reference, which are our own government shops, but also providing payment services through third parties. There are 56 Australia Post outlets in Canberra. That means that it's more convenient for people, if they just want to pay a bill and they like using Australia Post, to go and pay their bill there. You can't pay every transaction through Australia Post—some of them are not suitable. Australia Post won't accept every transaction or every government payment, but there are about five or six that they will accept. We consider that a convenient option for people.

MS MacDONALD: I don't object to it. I know, of course, that there are more Australia Post agencies and post offices around town to utilise. For me, going into the government shopfront or going over to the post office in Civic is much of a muchness in time.

Mr Ryan: I guess the basis to this is really about how people prefer to pay their bills and how they prefer to do business. Everyone has a different preference for that. What we try to do is maximise the preferences the community have to pay their bills, make sure we've got good rigorous processes around those and try to deliver services of the best possible quality.

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MS MacDONALD: Perhaps you could provide just the averages of numbers of people waiting longer than 12 minutes. I'd be curious to see how long it is.

Mr Ryan: It would have to be time-bound. We can measure that at any given point in time on a daily basis, but over a quarter or over a week.

MS MacDONALD: Just over a quarter.

Mr Ryan: Okay, yes.

MR CORNWELL: I'd like to follow up on that, too. Your figures here indicate that the number of financial shopfront transactions is the same as last year—610,000—yet the web and the voice-based transactions have risen by 5,000 and 4,000 respectively. I would have thought, therefore, that the time at the shopfronts would have decreased—because you've got more people using the voice and the web, which is what you want them to do. Have you decreased the number of staff at the shopfronts?

Mr Ryan: No.

MR CORNWELL: I know you've already given us an explanation as to why this is happening, but it seems puzzling to me that you've got more people using the voice and the web, there's been no increase in the people using the shopfronts, and yet we've still got 12 minutes. As Ms Dundas said, last year or a couple of years ago it was seven minutes.

Mr Thompson: Perhaps I could answer that. I'll jump right back onto an issue Ms Dundas raised several questions ago. As far as I can recall there have been two blips in shopfront performance. One goes back about four years, when some of the rules for paying rates bills changed dramatically. That caught the shopfronts a bit unawares and we did have some big queues. We had to sort that out with the revenue office.

The second blip happened last July when we introduced our new motor vehicle registration and licensing system, called "rego.act". We acknowledge that the queuing time did go up from June to July. Since then, as our staff have become more familiar with the system and as we've ironed out various bugs, the queuing time is now coming down. As Tom said a few minutes ago, we've got a target this year of 12 minutes. We will look at it and it may be that we can even bring that target, for the future, down to 10 minutes. We've been on quite a steady path of improvement from July—July/August was our high point—when rego.act came in. It's now steadily coming down and I would be hopeful that we can come down to some lower target.

MR CORNWELL: So the bar was a bit too low at seven minutes?

Mr Thompson: That wasn't the same—it is one of those definitional things—it was a different bar. It was about 70 per cent of customers and so on. This is an average over all customers, so it's a different way of measuring. Apart from those two blips, I don't think our performance has been decreasing, but we've got to acknowledge that we did have those two blips.

MR SMYTH: I'm not sure if this in 1.1 but in the IDMS I see there's a second pilot.

Mr Thompson: Yes.

MR SMYTH: What happened to the first pilot?

Mr Thompson: The first pilot when we kicked off was called PALM and it's now called ACTPLA. It's very well advanced. I understand that most staff in ACTPLA are now using the system. It has not been fully evaluated but the indicative results are promising, in getting rid of paper and doing a lot more of the transactions on the screen. It is well enough advanced within government that it was agreed that we should now move to another agency and start to implement a comparable system. There's been funding built into here for it in a second agency but we still have some further evaluations of ACTPLA to do before we finally commit to a second or third agency.

MR SMYTH: Why didn't you roll it out across the whole of the ACT public service?

Mr Thompson: For two reasons. One is that you would be looking at a very large investment all at once. I think the other, quite valid, reason is that we learned a lot during the ACTPLA implementation and we are sure we'll learn some more out of a second agency. That might be the right time to roll it out across all agencies. But each time there's a lot of learning to do.

MR SMYTH: So it's not a pilot, as such; it's more of an extension. I read "pilot" and assumed you were trialling a different system or something.

Mr Thompson: No.

MR SMYTH: This will be the same system going to another department?

Mr Thompson: It's the same underlying technology. The important thing is not the technology though. The really important thing is for a team of people to work inside the agency, the first one being ACTPLA, to clarify all the business rules—in their case it was all about DAs—and get everything fully documented to the point where they can turn that into a set of instructions in the computer. That's what they have done. The IT people then come in and put that into the computer and off it goes as an IT system rather than a paper system.

As we go into every other agency we've got to do the same thing. Let's say it came into some part of DUS: it's a paper thing about writing down all the rules and then the IT people take it over. The underlying technology is the same but the rules are different from agency to agency. Dog registration is very different from DIS, which is very different from a court process, which is different from a health record.

MR SMYTH: At this rate—I think you started this back in 2000; it has taken four years just to do it in PALM for DAs—how long is it going to take to roll it out across the whole of the ACT public service?

Mr Thompson: I would hope that we can start—and there was a learning curve, obviously—to roll through agency by agency one year at a time. It may be that, if the second one is successful, the government decides to do two at a time, or something like

that.

MS DUNDAS: In last year's budget there was a timeliness measure of supply of items from one public library branch to another within three days of request and a target of 80 per cent. That has disappeared from this year's budget. Can you tell me why?

Mr Ryan: No, I can't; I'm sorry.

THE CHAIR: Could you find out? We'd like that on notice.

Mr Ryan: We can take that on notice.

MS DUNDAS: If you do know, can you tell us how you're going towards the 80 per cent target and whether or not you reached that?

Mr Ryan: Sure.

MS DUNDAS: Why was it taken out of the budget papers, when usually there is a note for a discontinued measure? This one just seems to have disappeared. Under "costs", the cost of library and information services has come down from \$17 million to \$16 million. Why is that?

Mr Ryan: My understanding is that that is basically an accounting aspect of corporate overheads, and how corporate overheads were applied in previous budgets as opposed to the forward one.

MS DUNDAS: So we haven't actually seen a reduction of money going to library and information services?

Mr Ryan: No. There's an aspect of depreciation in that, and I think an offset by some EBA processes.

Mr Thompson: I think Alan Phillips can answer that—the depreciation issue is very significant.

Mr Phillips: Not depreciation; it's really capitalisation.

Mr Thompson: Capitalisation, I should say.

Mr Phillips: Basically, the library book stock is now capitalised so it doesn't come through as a recurrent expenditure item; therefore your observation that, that aside, basically the funding is in line from year to year.

MS DUNDAS: What's happening with the reduction of cost for online services? You can't tell me they're capitalising books!

Mr Phillips: No. That is one Mr Elliott might be able to help you with.

Mr Elliott: Are you referring to the cost of online services?

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MS DUNDAS: The cost of online services, which has also dropped by about a million dollars, from \$6.5 million to \$5.9 million.

Mr Elliott: I think that's effectively an efficiency dividend that was budgeted some years ago into the Canberra Connect program, and that's where it has been applied—effectively.

THE CHAIR: We will turn to 1.2, roads. We have done a fair bit on that, Mr McNulty, but we'll go to Mrs Dunne because she seems to thoroughly enjoy asking you questions!

MRS DUNNE: I just love bitumen! For lane kilometres of annual program maintenance the estimated outcome for this year is no kilometres, but it's costing us \$729,000.

Mr McNulty: Instead of doing some resealing of Barton Highway, we used that money for stormwater maintenance. It is still being used on the national highway.

THE CHAIR: That's classed as roads?

Mr McNulty: Under—"stormwater under".

MRS DUNNE: It's stormwater under the road?

Mr McNulty: Yes.

MRS DUNNE: Seeing that the estimated outcome for one kilometre next year was less than the estimated outcome for no kilometres this year, I was going to encourage you to do more next year than you were planning to because there seemed to be economies of scale.

Mr McNulty: The cost of national highway maintenance is money provided to us by the Commonwealth. We get what we get and apply it in the most effective way we can.

MRS DUNNE: You have some discretion in using it?

Mr McNulty: Yes.

MRS DUNNE: That's Commonwealth money?

Mr McNulty: Yes.

MRS DUNNE: I have to say—and this goes back to the comment I made this morning—that I really think these measures aren't worth a cracker. It looks like it cost \$729,000 to do nothing and it will cost marginally less next year to do something. We really need to do something about that one.

THE CHAIR: We will turn to 1.3—waste and recycling.

MS DUNDAS: Why have kerbside garbage recycling and multiunit hoppers all been merged into one cost?

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Mr McNulty: Because all the collections are in one contract now, whereas there used to be several contracts. We used to have a recycling collection contract, a garbage collection contract and a multiunit collection contract.

MS DUNDAS: You've got tonnes of waste to landfill, but are you still able to keep separate the cost we're spending on recycling and the cost we're spending on normal garbage collection?

Mr McNulty: Yes, we are.

MS DUNDAS: It's not in these budget papers, is it?

Mr McNulty: No.

MS DUNDAS: Can we get that breakdown, please?

Mr McNulty: Yes.

MS DUNDAS: Again, I'd like to talk about the March quarterly report, which states that the waste to landfill is expected to be higher than target, as was said in the previous budget, yet this estimated outcome in the budget seems to bring it back down. Are we expecting people to throw out less things over the last quarter?

Mr McNulty: I guess that's just a question of monitoring the trend over the year and anticipating what the outcome will be at the end of the year.

MS DUNDAS: You're pretty much on target to maintain tonnes of waste for landfill at 200,000?

Mr McNulty: Yes.

MS DUNDAS: The March quarterly report was just a glitch?

Mr Thompson: We're reasonably on target. The history of waste to landfill over the last six, seven or eight years is that—it has been hovering—it has trended down from 250,000 tonnes to the vicinity of 200,000 tonnes. Exactly how much goes in is driven a lot by what we collect in our domestic collections. We can predict that pretty well. The other much less certain activities have to do with the development industry and the commercial sector. We might hit the 200,000 or it might go a bit above. I think at that stage we were feeling that it was going to go a bit above. I guess we'll have to say we must wait and see. If it is above, it won't be twice or anything like that; it will be 200,000—and something but we're not sure exactly what.

MS DUNDAS: Can I ask about biowaste and putrescible waste?

MRS DUNNE: That's my question. You may not ask that question!

Mr Thompson: How much time have you got?

THE CHAIR: Not that much!

Mr Wood: Perhaps you should adjourn for lunch, Mr Chair, and we will get heavily into that after we create some putrescible waste!

THE CHAIR: Just try to answer it now. We've still got a few minutes.

Mr McNulty: In the last couple of years we've been doing a review of strategies to achieve the no waste target. We've been talking for some time about the need for a technology to deal with putrescible waste from both residential and commercial industries. On a number of occasions we've had a look around to see what's available in this country at the moment.

MRS DUNNE: I notice the minister went for a trip last July.

Mr McNulty: It's fair to say that there is no technology in this country at the moment that is working as it was originally intended to work.

Mr Wood: The plans are there and it sounds great, but I've seen two plants that stopped. I don't know what the investment in them was—\$50 million.

Mr McNulty: The SWERF plant would have been about \$180 million.

Mr Wood: They weren't working; they stopped. It's very promising and I think the fact that we had these wonderful technologies coming on board is probably what generated the no waste by 2010 aim. But there seemed to be severe difficulties with those plants. Mr Thompson and Mr McNulty found that overseas—because we wanted to explore a bit further.

Mr McNulty: The problem for us is was that we had this range of technology in Australia, none of which was really working as it was intended to work. There's a plant being constructed at Eastern Creek at the moment which is supposed to start being used about August this year, but it will be a long time before they get that working properly. So Mr Thompson and I went overseas to have a look to see if there was anything that would do the job over there. We came away with the view that there are technologies that can work but it's now a question of building something like that into the no waste strategy to come up with an affordable thing—and something for the government to accept.

Mr Thompson: The problem with the ones we've identified is that there is a big capital investment. The best, most robust ones appear to be German and Italian plants. Hamish mentioned the one at Eastern Creek on the western edge of Sydney.

THE CHAIR: There is a very nice motor sporting complex there and a dragway.

Mr Thompson: Just next to it, yes. It's using a lot of these German and Italian technologies and hopefully it'll work very well. It is a significant threshold issue for the community. As somebody makes that big investment in technology the community ends up paying for it. You get a bit of a saving, as we discussed before, because you can save having to expand the landfill. But, based on the figures we've got, that saving on landfilling cost doesn't fully offset the need to service the capital investment and the

operating costs of one of those big plants.

MRS DUNNE: We're talking about—what—30,000 tonnes of putrescible waste per year, roughly?

Mr McNulty: It is better to talk about green bin waste.

MRS DUNNE: We're making a distinction?

Mr McNulty: The reason for that is that most of these plants take the municipal waste stream, which will have putrescible waste. But, whether we like it or not, that green bin we collect also picks up broken bottles, some metal containers, batteries, plastic bags and so on. The technology has to be able to deal with all of those things.

MRS DUNNE: This is a similar sort of technology that they were talking about for Port Stephens?

Mr McNulty: Port Stephens is one version of that. The Port Stephens technology delivers a compost product. If you look at it you will see that it glistens because it's got a lot of glass in it. That doesn't meet the Australian standards so you can't sell it as high class compost—that's the problem with it. Effectively, they're using it for a bit of land reclamation at some wineries I understand, but they're also using a lot of it as cover on their tip.

THE CHAIR: Ms MacDonald will be first cab off the rank after lunch, when we will continue with putrescible waste.

Meeting adjourned from 12.31 to 2.01 pm.

MRS DUNNE: Just picking up on the putrescible waste: before lunch, Mr McNulty and Mr Thompson, when you were saying that some of the plants don't work, did you mean they are literally not operating or—

Mr McNulty: There are a couple that have ceased operation. One in Wollongong is no longer operating; there's one in Perth that's no longer operating.

MRS DUNNE: And what sort of technology were they?

Mr McNulty: The one in Wollongong was a waste-to-energy plant, so a very high-temperature incinerator basically.

MRS DUNNE: A biomass generator, an electrical generator?

Mr McNulty: It's an incinerator. Basically what it boils down to is a very high-tech incinerator, which they couldn't make work effectively. The company decided that they weren't going to invest anything more in it. And so the whole thing's just stalled.

MRS DUNNE: So they just cut their losses.

Mr McNulty: Yes. I believe—and I stand to be corrected—that's about \$180 million

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investment in that plant. The nature of the technology is very expensive.

Mr Wood: I don't know, but is it going to get up and run again one day?

Mr McNulty: I don't believe so. It may. They need someone to inject a lot more money into it.

Mr Thompson: And the one in Perth is in the city of Stirling, north of the Swan, and it was a digester-type technology and it just goo-ed up and just stopped. I went there with the then minister, Brendan Smyth, and we saw this magnificent almost-mausoleum, with no action. Again, it is very unlikely to start up again.

Mr Wood: Well, that's not the one I saw.

Mr Thompson: No. South of the river there's a Bedminster plant similar to the Port Stephens plant—and Minister Wood and I visited that a few weeks ago—and it's beginning to be commissioned effectively. But even now, as we speak, it's not working. Their odour control systems weren't effective. They were affecting the neighbours rather badly. And so they had to stop.

MRS DUNNE: And you were saying, Mr McNulty, that they've got problems with contamination from glass.

Mr McNulty: In Port Stephens they do, yes.

Mr Wood: Yes, Port Stephens is working well, except for the glass.

Mr McNulty: The drums go round and stuff comes out the end, but it literally glistens; the compost glistens because of the bits of glass in it.

MRS DUNNE: And that's considered a problem, is it?

Mr McNulty: Absolutely. You can't sell it for domestic use.

MRS DUNNE: And you were saying that you've looked at other technology—German and Italian technology. Is that test technology or technology that's actually under sort of operational use?

Mr Thompson: No. The ones in Germany and Italy were going-concern plants, working pretty well. I think every one of them had had a slow start when they were commissioned and then had to make some adjustments, but they were working.

We did see a very good experimental plant in Tel Aviv, just on the edge of Tel Aviv, but it's still highly experimental. There's a way to go before you fully make it operational. Of all the plants we saw it's the one that would get closest to the no waste target, but it is quite experimental. So we couldn't recommend that here.

MS MacDONALD: Didn't it use a lot of water as well?

Mr Thompson: They use a vast amount of water, Ms MacDonald, yes. They essentially

dump the garbage into a big tank of water, and the very simple principle is that heavy things sink and light things float. That means automatically all the things like batteries—

Mr McNulty: Glass, metal.

Mr Thompson: Glass, metal, it sinks.

MRS DUNNE: So they don't sort at source?

Mr McNulty: No, this is mixed waste. They didn't really seem to have any sort of recycling arrangements in Tel Aviv at all.

Mr Thompson: And they explained that to us. Tel Aviv houses are not very big—typically, 10 squares—and mostly they're apartment blocks. It gets very hot. They don't have any sort of convenient place to put multiple bins. That's in very sharp contrast to, say, Germany where, Germans being very well behaved, some German towns actually have four bins and they're all very well-behaved and they put all the material into the four different bins.

MS MacDONALD: Did the Germans talk about if they actually were all well behaved or did they have any contamination in the different bins?

Mr McNulty: A number of the plants I saw sorted biowaste, but there were still high levels of contamination in the sorted biowaste stream. They all had a sorting section before they did anything with the waste. There were very high levels of contamination still.

MS MacDONALD: The other question I was going to ask beforehand was: are we able to get the figures on contamination that goes on in the recycling bins at the moment?

MRS DUNNE: Thank you for that, I wanted to go down that path as well.

Mr McNulty: I think we have either just completed it or are just about to start another audit. They're imminent. I just can't remember whether we've done it or whether it's just about to happen.

MRS DUNNE: We've taken out the bin dividers. One of the risks, it seems to me, in taking out the dividers in the recycling bin, is you get glass contamination in your paper, for instance. Does that happen, and how much? Have we got an increase in stuff that's going to landfill because it's contaminated?

Mr McNulty: The theory is actually that you get less glass contamination of the paper. What was happening before was: we had a separate part of the bin for glass and containers. The glass used to break more easily because it didn't have the paper mixed in it with it to cushion it when it was dumped in it, because it's all dumped in the truck and then dumped out at the MRF. The theory was: sometimes you actually ended up with more contamination in the paper than you would otherwise.

MRS DUNNE: I've been told anecdotally that, since we've taken out the bin dividers, there's actually more contaminated waste, waste that's contaminated to the point that it's

got to go to landfill rather than—

Mr McNulty: Until the new MRF—material recycling factory—was opened, Thiess were using the old facility at Hume, which was old and was not what they would prefer to be using. Because they were getting a commingled stream into the old MRF there was a high level of contamination, but now their new facility is operating I think that problem will be overcome.

MRS DUNNE: So there was a problem with high levels—

Mr McNulty: There were high levels, there's no doubt, yes, because of the nature of technology that they were using to sort it. Through their new facility being opened—the fact that it was coming in a commingled state—the new facility has much more up-to-date technology, better sorting facilities, and can deal with that commingled waste.

MRS DUNNE: Does that mean that we took the bin dividers out too soon?

Mr McNulty: I think we would have potentially had the same problem anyway. I don't know.

THE CHAIR: They went to the same part of the truck, did they, or was that divider meant to be relevant to the truck?

Mr McNulty: No, the trucks were split, too. The problem with that, from a collection point of view, is: you might fill up one half of the truck—the container half might be full or the paper half might be half full—so it was quite an inefficient way to run those trucks; whereas now they can fill the trucks and it's a much more efficient way to run the business.

MS MacDONALD: Do you have any idea of the amount of recyclables that are going into the green bins?

Mr McNulty: Once again, there are numbers. How recent they are, I don't know.

MS MacDONALD: I've seen the numbers that came out before on the bio-bin trials, but if there are more recent numbers than that I'd be interested to see them.

MR CORNWELL: I have a question on page 216 again, waste and recycling. In 2003-04 we had 127,000 households serviced, at \$49 per household. We have 129,000 this year, at \$55 per household. Why the increase in cost?

Mr Wood: It could be the new contract. I don't know. There was an issue over wages there for a while but—

MR CORNWELL: Forty-nine dollars up to \$55.

Mr Wood: There was a balancing of that, so I don't know if that had a big impact or not.

Mr Thompson: Which year was the first year?

MR CORNWELL: In 2003-04, 127,000 households, at \$49 per household; in 2004-05, 129,000—another 2,000—at \$55 household. As Mrs Dunne says, it is a 10 per cent increase in cost.

Mr Thompson: Not having seen your calculations, it's not easy to comment; but because of the way the new contract works it may be a simple fact that now the costs include multi-unit dwellings as well as residentials and there's different collection, different numbers of bins and all sorts of things involved in that. So I don't know; I'd have to go and work it out myself.

MR CORNWELL: Well, I'd appreciate it because even if, as you say, that is the case it's a bit rough on everybody else being charged extra.

Mr Thompson: If you could let me know how your figures have been calculated—

MR CORNWELL: I shall be happy to do that.

MRS DUNNE: Just getting back to the overseas experience with biowaste: what sort of technology are the Italians and the Germans using? Is it all basically the same?

Mr McNulty: No. There are two basic technologies. They all have a sorting bit on the front and then they either use a composting or—there are different models of how you turn compost and all that—the digestion approach. They're the two basic options, if you like. The digestion approach has an advantage in that it can generate electricity when it's working properly, whereas with compost you don't get that benefit.

MRS DUNNE: Was that essentially what they were using in Wollongong that's gone pear shaped?

Mr McNulty: No, Wollongong was essentially a very high-tech incinerator.

Mr Thompson: But, Mrs Dunne, the one that went pear shaped in the city of Stirling in Perth, yes, it was a digester. And it did go bad.

Mr McNulty: And it's worth noting that we've had a look now twice at a digestion plant at Camellia in Sydney—and I think we looked at it probably three or four months apart, two visits—and they still hadn't got the digesters working properly. You've got to condition the bacteria, and then they get very sensitive to any variations in the waste stream coming into the plant; so it's a very—

MS MacDONALD: Can I just ask: is a digester similar to what they use in Port Stephens?

Mr Thompson: No, that's composting.

MS MacDONALD: What's a digester? I might have missed you saying it then; I couldn't hear very well.

Mr Thompson: It's a very big tank, airtight, you tip the waste in in liquid form—it's got plenty of water in it—and over a period of time it digests, a bit like the human stomach,

and out of that comes—

MS MacDONALD: A very lovely concept, that is.

MRS DUNNE: They don't call it putrescible for nothing.

Mr Thompson: As a result, off comes a range of gases, including, principally, methane which can then be used, as Hamish said, to generate some electricity or whatever. That comes off, that's useful, and then you get a low-quality compost as well. The plus is the electricity generation. The downside is: it is much more complex and, as Hamish said, if the waste stream varies, if something toxic gets in there, they stop working. Particularly with the municipal waste stream where you're dealing with whatever comes in the bins, it's very hard to control.

Mr McNulty: And when we were in Tel Aviv they had actually blown the top off one of their digesters.

THE CHAIR: They probably thought it was a terrorist attack.

Mr Thompson: We positioned ourselves to get in the photograph.

MRS DUNNE: Just a couple of other questions about waste to landfill. Last year we've got 200,000 tons—that's the standard figure—so I'm presuming that the bushfire waste that was stored out at Stromlo is not counted in that at all; that's just to one side.

Mr McNulty: Yes.

MRS DUNNE: Do we have problems with intractable waste out there in the long term?

Mr McNulty: At Stromlo?

MRS DUNNE: At Stromlo, because we don't really know what went in the ground really.

Mr McNulty: No, but it's been constructed in such a way, and it would be finished off in such a way, that there won't be an ongoing problem.

Mr Thompson: Yes, it's right that we don't know exactly what went in the ground, but what we do know is that whatever went in is non-flammable. It's not actually a light-hearted comment. The classic problem with landfills is all sorts of organics, nasty petrochemicals and so on. Well, whether we like it or not, the fire made sure we didn't have any of those. It is brick rubble; there is some asbestos contamination in it; but, by definition, they're all things that didn't go up in the fire.

The big worries there were primarily about health and safety during the clean-up. We had WorkCover and our project managers, Lend Lease, exercising very heavy control over the clean-up operation. Once you get it in the landfill and get it covered by a substantial amount of soil, about half a metre, it's pretty okay.

MRS DUNNE: The other thing is: how are we progressing on builders' rubble, concrete

recycling and things like that? How much of that is being quarantined from the landfill?

Mr McNulty: I'm not sure I have that exact number. At the moment the recycling facility is at Pialligo, as I think you're aware.

MRS DUNNE: That's concrete recyclers.

Mr McNulty: Yes, that's right. As part of the next stage of the no waste strategy we're looking at the possibility of setting up a facility ourselves to try to increase the proportion of recycling because no doubt a lot of that is still going into landfill.

MRS DUNNE: Concrete recyclers recycle concrete. Do they recycle any other building materials?

Mr McNulty: You take in loads of building materials and they recycle what they can and are building a pile of what they can't, I suspect.

MRS DUNNE: Well, I understand they've got problems about the longevity of their lease. Is that part of the reason—

Mr McNulty: I understand that's the case and that's part of the reason we're looking at setting up a facility as part of the strategy, but that's got to go to government.

THE CHAIR: I think we might move now to 1.4, Canberra urban parks and places. I have a few questions on page 217, BP4. Customer satisfaction is measured by the CERM survey for our pools. I note the Canberra Olympic Pool is at 80 per cent; the Tuggeranong Lakeside Leisure Centre is at 82; Manuka Pool is at 92; and the Dickson Aquatic is at 90 per cent. Why the difference between the pools?

Mr Wood: They're different places. How about that?

THE CHAIR: I'm well aware of that, Minister.

Mr McNulty: I can answer the question, I think, in regards to Civic in that the facility's now getting quite old. The air bubble is reaching the end of its useful life. So there are some ongoing maintenance issues at Civic, and I think that reflects there. In regards to Tuggeranong—

THE CHAIR: I'm surprised at Tuggeranong because that's a fairly new centre.

Mr McNulty: I can speculate, I guess. We're doing a project there at the moment to upgrade the filtration equipment. Whether there have been some issues with the water quality there, I'm not sure; I don't know. But clearly the fact that we're upgrading the filtration equipment indicates there was a need to do it. So whether that's reflected in those numbers, I can't speculate.

THE CHAIR: Just in relation to Civic: you mentioned the air bubble, which was certainly my next question. That has not been pulled down deliberately since about 1996-97 to extend its life.

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MRS DUNNE: Are we talking about the DUBY dome?

THE CHAIR: The DUBY dome went up, as my colleague Mrs Dunne said, I think in about 1991 or 1992—a great legacy of his.

Mr Wood: It's survived very well. It's a credit to Craig, isn't it?

THE CHAIR: It has survived well. It is now 2004. You're right. That's probably beyond its shelf life.

Mr Wood: Yes, it is.

THE CHAIR: What proposals has the government got to replace that, fix that up, and when would we expect to see that?

Mr Wood: Well, we're attending to it. We're switched on to it.

Mr McNulty: There's some money in this year's budget to do some preliminary design work on options for what we might do there.

THE CHAIR: \$70,000 for Civic. So how long will that take?

Mr McNulty: Well, we'll spend the \$70,000 this year and then provide some more information to the government in the context of next year's budget.

Mr Thompson: Mr Stefaniak, just to move away from an inflatable structure and into something that most people would find more pleasant internally involves a big building and, what is more, a big building over an existing pool. Not cheap. We would hope the \$70,000 gives us a reasonably good handle on the nature of what that investment might be for the government, for the community. That will either be a decision by the government to go this way or that way. But if it's to be a structure, it's quite a big structure. Obviously, by definition, it's of comparable scale to the new superstructure at Belconnen.

THE CHAIR: Helpful hint for you there, Mr Thompson: check on a visit Mark Owens and I made to, I think it was, Echuca in 1996 where for \$2½ million they restructured an indoor pool out of a 50-metre pool. I know the costs have gone up a lot. Have a look at that.

Mr Thompson: In regards to Civic: there are also some heritage issues we have to be aware of there.

THE CHAIR: I appreciate that. My other question in this area—

MRS DUNNE: Don't tell me the DUBY dome is heritage listed.

THE CHAIR: He was going to put them everywhere. My other question in relation to this is in relation to sports grounds. I note the \$4.8 million target is a little bit more this year, going to \$5.3 million. The footnote says that's for water charges, which I could understand, and maintenance of Phillip oval. The first question in relation to ovals is: last

time I think there was a significant increase, which probably didn't even get us up to speed in terms of the cost, was in the 2001-2002 budget where there was, I think, an extra \$600,000 for watering of ovals. The costs have gone up considerably since then. Is that enough, what you've factored in for that? That's my first question.

Mr McNulty: Given the water restrictions and that we can only use a certain amount of water, I think the answer is probably yes. Depending on the drought—and we've assumed certain things about rain coming up with water we think we're going to need; assuming those assumptions prove correct—then, yes, we think that's enough, given the water restrictions. Obviously if the water restrictions get turned off and we can use a lot more water, then there's an issue.

THE CHAIR: My next question is just in relation to that, too. I think, as a result of the decisions made in September last year, Minister, some 30 per cent of sports grounds basically ceased watering. I think they were category 4s.

Mr Wood: I think that's the order of it, yes.

THE CHAIR: So 30 per cent of the sports grounds—I think we're down to about 200 hectares now of watered ovals—were not watered.

Mr Wood: Well, that's so, yes, sports grounds of various levels of mowing.

THE CHAIR: Have you, since then, as a government, done any work in terms of what, if and when—I hope it's the case of the latter—the drought does break and we end up with a more normal weather pattern and rain pattern, you are going to do with those grounds in terms of the cost of refurbishing them? Secondly, I think we had some expert advice from Keith McIntyre that, for 5½ megalitres or gigalitres a day extra, which is about 5½ per cent of a stage 3 outside watering sort of usage, you could actually water to a reasonable level those grounds that you took off watering and you could make your savings elsewhere, which I suspect most people in the community wouldn't mind because they're such precious assets and so important in terms of physical recreation.

Mr Wood: Yes. We had this debate—

THE CHAIR: We were talking stage three at that time, too.

Mr Wood: The policy the government established was that we had to put the same regime on ourselves as we put on the community, and that was the outcome.

THE CHAIR: Well, that was your political outcome. I don't want to suggest to you that a lot of people wouldn't necessarily agree with that. But it still brings into play my first question, and that is: these ovals are dead, a lot of them are around schools, a lot of them are junior training grounds. Do you have a provision to bring them back when the time is right—in other words, when we get more rain—to a reasonable standard so that people can actually use them? And if so, have you done any costings on what that will cost you?

Mr McNulty: Yes, we have done some costings. And we believe we know what an average cost per hectare would be.

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THE CHAIR: Yes, what's that?

Mr McNulty: I think \$10,000 per hectare is the number that's been talked about. But at the moment, there's no provision in the budget for that.

THE CHAIR: That's to bring them back?

Mr McNulty: To rehabilitate the grounds.

THE CHAIR: And that would be about the average cost of maintaining them, too, wouldn't it, per hectare?

Mr McNulty: I don't know.

THE CHAIR: Could you take that on notice? I think you'll find it probably is. I wonder if it's maybe a bit more to maintain them because that seemed to be a figure I was more aware of when I was responsible for the area. If you could take that on notice. You haven't factored that in. I think we're probably talking about 60 or 70 hectares. It's not a huge amount, but you've got nothing in the budget for the 2004-2005 year.

MRS DUNNE: Did you say \$10,000 a hectare to bring it back? We're talking 60 hectares?

THE CHAIR: Sixty or 70 hectares, something like that, and you do not have any money in the budget for that.

Mr Wood: No.

THE CHAIR: Why not? Reluctantly, I hope, you took the decision in September last year. I think you indicated then that you accepted that there would have to be a refurbishment of these ovals.

Mr Wood: If you can spell out the next six months or year, we might be in a better position to do that. We can't predict too well what's going to happen in the future.

Mr McNulty: I think that the thinking is that the time to rehabilitate the ground is in spring and there's not really any real possibility of the water restrictions being lifted between now and spring. That's probably the thinking.

THE CHAIR: But you still have to have money in the 2004-05 budget to plan for that when you need to do it in, say, six months, or do you?

Mr Thompson: Just picking up on Hamish's point, Mr Chair: the reality is that, so far as we can tell, our reservoirs may plateau and they might increase a bit, but is it likely that they will be back to normality by, say, September or October, in a few months?

THE CHAIR: I wouldn't think so, Mr Thompson.

Mr Thompson: It's very unlikely. I guess our viewpoint would be that we may well have to wait until the year after and hope that in that time normality returns, and that will

be a budget decision for the government at that time.

MS TUCKER: What potential is there for using grey water for ovals? What feasibility studies have been done? If you are looking at the cost of refurbishing ovals, if that's the right word, or re-establishing ovals, have you also done work to look at alternative ways of watering them?

Mr McNulty: We have, and we've factored the north Canberra effluent reuse scheme, I think ActewAGL calls it, into the water we need under the water restrictions, but that has been delayed. I think Actew is having problems with actually turning it on. We have thought about that and are using it. As for other alternatives for broad scale watering of sports grounds, the difficulty is in getting the water to them.

MS TUCKER: I am interested in any feasibility studies on actually locating similar supplies of recycled water in other places in Canberra.

Mr Thompson: I think the point from our perspective is that we want this north Canberra one to work first and, if it does, then we start looking at other places where we could do something similar, recognising that that water comes from the little treatment plant over on the Molonglo and there is only a limited amount of effluent coming through there. Any further volumes would have to be pumped back from our treatment plant at Lower Molonglo and that would be quite a big investment.

MS TUCKER: But there have been other ideas about how you can collect stormwater and grey water from suburbs.

Mr Thompson: Yes. I was just talking there about the use of treated sewage effluent.

MS TUCKER: My question was more general.

Mr Thompson: The other option is to start using water out of the various ponds, if you like, creating ponds like Gungahlin Pond and so on, and being willing to see those progressively drawn down over a summer period. They're quite big investments. I'm not suggesting we shouldn't do it, but until very recently I think the view was that Canberra had enough water in its normal reservoirs, rather than making another investment in another round of stormwater-type reservoirs. Maybe we ought to start heading down that path now.

MS TUCKER: Graffiti removal is mentioned in the timeliness section here. I am also aware that you made an announcement recently about a graffiti project in the community and I am interested to know whether there is some money for that. I haven't been able to find it.

Mr McNulty: I think there was some money provided under the community partnerships program for a graffiti diversion project that is trying to take youth at risk and focus them on legal street art. That has come out of the community partnerships program.

MS TUCKER: Do you know how much it is?

Mr McNulty: It's about \$37,000 or \$38,000.

MS TUCKER: What were you envisaging that it would be paying for?

Mr McNulty: I believe it's based on a series of workshops between well-known street artists, youth at risk and youth groups who are going to be organising it to try, as I say, to divert these people from illegal graffiti.

MS TUCKER: I understand what the project is, but I'm interested to know where the figure of \$37,000 came from. Is that to pay for boards, paints and the artists?

Mr McNulty: It's paying for the facilitators, the workshops, artists and consumables, presumably.

MS TUCKER: Is that \$37,000 a year ongoing?

Mr McNulty: No, it's a \$37,000 project; it is a one-off project.

MS TUCKER: Is it like a trial or a pilot?

Mr McNulty: Yes. The community partnerships program is set up for community organisations to partner with agencies of urban services to apply for these grants and it was just seen as a good way to pilot some of the strategies under the overarching graffiti strategy.

MS TUCKER: Within that \$37,000 is there support for coordination of that project? Similar projects in New South Wales required an ongoing commitment—an officer to facilitate the meetings that have to occur, the community partnership thing, as it doesn't just happen by itself.

Mr McNulty: The funds are there to run the project as a project, and one of the elements of the broader graffiti strategy that I think is mentioned in the strategy is the possibility of a graffiti officer—I can't think of the exact words—within Canberra Urban Parks and Places.

MS TUCKER: So, within existing resources, that officer will be provided.

Mr McNulty: Would have to be, yes, if that is the way the strategy ends up going.

Mr Thompson: Our view about this is that it's experimental, but if it works, terrific, we would aim to carry on with it. It would be a lot cheaper than cleaning off the graffiti all over the place.

MR CORNWELL: From where will you be getting the money for the new initiative in the legislation that you tabled recently, Minister, about painting over people's fences and such like? Where is the money for this coming from? Is it extra money?

Mr Wood: I guess it's part of what's in here.

Mr McNulty: It's part of the Canberra Urban Parks and Places budget.

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MR CORNWELL: Right. I suppose the argument could be that some of the money that's used for cleaning up the mess now would be, presumably, used in that area as well.

Mr McNulty: Yes.

Mr Wood: It's already used, but probably in smaller doses.

MR CORNWELL: The question I have relates to the pools in Parkes Way-Coranderrk Street and Parkes Way-Anzac Parade. We presumably are responsible for keeping them clean. Are they ours or the Commonwealth's?

Mr McNulty: The Parkes Way-Coranderrk Street one is definitely ours.

MRS DUNNE: This is about the grease pollutant traps.

Mr McNulty: Yes. Parkes Way-Anzac Parade I'm less sure of. It may be the NCA's.

Mr Wood: Rond Pond.

MR CORNWELL: That's right. I presume it is the NCA's and we look after the maintenance of it. I presume we're paid something for that.

Mr McNulty: No, we don't maintain the NCA's. We maintain ours. The one at Coranderrk Street is ours and we maintain it. The other one, I believe, is the NCA's.

MR CORNWELL: Obviously, I can't ask about the NCA's one, but the other pool, the one that we have, I presume that maintenance and cleaning are undertaken at regular intervals. The problem is that there have been a few complaints.

Mr McNulty: Yes. The problem is that because of the nature of its operation—it is there to clean the stormwater before it goes into Lake Burley Griffin—it will attract waste. Given that we had to stop cars driving into it, we constructed that wall around it, which has created some difficulties for us in trying to clean it out.

MS MacDONALD: Has more than one car been driven into it?

Mr McNulty: There were two very close together, but there had been ongoing problems.

MRS DUNNE: It's a bit of a trade-off because I suspect that lots of people think it's an ornamental thing, and it's not. The trouble is that it looks dreadful a lot of the time.

Mr McNulty: We are actively trying to identify better ways of keeping it clean but, as I say, the wall does create some challenges.

MRS DUNNE: On the subject of sporting ovals: Minister, this week there was some controversy in my electorate about people having the audacity to use, I think, the Aranda oval for touch football. Could you give us an exposition on the situation before I give you a sermon on how stupid it is?

THE CHAIR: I was making representations on their behalf to the minister, so I'm aware

of it.

Mr Wood: Yes, I remember.

THE CHAIR: Minister, you seemed reasonably amenable initially when I mentioned it to you in the chamber, but then I got a much more formal response which indicated that if there were more than six people in a group it was deemed to be an organised competition. I'd suggest to you that there is a large number of informal uses of ovals, including people just having fairly informal games of touch football, walking dogs, doing all sorts of things.

MS DUNDAS: Kids after school on the school oval.

THE CHAIR: Yes, kids just playing.

MRS DUNNE: Could you give us an exposition? Mr Stefaniak is up to speed to some degree and I'm a bit up to speed. What has happened to these people who have been using Aranda oval?

Mr Wood: They've been using it for 10 years, I understand, as an organised activity, with up to 10 teams or so and a number of people on a regular basis.

THE CHAIR: But they don't expect the department to do any line marking or anything like that and they've never interfered with any formal uses of the oval. I'd suggest to you, Minister, that that isn't dissimilar to a number of other informal sorts of touch competitions, you could call them, which have gone on around Canberra in which I have participated from time to time and for which I'm sure we never hired ovals.

Mr Wood: Most touch competitions don't have markings on ovals; they use witches hats.

THE CHAIR: They do, but the formal competitions are under the auspices of ACT touch.

Mr Wood: But that's the simple story. You can say how harsh and unfeeling it is and I can say that it is a bit much to complain about 50 cents a player a day or thereabouts. I don't know; is it one of those things on the margin of whether you're in or out? But it's an organised competition over a long period of time.

THE CHAIR: How do you define organised? They tell me that they have players who don't necessarily play with the same team during a number of months, that people play with different teams. It just seems to be a bunch of blokes who happen to work in the public service in Belconnen and have for a number of years utilised the actual Aussie rules and cricket oval at Aranda, not the rugby ones. I appreciate that there might be a bit of a marginal thing to it but, with the emphasis we're placing on people keeping physically fit, surely that would be a relatively informal use of an oval and we should encourage people to use the ovals.

Mr Wood: Ten years of competitions with quite a number of teams sounds to me organised.

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Mr McNulty: It's worth making the point that there are many similar groups that are quite happy to pay the fees for the use of the ovals.

THE CHAIR: It would be very helpful if you could give me a list of those groups. Go back about five years, if you would, because it would be a good example. I've played in an informal competition at the uni for about 20 years and I'm sure that we've never paid for the use of an oval there. I'd be interested to see which groups pay for that type of usage.

MRS DUNNE: Also, I'd like to know how much money you expect to collect and how much it is going to cost you to collect it.

Mr Wood: I don't imagine that there would be very much money collected. I would imagine that in the nature of things they'd send off some cash, a cheque or something once every three months or so. I don't know what the requirements are. I don't think they'd have to dash down every week and deposit an amount. I would think it wouldn't be difficult to make easy arrangements with officers about that.

MS DUNDAS: As a way of comparison, and I know it's the NCA's responsibility, but do you know whether the people who work in the Barton offices and engage in the ongoing sporting activities that take place around the lawns of the old Parliament House pay a fee to the NCA for such use?

Mr McNulty: I don't know.

THE CHAIR: Will you find out? That would be great. Take that on notice, please; I think that it is important. I've also played in those informal competitions.

Mr Wood: I see occasionally—I haven't seen it lately—a game down there along Constitution Avenue of volleyball or something, but it comes and goes.

THE CHAIR: What would you do with a group of kids? We used to go up to Red Hill oval after school and play a mess about game of tackle rugby league. We had 10 a side and we'd do that quite regularly. You'd probably charge us now.

Mr Wood: We should charge you for that; too right.

THE CHAIR: Why?

MS MacDONALD: But you have all the time, haven't you?

THE CHAIR: No, they haven't. They were just saying that.

MRS DUNNE: When did the charging regime come in?

Mr Wood: I think in Mr Stefaniak's time as sports minister.

THE CHAIR: It was even before then.

Mr Wood: I don't know when it came in.

THE CHAIR: We wouldn't have charged these people.

Mr Wood: I expect the charging regime generally, if that's what you're speaking about, has been in for years and years, donkey's years.

THE CHAIR: Which brings into play: why do it now for a group like that? Anyway, there's some stuff I want you to take on notice there. There being nothing further on 1.4, we will move to 2.1, road transport regulations and services.

MS DUNDAS: There was the initiative concerning money being set aside for hire car reform and that money has been rolled over as a delayed implementation. Page 205 indicates that \$1.14 million has been rolled over. However, last year's budget papers indicate that \$1.46 million was actually allocated to this initiative. I know it's only \$320,000, but where did that money go?

Mr MacDonald: Some funds had been retained because we have implemented the system of accreditation for taxis and, subject to the consideration of the committee's report and the government's response, we've had also to implement some hire car accreditation arrangements. That's part of the funding. I'm just trying to think what else was retained. Sorry. These are the sorts of figures that have rolled over from last year. I just can't quite recall.

MRS DUNNE: Could you perhaps give us a rundown on notice?

Mr MacDonald: Yes.

MS DUNDAS: And maybe a bit of an expose on what accreditation for taxis and hire cars actually means, because we had the hire car industry before us on Monday and they hadn't had any inclination that this money had been spent in any way.

Mr MacDonald: I'm surprised you're saying that because we've had some consultations with the hire car industry about the accreditation regime.

MRS DUNNE: When?

Mr MacDonald: It would have been last year, probably when we were looking at the preparation of the public passenger services transport legislation which the committee has considered, and we spoke to them about the sort of regime that they were looking for themselves and we would bring some suggestions about what we as regulators would like to see. There was quite a high degree of agreement about those elements.

MRS DUNNE: I suspect, in fairness, that the hire car industry, since the committee reported, hasn't seen any activity, to put it in context. Minister, when are we going to see the government response, which is now overdue?

Mr Wood: Lots of things are overdue with respect to taxis. It has been a long event. There is a report that I've signed off for cabinet to consider and it will come through on the agenda fairly soon. We haven't set a date for it, but it will be within the next month, I

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would expect. I do apologise for the delay. It has been a vexed issue. All the considerations of taxis have been time consuming and troublesome, so I plead that excuse.

MS DUNDAS: Why is there no money in the 2004-05 budget for any implementation?

Mr Wood: We haven't made any decisions.

MS DUNDAS: There are a number of things that you haven't made any decisions about that are being funded in this budget. I think we've spent half the morning talking about that.

Mr Wood: Like what?

MS DUNDAS: Over the last couple of days we have discussed a number of things where money has been allocated for a specific project but the details of that project are yet to be worked through. You knew, and have known for a number of years, that there is money that needs to be spent.

Mr Wood: I think you will have to back up that statement a bit more. Come back to me. We give you pages; you give me a page about that. But go on with your questions.

MS DUNDAS: Is the \$1.14 million of delayed implementation funding still available for taxi and hire car reform?

Mr Phillips: Yes. The \$1.14 million is in every year. It has just been backed out for 2003-04 because the initiative didn't go ahead. It was originally put into the base in every year.

MS DUNDAS: Okay. But the only amount of money you have for taxi and hire car reform is that \$1.14 million; there is no other money?

Mr Phillips: That's correct.

Mr Thompson: Within this budget, yes. It obviously will depend on the deliberations of the government and most reform schemes, as you know, with taxis or hire cars that have been floated all involve a lengthy process thereafter of people being able to enter the industry more easily or current people disengaging in various ways. It took the committee a long time to think about. It has taken the government a long time. There is the \$1.1 million there.

MRS DUNNE: The committee reported on time. We had the Limousine Industry Association in earlier this week and there are ongoing concerns, not only about the lack of action on the deregulation or reform of the industry, but concerns expressed to me, and I suspect other members, over a considerable period of time about compliance issues in the hire car industry. I don't spend my time wandering around the place looking for lack of compliance in the hire car industry, but in the last fortnight I have observed what has been confirmed to me later to be people illegally operating in the hire car industry.

A couple of privately plated stretch limousines around the place are taking fares. I saw

them delivering and picking up at a recent event around Canberra, Mr MacDonald. The number of complaints and the level of the complaints are very high, but there's always a straight bat coming back from government to say that the complaints have been pursued and there's never enough evidence and, as a result of that, there seems to be very little compliance action taken against people who seem to be illegally operating in the market or extending beyond the realms of what they're allowed to do in the market.

I've been hearing these complaints for all the time I've been a member here and worked here, and I don't seem to see any change in it. Are members being spun a line or is the department not taking compliance action against people, or is it something in the middle?

Mr Wood: The first thing is we really do need to resolve the whole issue and the proposals we had earlier would have made a very big difference in this area but they haven't gone through.

MRS DUNNE: Given that at the moment there are constant complaints about lack of compliance—

Mr Wood: We do not have compliance police out there. The department responds upon request, upon complaints, as best it can, but we don't have an extensive policing of it. Mr Thompson or Mr MacDonald might like to comment.

Mr MacDonald: I might just clarify that. We do engage road user services vehicle inspectors to keep a look out for non-compliance in relation to taxi and hire car matters. We have received complaints. In fact, the industry provided us with some information, particularly around the school formal time, about the various venues where these cars will be operating and we've sent inspectors out to observe and to make inquiries.

MRS DUNNE: Are they normal vehicle inspectors or are they people from your area?

Mr MacDonald: No, they're people from road user services who are engaged by the department as inspectors and they would look at safety issues as well as compliance issues. Has the hire car, for example, got a restricted hire car licence for that event? That's an example. So we do buy those services; they are out there. I've met with road users services to discuss what more they could do to try to police this activity.

One of the issues that we confront is that often the illegals have primed their customers up by saying, "If you want to use my hire car, understand that if any questions are asked you will say you're not paying a fare." Our inspectors have pulled people over and have quizzed the customers. They say, "Can we just inquire, please, whether you're paying a fare for the service?" They deny they're paying a fare. So we have no evidence then to take the prosecution further.

As to the case you mentioned about some stretch limousines, there are a couple who have restricted hire car licences; they have some limited licence capacity to do the work. The difficulty is whether they go beyond that boundary. Sometimes it's very hard to tell whether they're exceeding the boundary or not. Frankly, the regime that we have in place is making it incredibly difficult for us as regulators. We would welcome a new regime that looks at the accreditation, which takes the incentive out of the illegals to operate. The big incentive is to avoid paying \$10,000 per annum to have a licence fee. If we can

remove that, the incentive to be out there cheating would be substantially reduced.

Mr Wood: The answer is to change the system.

MRS DUNNE: And in the meantime you're really not doing anything.

Mr MacDonald: That's not correct.

Mr Wood: That's not right, either, but we are doing as best as can be managed.

MS DUNDAS: Why does the output for implementing government decisions arising from the review of the taxi and hire car industries expect to have a 100 per cent outcome for 2003-04?

Mr MacDonald: The department implemented it as far as it could take it, that is, it prepared the legislation and it went to the Assembly, so we had done all we could do at that point in time. That's the mark, I guess, in the sand where we've achieved the things we could possibly achieve.

MR HARGREAVES: Why is it nil in 2004-05, Mr MacDonald?

Mr MacDonald: The measure has been withdrawn, Mr Hargreaves.

MR HARGREAVES: Why was it withdrawn?

Mr MacDonald: I think Treasury decided it wasn't a useful measure.

MS DUNDAS: As to the extra funding and the funding in the third appropriation bill for the ACT taxi subsidy scheme and for transporting people with disabilities, I understand that part of that money was originally meant to come from the revenue that the government was going to get from the reform of the hire car industry, the taxi plates. They were linked very early on.

Mr MacDonald: It has been separately appropriated and continues to be so, and this is where we have the supplementary appropriation.

MS DUNDAS: So you've now completely dissociated the taxi subsidy scheme from the whole of the taxi industry.

Mr MacDonald: The amount is appropriated to another department from urban services; so in my view it has been unlinked, if you like, yes.

Mr Thompson: I think that at the time we were trying to demonstrate how you could achieve two reforms at the one time in a relatively budget neutral way. The problem is that one of those reforms stopped, stalled or whatever. The other one, to do with disability and so on, is a very worthy thing; so, essentially, the government has taken a decision to carry on with that.

MS DUNDAS: In terms of wheelchair-accessible taxis, there were some concerns raised that those who needed to access them had longer waiting times. In fact, a whole lot of

issues were raised. The benchmark is 91 per cent when it should be 100 per cent. How are you ensuring that it is going to reach 100 per cent?

Mr MacDonald: There are probably two reasons why it's 91 per cent. With the introduction of the lift fee, there had to be adjustment to the way in which we measure the response time. For example, at the moment the response is measured when the taxi meter goes on. With the introduction of the lift fee, the meter was delayed, even though the cab was there, arrived on time, maybe taking 10 minute to load. That was adding an artificial 10-minute delay into the recording of the system. We've now negotiated with Canberra Cabs to make that adjustment so it's more correctly recorded, time of pick up.

The other issue is that there has still been some level of non-compliance by the licence holders and the drivers; they haven't been pursuing the wheelchair work in accordance with their licence. Again in conjunction with Canberra Cabs, we've been monitoring that and have put in place an arrangement where, if there was an unreasonable level of rejections in any one month, the operator would be penalised. We're waiting on the first lot of stats to come through from Canberra Cabs on that. We've notified the operators that they're on notice that if they don't respond and give priority to that work they will be penalised and potentially their licences could be withdrawn, so we're expecting a much improved situation.

MS DUNDAS: Fantastic.

MRS DUNNE: In answer to questions on notice during consideration of annual reports it was revealed that there was a substantial blow-out in the implementation of the paid parking in Tuggeranong and Belconnen. Since it has been implemented what sort of revenue are you receiving both from money in the machines and from fines for overstaying?

Mr MacDonald: The revenue is fairly well on track actually. I am just trying to think of the best way of explaining it. I can just give you some quick numbers to give you a feel for how it is tracking. In January when Belconnen pay parking commenced—it commenced about 19 January—it is \$30,000 for that month; the next month it was \$106,000; the following month \$122,000; and about the same amounts are flowing through. With Tuggeranong, we implemented on 1 March, and the figures there are around about \$67,000-\$68,000 per month.

If you do that on a pro rata basis it takes us just below the estimated revenue target, but I think there is still some bedding down in those areas. So, I think broadly speaking the revenue figures are looking pretty good.

MRS DUNNE: Yes. Fines? How much overstaying is there?

Mr Thompson: I don't know, I am sorry.

MRS DUNNE: You can't tell or—

Mr MacDonald: I haven't received any information about that. My observation personally is that there is some spare capacity and that there doesn't seem to be much of a problem with spill overs.

Mr Thompson: Mrs Dunne, just on the compliance side, we can go and see if we can find something out there but, of course, there always were time limits on most of those parking areas so we have some compliance operating at any rate. So, as I say, some fine revenue was coming out of Belconnen and Tuggeranong and so what you would be looking at is any marginal change, that's all.

MRS DUNNE: Just from observation and things that have arisen: the new Belconnen pool didn't originally have parking meters. When it was implemented in February they weren't there. They were introduced at a later date, with an exemption for members of the pool. How does that work and does it have application elsewhere?

Mr MacDonald: That was arranged by the pool itself. It is not a public car park in terms of the territory car parking—

MRS DUNNE: Sorry, did you say it's not a public?

Mr MacDonald: It's not a public car park. It is regarded as a tenant car park, it belongs to the pool facility and it wasn't part of the plan that we put in place.

MRS DUNNE: So who put the machines in—

THE CHAIR: There is a regulation, isn't there, though, which went through the Assembly?

Mr MacDonald: I think it is covered by regulation under special arrangements. I am not sure if Alan is aware of—

Mr Thompson: I think our involvement extends to being able to regulate overstayers and the like, or people who don't pay, but the rest of it is an arrangement run by that company. I have visited there once and it was a ticket machine system rather than a meter. As I understand it, yes, if you have the right thing left in your windscreen you don't have to pay for a ticket.

MRS DUNNE: But my question is: who installed the parking machines; who owns the voucher machines?

Mr MacDonald: The people who own the site.

MRS DUNNE: They have had to do that because they were getting overflow parking from elsewhere?

Mr MacDonald: They decided to manage their own parking. That is what they wanted to do.

MRS DUNNE: So that is outside the implementation in Belconnen.

Mr MacDonald: That's correct.

MRS DUNNE: I have also had concerns raised with me by—look, there is no way of

being coy about this—one of the funeral directors in Belconnen who doesn't have onsite parking. He was exempted from having onsite parking when he built his establishment because he had a car park next to him. He is now in a situation where, when he has a funeral, there is nowhere for people to park. I think it is the only remaining free car park in the Belconnen area and, as a result of that, the person who actually contributes to the parking levy arrangement to allow him access to that park now cannot provide a service for the people who attend funerals there. He has got a funeral chapel that seats 120, so you would expect potentially 60 cars there.

He has complained to me on a number of occasions. Have any discussions been undertaken with him to alleviate the problem? It is not just about the way he operates his business but when people are attending funerals that is a fairly stressful time in their life. Having to muck around to try and find parking because this free car park is full—I think it is the only free car park left in Belconnen—does present problems. Has your organisation done anything to address these issues?

Mr MacDonald: I am not aware of any representations from that particular company about that issue.

MRS DUNNE: You are not aware of any representations?

Mr MacDonald: No.

MRS DUNNE: Could you check, because he has told me that he has been in touch with urban services?

Mr Wood: Nothing has come to me, but—

MRS DUNNE: And he has had conversations with people about a voucher system.

Mr MacDonald: There is a possibility he has spoken to one of my staff about some issues, but I am not aware of it. But I can certainly check that out.

MRS DUNNE: Could you check and get back to us about how we might address this problem, because it is a considerable problem.

MR HARGREAVES: Minister, you kindly allowed for a change of regime for the students at Lake Tuggeranong College—to have a different regime than the general public. I would like to know has that regime commenced? If it has, when did it; in what form did it take; and is it working for you?

Mr Wood: Effectively, education claimed that parcel of land under a licence or some sort of arrangement. So it became their land.

MR HARGREAVES: And when did that happen?

Mr Wood: From about the beginning of March or something.

Mr MacDonald: Prior to the commencement of pay parking in Tuggeranong, which was 1 March.

MR HARGREAVES: Thanks very much. That's great. Congratulations on that one.

Mr Wood: You should congratulate education. They saw a way through and they claimed the land. So it is theirs for the time being.

MS DUNDAS: I also have a question on parking services. Do you have any way of regulating the operators who have leases over parcels of land in various places that they are at some stage in the future possibly going to build high-rises on, but at the moment are charging five bucks between the hours of 8 and 9 for people to come and park all day. Is there any regulation on that or are they just free operators?

Mr MacDonald: That is correct. But they are also responsible for administering that. So if someone fails to pay the parking fee or if there is any other issue on their land it is their responsibility. We don't have any involvement at all in those arrangements.

MS DUNDAS: So in terms of their responsibility, it means basically you are entering into a private contract when you go to park your car on that land and it can be enforced within terms that are not necessarily publicly available when you go in to park your car?

Mr Thompson: Yes, you are right. It is a private relationship. I am aware of one over here and one up in Northbourne Avenue.

MS DUNDAS: There are a few in Belconnen as well. You don't think this is an issue that perhaps needs—

Mr Thompson: There are two lots of issues to do with those sorts of car parks. One is what I would call health and safety and amenity. Various arms of the ACT government would have a view about those, possibly including WorkCover for some sites. But we regulate parking in the public domain. It is a private set of relationships—just like people parking under various buildings around here. So it is a private commercial relationship, like parking in the Canberra Centre.

MS DUNDAS: But if people do have concerns about them, WorkCover is the place to raise those issues?

Mr Thompson: Well, if they thought there was a safety issue, yes most definitely.

MS DUNDAS: I assume that when you are building a car park you have to comply with certain turning circles and space requirements, whereas these blocks of land are land that is being cleared for development, so they don't necessarily have that kind of compliance in that sense. There is a possibility of overcrowding, increased accidents, et cetera. So is that a WorkCover question, a planning question?

Mr MacDonald: Could be both. Probably a planning—

MS DUNDAS: Definitely not a DUS question is what you are telling me.

Mr Thompson: As I recall, the ones that I am aware of are ones that were our car parks, have been auctioned off, and now await pending development—

MRS DUNNE: The one down in the Boulevard, as a for instance.

Mr Thompson: Yes. They are actually quite well set up car parks. So with most of those, providing they keep the pavement reasonably smooth, those sorts of crowding questions don't normally apply, because they were a car park. I am just not familiar with what the ones in Belconnen look like.

MRS DUNNE: They are the ones behind the old Benjamin offices, which again is a car park.

THE CHAIR: Anything more on 2.1?

MRS DUNNE: Yes, I have got a few.

THE CHAIR: I am a bit worried about the time. I think we realistically have to finish urban services no later than—I would like to say 3.30—4. We have to deal with forests and arts and heritage.

MRS DUNNE: On pay parking in Belconnen: Minister or officials, have you received representations from the Belconnen Senior Citizens Club about the time-limited parking there?

Mr Wood: I have. And from a number of other similar bodies that perform a community service—in Tuggeranong, and in Woden might I say, and in Dickson, in various places; but certainly from Belconnen.

MRS DUNNE: And are you minded to do anything? The principal problem for the Belconnen senior citizens is that they previously had three-hour time limited parking and now they have one.

Mr Wood: One hour isn't much for their activities.

MRS DUNNE: One hour isn't much if you are playing a rubber of bridge or something like that. Are you going to do anything about their issues?

Mr Wood: Well, we consider such issues. That is not much of an answer, but we have to apply a consistent policy over it all, and we try to be consistent from centre to centre. Woden Community Service has long endured this sort of problem; others are now experiencing it. If I can say that we have not wiped things off totally. We have not acceded to some of the requests. In many areas we have.

THE CHAIR: Woden has got its own little car park, though.

MRS DUNNE: Woden Senior Citizens has its own car park.

Mr Wood: Oh, a very tiny inadequate car park. It doesn't do the job. We have made changes over the period in various places as this has been worked through and further changes may be possible.

MS DUNDAS: I have some questions on 2.1. Why is the number of total vehicle inspections not targeted to actually increase when the population is increasing, the number of cars on the road is increasing?

Mr MacDonald: Those numbers are made up of two things. One is the random vehicle inspections, which is about 50,000 per annum. It is also the number of vehicles that go through the Dickson road user service inspection station—that is about 11,500. But we also have about 44,000 inspections completed by the private sector, and the trend has been that more and more people are using a private sector facility. So the growth is being picked up and it has not been recorded here because we are recording on the stuff that the urban services department administers essentially.

THE CHAIR: All right. Fee for service, BP4, page 233.

MS TUCKER: Mr Chair, you said that maybe I could go back and ask a couple of questions. Can I do so now?

THE CHAIR: All right. Just very quickly.

MS TUCKER: Thanks. I draw your attention to waste and recycling. Could you comment on some concerns that have been highlighted by members of the community—in this particular instance it is roads but it is also waste recovery—that private developers create a plan that makes public waste collection not possible and basically requires the use of private contractors.

I have tried to follow this up with your office, and you have responded to a degree, but I am still interested in pursuing it. Is it the case that ACTPLA will override advice from your officers or department in the interest of—this is what Mr Corbell has told me—a balanced response? I am interested to get your perspective of that, considering that you have responsibility for waste collection. It is unfortunate if, because of the will of the developer, this public service is not available.

Mr Wood: On one case, probably the same one we are talking about, I understand DUS made its comment, as routinely departments do, but nevertheless the outcome was that trucks couldn't get in. I think departments cooperate pretty well and pay attention to each other. Sometimes something might slip through. That is the issue that came to me. Mr Thompson or someone might have more to add to it.

Mr Thompson: I am not familiar with that particular case, Ms Tucker. As we well know, our model of waste collection is about mechanised waste collection without having people running down driveways, picking up individual bins and the like. What is happening—and I suppose it will continue a bit around Canberra as we get more into medium-density, high-density accommodation—is that there will be situations like Sydney or Melbourne where our system can't operate and the body corporate or whatever for that building will have to make an arrangement through a commercial contractor, using particularly specialised—

MS TUCKER: So is there a regulation that would ensure that if there is this tendency towards private waste collection it has to include a collection of recyclables?

Mr Wood: I don't know what the planning requirements are there. I would expect that we can make submissions on various things but ACTPLA can sign off as it sees fit. I can't answer the question of where, at what stage of a building construction? Many of them have big hoppers and I don't know where individual collections click in.

MS TUCKER: Well, I am interested to know how it fits in with no waste.

Mr Wood: It is a big problem. We get a number of these sorts of issues where tenants or owners want to say, "I'd like to recycle but we only have hoppers".

MS TUCKER: I guess the point of my question is really what status is your advice having? We have got an overall government commitment to no waste, and then it appears that ACTPLA is making a final decision that really is contradictory potentially to this goal of no waste. I want to raise that as an issue of concern for you as minister in charge of no waste, and ask for a response.

Mr Wood: I think the situation is going to become more intense as we get more substantial developments where there is no circumstance in which you can have individual bins. Obviously, we have to look at the requirements that are imposed on these places. I can't give you the details, I am afraid.

MS TUCKER: I think it is something that would be of interest to the committee and should be of interest to the Minister for Environment as well. I don't know if there is potential to try and do something. There has been an ongoing issue in Canberra about collection, not only from multi-unit developments that recycle, but from commercial buildings and businesses as well. There may be something that you can put in here as a performance measure or a quantity or quality issue. I am just putting it up as a suggestion that you give that kind of information here. But also, I guess, I would like the committee to be given a more detailed response in terms of where the responsibility does lie. It is a general issue.

THE CHAIR: You can take that on notice.

MS TUCKER: Yes. And just on the no waste, also: as I understand it, no waste has the policy of charging customers to deposit computers at the resource recovery centre and I have heard anecdotally that computers are being dumped in skips and entering the waste recycling stream. I am interested to know whether you have had any assessment done of the actual impact of this charge in terms of getting people to recycle computers.

Mr Thompson: Can we take that one on notice, Ms Tucker? But the prior one, about the multi-unit developments: I think you are raising a very legitimate concern. To put a requirement on a development would require something from ACTPLA. It would have to become a condition of the development. But, given our no waste role, I think it would be entirely appropriate for us to now approach ACTPLA about imposing those sorts of conditions about ensuring waste segregation for those developments in the same way that we have waste segregation for normal housing developments.

Mr Wood: Separate hoppers.

Mr Thompson: We don't care whether it is delivered by our contractors to the various

places or via—

MS TUCKER: But we want to ensure that their being able to recycle fits in with no waste.

Mr Thompson: Yes, that's right. That is much more our imperative, too—to get them segregated so that the stuff to go down to the MRF to be recycled goes there and doesn't just go into the tip. So, very happy to approach ACTPLA.

MRS DUNNE: Mr Chairman, you have allowed Ms Tucker to go back and she has reminded me of something that I was going to ask in relation to this.

THE CHAIR: Well that's always a danger, so try to do it quickly.

MRS DUNNE: The increasing prevalence of skip hire companies: how do we address the issue—and I have been guilty of it—of ending up with an amazing collection of mixed waste of such things as building materials and garden prunings? How is that addressed? And what happens to the skips? Do they just go to the tip or is there some responsibility for recycling?

Mr Thompson: I suppose the short answer is, with difficulty. Some of the skip hire companies will just take the waste straight to the landfill, that's it. Some of them will spot a load where they will realise that there is a commercial opportunity to be gained from whatever is in the skip and so they may well do some segregation themselves, pull some timber out, get that used in some other way.

MRS DUNNE: It is entirely random.

Mr Thompson: It's very random.

Mr Wood: Yes, there is no requirement there. I don't know whether they are increasing. There was a time when I was getting some feedback saying that the recycling wasn't helping them. But that is some years ago, so I don't know what the current situation is.

MS DUNDAS: And just one last no waste question. The initiative of the growth in the city no waste initiative—what is that, actually?

Mr Thompson: The number of households in Canberra is growing at something over a thousand a year, so we have extra payments to make to our collection contractors. It is not particularly on the tonnage—as you are aware, the tonnage is staying fairly constant—but it is more stops for them, so they are incurring some extra costs. So that is built into the nature of their contract.

MS DUNDAS: So it is not actually funding for putting more recycling stations across the city?

Mr Wood: No, it's the expansion of the city.

MRS DUNNE: So it isn't really an initiative. It's new money for growth funds. Yes. I think we had a recommendation about that last year.

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THE CHAIR: Thank you for that. We will now move to output class 5.1, fee for service activities.

MRS DUNNE: Is this where we ask questions about the arboretum or do we wait for the Minister for Environment to ask about that?

Mr Wood: Minister for Environment, I fancy.

MRS DUNNE: Okay, right.

MS DUNDAS: It is listed as a CityScape initiative.

Mr Thompson: We could do some of it today, but probably finish it off on Monday.

MS DUNDAS: We are happy to do it on Monday. It is just that I am interested to know is CityScape administering it and is the Minister for Environment providing the policy—

Mr Wood: The policy direction is with the Minister for Environment.

THE CHAIR: It should go to him then.

Mr Thompson: It is interesting. It is with Jon Stanhope—

MRS DUNNE: You are going to add a layer of complexity into this, aren't you, Mr Thompson?

Mr Thompson: Yes. It's with Jon Stanhope and, in fact, the design of all that is actually being done by George Tomlins in a small part of chief minister's.

THE CHAIR: Anyway, it's very much the Chief Minister. They both relate to him.

MRS DUNNE: Well, it's because it is the non-urban study implementation.

MR HARGREAVES: Are the ACTION bus drivers involved in this design, or are they the only people not involved here?

Mr Wood: Talk to Jon.

MRS DUNNE: I didn't know George was a landscape architect.

THE CHAIR: You had a question, Mrs Dunne?

MRS DUNNE: Yes, I do, actually. Yarralumla Nursery: there are two nurseries at Yarralumla, is that right?

Mr Thompson: That's right, yes.

MRS DUNNE: There is Greengold. I only discovered in the last couple of weeks that there were in fact two nurseries there, and I go there from time to time. But it had never

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struck me that there were two nurseries. And I said, “Can I buy that garden arch” and they said “No, no, no, we only have a lease to sell the plants. If you want a garden arch, you have to go across the fence,” which is when it dawned on me that we had two nurseries there. This is probably a Minister for Planning question, but I am going to ask it anyway: why do we have such restrictive leases that you have got a space of land like this with a fence down the middle, and he can sell plants and he can sell plants and garden arches?

Mr Thompson: I am not sure it’s to do with the lease conditions. It is very much to do with the policy that we have got. Our Yarralumla nursery we view very much as a plant nursery to grow and propagate all sorts of plants, and quite some years ago the decision was taken that we would leave all the other commercial sorts of things that are done out at Pialligo to a commercial operator next door.

MRS DUNNE: Somebody else yes, but he sells plants as well.

Mr Thompson: Yes. Ours is a high volume nursery, it’s Canberra’s biggest propagation nursery, and we have some retail function, including for the new housing. But for all that other stuff—the pesticides, the garden gnomes, all those sorts of things—

THE CHAIR: You sell garden gnomes there do you? You can recycle them. People flog them and pick them up.

Mr Thompson: As far as I am aware, it is just a policy decision that the Greengold do that and we sell lots of plants.

MRS DUNNE: There is an initiative in the capital works for money to stop run-off?

Mr Thompson: Yes.

MRS DUNNE: How exactly does that work, what is that supposed to do, and does that cover both nurseries, or just the Yarralumla government nursery?

Mr Thompson: I think it would cover the small Greengold one, although it is a very small site. The money is there to assist us with recycling of water. It would minimise runoff into the lake. If you are a walker along the path there, Mr Cornwell, you would be aware of the two ponds, one on either side of the path, and the idea is to re-direct the runoff into the top pond, the one closer to the golf course, and then be able to re-use out of the lower one back into the nursery. So there are a pair of ponds there that they will be directing the runoff into.

MRS DUNNE: That makes sense. It sounds like a good idea.

THE CHAIR: Is there anything more on 5.1?

MR CORNWELL: Yes, I have something.

THE CHAIR: I expect a couple of questions at least on garden gnomes. I once knew a bloke who flogged every garden gnome in Scullin and Page and they all ended up at room 116, which was his girlfriend’s room, at Ursula College. There was a big 3-foot

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kangaroo with a Superman thing painted on it.

MR HARGREAVES: Did you get a card from him?

THE CHAIR: I think he is in Darwin now.

MR CORNWELL: I refer to 5.1 I have got a question on Totalcare. I refer to the entry "Linen Services: Total tonnes of laundry processed". We assume this is from the absorption of Totalcare. Have you any rough idea how much revenue might be achieved from processing this laundry on a tonnage basis?

Mr Thompson: I have been given some of these figures but Mr Davidson is rapidly coming up a learning curve.

MRS DUNNE: And how big is the laundry?

Mr Thompson: It is almost the Southern Hemisphere's biggest laundry. It is a very big operation.

Mr Wood: It's a wonderful operation, there's no doubt about that.

MS DUNDAS: "ACT opens world's biggest laundry. Keeping things clean".

MR CORNWELL: That's an idea: "ACT has largest dirty linen in the Southern Hemisphere".

Mr Davidson: We have re-named the business actually. It is now called Capital Linen Service.

MR CORNWELL: All right, thank you.

Mr Davidson: The revenue. Total revenue expected in 04-05, \$9.703 million.

MRS DUNNE: And expenditure, expenses?

Mr Davidson: That is \$10.365 million. It has been running at a loss for some time—in past years larger than that. In the last few years it has come closer to breaking even and this financial year by the end of 03-04 they may actually do it, but we are just waiting.

Mr Wood: There is a capital injection for new equipment to help them along the way. I would encourage members to go and have a look. I think it is a fascinating place to look through.

MR CORNWELL: The target obviously is being approached.

MRS DUNNE: To break even.

Mr Wood: That's right.

Mr Phillips: There is also a component of equipment with Capital Linen. There is some

depreciation which is non-cash.

Mr Davidson: That's true.

Mr Thompson: I would just mention that if you are dining in some of Canberra's restaurants or whatever, just lift up the linen and check—it may be some of our product. We haven't changed to Capital Linen as the label yet but—

THE CHAIR: Make a point of doing that, Alan.

MR CORNWELL: I will be very careful, Mr Thompson, whom I am dining with if I am going to be picking up the tablecloth. I might get my face slapped.

THE CHAIR: Footmark No 2 indicates that the entry "Percentage of laundry requiring re-washing" is a new measure. I am fascinated to find that the target is 5 per cent or less. Does that mean we have got about 95 per cent of dirty linen being recycled? What does that actually mean?

Mr Wood: It's what doesn't get washed clean enough, I imagine.

THE CHAIR: So when you wash it, less than 5 per cent won't be done properly.

Mr Davidson: At the end of the cycle they have an inspection of it, and anything that hasn't come up to specification goes back to be done again.

MRS DUNNE: Put in the Napisan.

Mr Thompson: To be clear, this ranges from cloth products, which could be a dining tablecloth with hardly any soiling, through to surgical-type gowns and other things that are severely soiled.

THE CHAIR: Fair enough. Basically, only less than 5 per cent would need re-washing. You check so that it all goes out clean at the end, but 95 per cent is fine first go. We turn now to 5.2, property.

MS DUNDAS: I asked this question yesterday and I asked it of the wrong people. It's a very simple question. Of the government-owned buildings being used for community and non-government uses, how many of them have the BOCBOC logo on them—building our city building our community—and is it actually a requirement that all government-owned buildings being used for non-government use have that logo on them?

Mr Ryan: We've got a process of putting the BOCBOC logo on all our properties, but it's a gradual process.

MS DUNDAS: Any of the properties being used for non-government uses must have that logo on them?

Mr Ryan: Well, that's the instruction that we put to our property management people.

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MS DUNDAS: And that was a decision made when?

Mr Ryan: Well, once the BOCBOC decision was made and if it belongs to the ACT government.

MRS DUNNE: So CMAG, Canberra Theatre and all that get BOCBOC?

Mr Ryan: Well, the properties that I'm talking about here are the properties that property branch run; so in essence, when we were advised about the BOCBOC logo, one of the decisions we took with urban services was for all the properties that property branch manages or owns to have the BOCBOC label on them gradually.

MS DUNDAS: Does that mean there's going to be a BOCBOC label on the Hotel Kurrajong?

MS MacDONALD: I'm sure it will be done tastefully.

Mr Ryan: That will be an interesting one, but yes.

MS DUNDAS: Maybe a nice embossed, bronze little logo.

THE CHAIR: Get big lights.

MS DUNDAS: But it is policy that the BOCBOC logo will be on all of them?

Mr Ryan: It's an internal property branch policy, yes.

MS DUNDAS: And so in some way or another it probably will then have to find its way onto the Hotel Kurrajong? Can I just actually hear the answer? Sorry, we're all making fun of this but I did want to have an answer.

Mr Ryan: Ultimately, as it is one of our properties, our intention would be to try to have it placed onto the property, yes; but in the case of that one, because it's managed totally by the International Hotel School, we have to do it in consultation with them.

MR HARGREAVES: And on that point: it's a heritage building. Presumably the conditions of the heritage listing would have some say in just how that could happen.

Mr Ryan: The present way we're doing it is: we've had plastic stickers made up and they just go onto glass doors or onto wooden doors in an appropriate place, but we try to put them on glass doors.

MS DUNDAS: And does that happen for surplus properties as well?

Mr Ryan: Yes.

MS DUNDAS: So what's happening with the Gold Creek Homestead?

Mr Ryan: In terms of the BOCBOC or what's happening with the property?

MS DUNDAS: Well, I'm asking about BOCBOC, but I'm also interested in its future.

Mr Ryan: Well, the BOCBOC we haven't worried about because, for a start, it's a non-accessible private property at the present time. The minister may want to talk on this. He has established a committee to actually review the whole use of the site and to make recommendations.

Mr Wood: Yes, and that's getting fairly well reported in the local press.

MS DUNDAS: How's that committee going?

Mr Wood: Well, there's lots of talking going on out there; nothing's come back to me at this stage. I keep in touch with what's going on, but I've got no reports and I don't expect to have them just yet.

Mr Ryan: At this stage there's been a community meeting held out at the Gungahlin Lakes Golf Course where about 30-odd people attended, plus two members of the Assembly, which was to try to canvass ideas or to encourage people to put in submissions to the committee about what they feel would be the desired community uses to be occurring on the Gold Greek Homestead site.

There was a meeting on Monday morning of this week, held at Macarthur House, where the committee advertised twice seeking developers who may be interested in producing a master plan for the site and possibly ultimately building, and that meeting was held to run through the whole process and to explain to them the whole way it works. Again, I think we probably had about 15 to 20 developers turn up on Monday morning.

It's now a case of them looking at the material we're receiving back from the community, going away and probably coming up with ideas which would enable them to do a mixture of commercial and community uses, basically using, I suppose, some of the perceived profits from the commercial uses to pay for community facilities such as the homestead possibly to be upgraded or for other things to occur on the site. It's an 11-hectare site and there's a huge range of possibilities.

MRS DUNNE: This is to follow up on the question I asked this morning, Mr Ryan. You can take this on notice because I don't expect you to know all this off the top of your head. You've installed aqualock valves in Mac House and other buildings. Can you give me a rundown on which buildings they've been installed in, when, and have you measured the water savings as a result?

Mr Ryan: I'll take those on notice. I've also put through a preliminary call and they're putting advice together. They tell me that before aqualock valves they were using some other types of valve. So we'll cover the lot.

MRS DUNNE: That was the other question. Aqualock is the one that people talk about, but are there others?

Mr Ryan: There were, but aqualock apparently are the best and we've now moved to using all aqualock. But there were earlier ones. The other thing they told me was that the aqualock valves have a life of 15 years. The government had—

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MRS DUNNE: That's what I read on the web page, yes.

Mr Ryan: We haven't had anything to indicate so far because we haven't been doing it for 15 years; so we can't comment yet.

MRS DUNNE: Thanks for that.

MR CORNWELL: I'm looking at the figures here, 51,000 square metres in 2003-04 of office and non-office area owned; in 2004-05, 85,000 square metres.

Mr Wood: Well, that might indicate what has been passed over to us in that time.

MR CORNWELL: Hang on, that's the total. There's a 35,000 square metres increase.

Mr Ryan: No. If I could explain: there's one typo in that document. If you go down to the fourth line if you'd like to put "total non-office area managed", just for clarity.

THE CHAIR: Thank you for that.

Mr Ryan: What happened in the past: we just simply reported on total office area. Actually we just used to talk about total owned and total leased. The problem was that, in putting those figures out that way for the last few years, it meant that you were combining offices and other surplus properties and all the rest so that people were having very much difficulty in trying to actually work out what we were talking about. So, by taking two figures and putting it into four, we're now putting the offices owned and the offices leased; and then we're putting the non-offices owned and the non-offices leased. So it's just a split-up of the previous figures into the components.

Effectively, non-office is essentially surplus properties. But it's a range of things from schools, to preschools, to health centres and the like. It's all the variety of properties that have been handed to us over the years.

MR CORNWELL: And these have decreased, I think, from 59 in 2003-04 to 15 in 2004-05.

Mr Ryan: Well, effectively, in total you had 96,000 square metres last year and now it's gone up from 96,000 square metres to 134,000. So it's gone from 91 to 134,000. Part of the reason for that's been Totalcare coming across. We've picked up the Mitchell site. It has come across into our portfolio.

MR CORNWELL: Is it possible to get a list of these?

Mr Ryan: Yes.

MR CORNWELL: Take it on notice. Could you do that for me?

Mr Ryan: Yes.

MR CORNWELL: Thank you.

MS DUNDAS: Unless the list is different, footnote No 2 talks about the emergency services headquarters, the Hotel Kurrajong and the Totalcare Fyshwick and Mitchell depots.

Mr Ryan: If you'd like the full list, we can provide it.

MS DUNDAS: Yes, if the list is longer than that.

Mr Ryan: Yes. We have a document we've produced, which is our property report. We'll just provide that and it gives you the full details.

THE CHAIR: Thank you for that.

MS DUNDAS: The quality effectiveness measure of advice rated satisfactory or above according to ACT, is that a typo? How are you going to measure how the ACT is feeling about policy advice and ministerial support?

Mr Wood: According to me! I don't know.

Mr Ryan: Actually I saw the people in the office this morning before I came across; we are in the throes of finalising our first ever customer satisfaction survey and we're surveying three groups. We're surveying the facility managers of each of our buildings, we're surveying government tenants to see whether they're happy with life in a government building, and we're surveying community groups for how they feel about our so-called community tenancies.

THE CHAIR: You probably need to put something else in there because that sentence just stops when it shouldn't.

MS DUNDAS: Sorry, just to clarify: we still don't know what that first point is, but next year we can expect to have two satisfaction measures—one which will be customer satisfaction and one whichever this satisfaction measure is.

Mr Thompson: Ms Dundas, in regard to the wording about advice rated satisfactory or above according to ACT, there's been a printing error. If you go back two pages to page 229 you'll see in the middle of that page what the full sentence is meant to be.

MS DUNDAS: So just to clarify: next year will we see two performance measures or will—

Mr Ryan: Yes, you will see the new one from our customer satisfaction. But that one's based on advice provided to the minister.

Mr Thompson: Yes, that's the ministerial one.

MR CORNWELL: Could I return to something, Mr Chairman. I asked earlier about an increase from \$49 to \$55. I've now been advised that in fact the two were combined. Congratulations. The cost actually has decreased, not increased, by \$3.36 per household.

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THE CHAIR: And on that happy note we will finish 5.2. We'll resume with forests at 10 to 4.

Meeting adjourned from 3.37 to 3.51 pm.

Mr Wood: How can we help you with forests? We still have them. That's the main thing.

THE CHAIR: My first question is actually: how many hectares of forests do we actually have left in the ACT?

Mr Wood: You mean with trees on?

THE CHAIR: With trees on them, yes, live trees.

Mr Davidson: Mr Chairman, could I just advise that our Director of ACT Forests is not with us today because he's overseas—probably right at this moment on his way back from overseas. He's been part of an Australian delegation working at the UN in Geneva.

THE CHAIR: Good stuff, lucky man.

MRS DUNNE: I seem to recall, Mr Davidson, that this time last year he was going overseas.

Mr Davidson: He was just about to.

THE CHAIR: He's coming back, so there you go. How do you apply for his job? If you give your name and the capacity in which you appear in front of the committee when you answer the question.

Mr Davidson: In his absence we've got three of us to try.

Mr Wood: How many actual forests—

THE CHAIR: Yes, how many hectares have we actually got of treed land left?

Mr Taylor: I'm Hilton Taylor, the Acting Director of ACT Forests, in Tony Bartlett's absence, and normally the Manager of Strategic Planning and Harvesting at ACT Forests. With regard to your question: there are approximately 5,500 hectares of green plantations in the Kowen area. There was, in addition to that, approximately 800 hectares re-established last year of young plantation in the areas west of the Murrumbidgee; and there are some smaller areas of plantation in Tuggeranong Pines, Isaac Ridge and remnant in the Stromlo area that weren't damaged in the fire; totalling some tens or hundreds of hectares; so in total at this stage somewhere between 6,000 and 7,000 hectares of green pine.

THE CHAIR: You say you're replanting some 1.2 million pine trees and 350,000 other natives and exotic plants. What sort of native and exotic plants are you planting?

Mr Taylor: There's a combination within the natives and exotics. The vast majority of

them are natives, primarily eucalypts and acacia species, selected from around the local region. They are not local provenances because the seed wasn't available. They will be going into both the Stromlo area as part of the re-establishment there and the Pierces Creek area as part of the catchment stabilisation program.

THE CHAIR: In terms of the burnt-out areas and the noxious weeds and things that blow in, like blackberries, and probably—I don't know if you have black wattles—wattles and all sorts of other crap stuff: what are you doing in terms of eradicating those nuisance plants and weeds and things?

Mr Taylor: As part of our establishment program, which this year will be, weather permitting, over 1,200 hectares, there is a weed control program built into that establishment program; so over 1,200 hectares will be treated this year in association with the re-establishment program. In addition to that, ACT Forests has a plan in place to address particularly boundary areas and weeds like Pattersons curse. The limitation there, however, adjacent to our boundaries, is that it's a seasonal or narrow window and it's a seasonally opportunistic spraying program if it occurs in late autumn or early winter.

THE CHAIR: When members ask questions after my final question, I'd ask them to just refer to anything between page 235 and the end of output class 1 on page 241. So direct your questions to whatever's before the output class plus that. My final question relates to Deeks Forest Park. I see money in the budget for that, close on three quarters of a million, rising a little bit, and then going down in 2008-09. How are you reinstating that? What exactly will be put in there and built or planted?

Mr Taylor: The work that we're doing on Deeks Forest Park is in association with the implementation task force that George Tomlins is heading up within the Chief Minister's Department. We are like an implementing agency in that case, working to plans that they are developing in public consultation and with the assistance of landscape architects and the likes. The work that's funded out of that and yet to be designed and finalised is a combination of plantings of various species there, both natives and exotics, and the establishment of recreational facilities in that Deeks area on the eastern side of Mount Stromlo.

THE CHAIR: What sorts of recreational facilities?

Mr Taylor: Well, that's to be finalised by the implementation taskforce, but it'll be picnic areas, staging areas for events, tracks for lineal recreation like mountain biking, running, horse riding and things like that.

MRS DUNNE: On the Deeks thing: that's actually now going to be across the road from where the Deeks run used to be. It will be more on the foothills of Mount Stromlo.

Mr Taylor: It's actually picking up all of the Stromlo sort of forest bit.

MRS DUNNE: So it's the bit that's bounded by Uriarra Road.

Mr Thompson: And Cotter Road, that's correct.

MRS DUNNE: And how does that fit in with the pit for the waste from—

Mr Taylor: It's sort of right in the middle of it. I haven't seen the latest plans, but the various plans that I have seen would propose to use that perhaps as one of the staging areas, use that as a car park. There are plans, I understand, to enhance that area with plantings. They're doing design and plans at the moment to have good access and have that as a staging area or a stepping-off area for various events in the Stromlo park area.

MRS DUNNE: Mr Taylor, how difficult is it to re-establish for non-pine uses land that has been sort of turned over to pine for as long as that area has? That area at the bottom of Stromlo there near Uriarra Road was felled about five or six years ago and replanted—it might have been a bit longer ago than that—and that's sort of fairly routine but now you've actually got to re-establish; and so you'll be actually taking out a whole lot of trash and stuff that's still on the ground. Does turning it over to non-pine plantation present particular challenges?

Mr Taylor: It adds cost above and beyond what would be a normal commercial plantation establishment program. The technology exists to do it in terms of stump removal, debris removal and rehabilitation with other species but it is a more time-consuming and costly operation.

MRS DUNNE: Do you have a feel for a cost per hectare or something like that for that sort of re-establishment or that sort of regeneration?

Mr Thompson: Mrs Dunne, if I could just throw in a couple of figures. The reason I can throw them is that I was having a cup of coffee with Peter Kanowski, our professor of forestry here. If you were just replacing commercial pine with something commercial, then you'd be looking at \$2,000 per hectare roughly for pine versus \$5,000 per hectare to get something with eucalypt on that same bit of land after it's been planted with pine. I think the difference with Deeks Forest Park is that it won't be a commercial type of setting. It will be a woodland and there will be significant—

MRS DUNNE: But you're going to have open spaces and grass.

Mr Thompson: There will be open spaces, tracks and some fences, so it would be very hard to put a—

MRS DUNNE: So essentially then they'll actually have to sort of clear the site much more than it is already cleared?

Mr Taylor: There are parts in the plan that's being developed by the implementation taskforce where there are going to be various levels of, I think it is, almost bushland, woodland-style landscape through to more manicured-park-style landscape; and there's a full spectrum of costs associated with that. In some of the areas in some of the buffer zones closer to the suburbs where there's been detailed planning done, the costs there just to clear the site have been up around \$5,000 a hectare, and then there'll be additional costs in re-establishing that; whereas, with some of the other sites where it will be just spot cultivated at a lower stocking with native plants, the costs will be back down around normal commercial plantation costs.

MRS DUNNE: Which is the \$1,000 to \$2,000. And how many hectares is the site?

Mr Taylor: Several hundred.

MRS DUNNE: Rest assured, Minister, I'm not going to multiply that figure by \$5,000.

Mr Thompson: It's several hundred hectares for that bit of land.

Mr Davidson: Seven hundred, I think.

Mr Thompson: The other point to make about it is that—and particularly on the western side of Mount Stromlo, and right adjacent to Uriarra Road—there are some very heavily eroded areas. As far as I understand, one of the reasons that trees were planted there all those years ago was that the farming failed, if you like, and one of the land restoration measures was to plant trees all over it. So when you walk around those areas now, you can see there's quite a land rehabilitation job. Although the pines stopped matters getting worse, they didn't restore the land; it was still very heavily eroded along Holdens Creek and on that back side or the western side of Stromlo.

MRS DUNNE: Is Holdens Creek the one that runs along the Uriarra Road there, near the intersection with the Cotter Road?

Mr Thompson: That's right.

Mr Taylor: Just to the west of Uriarra Road.

MRS DUNNE: And that is very badly eroded. Just to go back to a more basic question, Minister: we've got money in the budget announcements of \$1.2 million for pines. I suppose that's not really very many in the greater scheme of things. We seem to be making decisions about the future of ACT Forests in an ad hoc way, but we still haven't had publicly a discussion about the future of forests; we haven't seen the business plan in the public domain and a public discussion about where, as a community, we're going to go with ACT Forests. There have been decisions made that have an impact on it. We've got things like fire abatement zones and those recommendations around the McLeod inquiry. We've also had a decision to rebuild the forest headquarters and we've got money committed here to replanting pines, but we don't seem to have actually made the in-principle decision about whether we will continue with ACT Forests.

Mr Wood: Yes, we have. I assume I put out a media statement about that. Yes, that was made some little time ago. We would continue to have a pine industry and, yes, I'm pretty sure I can recollect that statement.

Mr Taylor: The *Shaping Our Territory* report.

Mr Wood: And that ties it up even further.

MRS DUNNE: But *Shaping Our Territory* is still dependent upon the business case for ACT Forests, which has never really made it into the public domain.

Mr Davidson: The *Shaping Our Territory* report actually acknowledged that the reason for being for ACT Forest would in fact change and that the basis for ACT Forest was no

longer simply a commercial operation. The study went on and made definite recommendations about not planting commercial pines on the east side of the Murrumbidgee; it made specific recommendations about planting pines with riparian zones being done as natives on the western side of the Murrumbidgee; and it made the comment that, where pines were planted, they should be planted in accordance with, if you like, best commercial practice because it noted that, while there wouldn't be a revenue stream from it in the first instance or in the early years, in the later years the potential existed for that revenue stream to come back on and that that would be a positive contribution to the cost of managing that area of land, which at the moment adds up to about 26,000 hectares of land that needs to be managed.

MRS DUNNE: Yes, it would be a contribution, but it's never going to be—

Mr Davidson: Well, the non-urban study acknowledged that and it showed actually some revenue figures way out to when it might get somewhere back near positive, but it made the point that, having considered all the possible land uses, that was the appropriate course of action.

MRS DUNNE: It's certainly a very hard decision to make, then, to cease forestry operations.

Mr Davidson: Yes.

MRS DUNNE: Do we have any reasonable expectation that the sort of truncated forestry operations west of the Murrumbidgee will ever become commercially viable?

Mr Wood: At best, they might break even many years down the track; that's my understanding of it.

Mr Davidson: Hilton may wish to comment further. There's an important principle here that, even though there will be fewer hectares of pine, it should be more productive than the original forest was.

MRS DUNNE: Why?

Mr Davidson: Because trees can be planted and looked after in a better way, but I'll let Hilton explain that in a bit more detail.

MRS DUNNE: Thanks, that will be good.

Mr Taylor: I think there are a couple of issues that we need to clearly understand here. The first is that during the non-urban land use study the areas that were currently in the pine plantation estate were considered for a whole range of values—pine timber being one of them, along with water quality, recreational use, fire management, ecological or biodiversity values, visual amenity, rural sentiments and the cost-effectiveness of having a crop on it that could provide some return in the future to help offset the land management costs. It was recognised in that study that there was a net cost to the community and it isn't going to be a positive commercial business run in its own right—it would need to be an appropriation-funded business—but there will be an offset through the revenues.

The hectares that are actually established—because now we've got better technology in terms of machines for ploughing and site preparation; better genetics in terms of the products that we put in there; more site-specific silviculture in terms of the way it's treated with folia analysis and fertiliser, pesticides and things like that—will ensure a higher yield per hectare at a more efficient cost. It's like farming; it's become more efficient over the generations. When some of this land was established in the 1920s there were pretty low-grade genetics put on sites with not a lot of TLC and it was, even under those circumstances, an okay forest. The next generation of forests should be much better.

MRS DUNNE: So you're actually thinking that you've got an opportunity to do things smarter?

Mr Taylor: Absolutely, and part of that doing it smarter is the fact that we're looking at the landscape now as not just pines up hills, down dales, across creeks; we are putting in extensive buffer strips along riparian veins to look at managing the water-quality issues and biodiversity links and chains. We're looking at taking areas of steep country that were previously treated as commercial pine out of the commercial plantation and re-establishing them back to natives where it was costly and inefficient to operate on those sites. So it will be a much-improved landscape. We've had input from people like Dave Lindenmayer, Bob Watson, the Cooperative Research Centre for Freshwater Ecology—all sorts of groups involved in helping us design, on a catchment by catchment basis, this new layout.

MRS DUNNE: And have you considered commercial-type plantings other than just *pinus radiata*?

Mr Taylor: Yes. During the non-urban land use study CSIRO were commissioned to do a detailed piece of work and they looked at a whole range of forestry-type crops. In addition to that, ACIL-Tasman and David Trebeck, in particular, were contracted to look at a range of agricultural, horticultural and various uses; and none of these came up with a viable option.

MS DUNDAS: Just to clarify: all of the non-pines that you'll be planting—the eucalypts and the non-acacia species—aren't intended to be harvested at some time?

Mr Taylor: No, they're going back in perpetuity to add to the amenity, the biodiversity and the water quality within the catchment.

MS DUNDAS: Can we actually get a list of the species that have been planted?

Mr Taylor: Yes.

MS DUNDAS: And that's on notice.

MRS DUNNE: And the exotics that are listed, are they only in the Deeks Forest run or will you be planting exotics west of the Murrumbidgee as well?

Mr Taylor: There's no intention at this stage in our plans to plant exotics west of the

Murrumbidgee. The exception to that may come if and when the implementation taskforce do something around the Cotter precinct or—

MRS DUNNE: As opposed to pinus radiata, sorry.

Mr Taylor: Yes, as opposed to pinus radiata.

MS DUNDAS: The eucalypts and non-acacia specific species that you're putting in instead of pines, your non-pine species, why select those above any others?

Mr Taylor: Why were the particular species selected? In selecting those species we had inputs from Environment ACT, because our land adjoins national parks so we don't want contamination out of our lands into the parks; particularly some of the areas we were taking out of production abut right up against parks. So we're trying to put the local species and if possible local provenances back in those areas. In addition to that, we got assistance from specialists from the ANU to choose species that either occurred locally or that performed well locally. It's not our intention to try to replicate nature but to put native species back on the area.

MS DUNDAS: You're keeping this Deeks area as a recreational area only, it's not becoming a—

Mr Taylor: No.

MS DUNDAS: There are other areas that are being re-established with non-pines. So is it the intention some time in the future to actually return this area to part of the nature park plan?

Mr Taylor: No, the recreation facility and amenity that ACT Forests provides is for higher impact recreation, for example, the Rally of Canberra, mountain biking, equestrian events and things like that. They occur throughout our estate. And the idea is that that's compatible with forestry land use; it's not compatible with conservational parkland use. And within the forestry estate there was already around about 10,000 hectares of non-pine in the land managed by ACT Forests. That's being enhanced and improved to get better water quality and better amenity by planting areas that are inappropriate for pine.

MS DUNDAS: Can you, on notice, I guess, provide us with a map that shows us which bits the pines are going in and which bits the non-pines are going in?

Mr Taylor: There's one in the non-urban land use study. It's published in there.

MS DUNDAS: That's exactly the plan you're following?

Mr Taylor: That's at a strategic level. Obviously at a detailed, on-the-ground level there are refinements of that. But it gives a good indication of the broad strategies that are being adopted in terms of taking areas out of pine and replacing them with other species.

MS DUNDAS: So basically your work will be, into the future, to maintain a small forests area for recreation as well as maintaining Kowen for commercial—

Mr Taylor: No, the pine plantation established west of the Murrumbidgee will also become a commercial plantation. There'll be something like 7,000 hectares established west of the Murrumbidgee, giving us a net sort of commercial plantation, with Kowen and that, of somewhere around 12,000 hectares.

MRS DUNNE: And before the fires how much was west of the Murrumbidgee, about 16,000?

Mr Taylor: Well, in the fires there was 10,500 hectares destroyed. That included some in Stromlo of course.

MS DUNDAS: But you'll now have two roles—one as a commercial plantation manager, the other as a recreational forest manager.

Mr Taylor: As we did previously, but I think the emphasis is shifted a little in our business.

Mr Thompson: If you looked at the past budgets you would see in one of these documents something about them getting \$2 million or \$2.5 million of payment from the government, and the rest of their money coming out of trading operations, harvesting and so on. In the future it's going to be something of the reverse, where for the next 20-something years the revenue out of pine will be quite limited—it will just be from Kowen—and a lot more money will be coming out of government funds. For the next three to four years there's a bucket of money there in the insurance payment, and that's where it will come from. Thereafter we'd expect to see it show up in these sorts of documents as a GPO-type payment.

MS DUNDAS: So in terms of the actual output class: why is the percentage of scheduled water samples undertaken as a quality effectiveness measure actually being removed?

Mr Taylor: The reason for that is that under our environmental authorisation it's a mandated thing that we do these samples. And it was, if you like, a bit of a nonsense measure; it was something we had to do anyway. It wasn't really a measure of our performance.

MS DUNDAS: So you still are actually taking water samples.

Mr Taylor: Absolutely. They're being done. And it's part of our environmental authorisation.

MS DUNDAS: Are the water samples you've been taking showing that you're within allowable specifications for sediment loads and those kinds of issues?

Mr Taylor: It's very interesting if you talk to people like Professor Watson from the ANU, David Lindenmayer and others and people from the Cooperative Research Centre for Hydrology. Sediment loads throughout the catchment have been off the scale following the few and infrequent rainfall events that we've had since the fires. And our estate is similar to other parts of the catchment up into the park and below.

MS DUNDAS: Do you think that, if the rains came, the way that you've been managing it will mean that sediment levels actually return to acceptable levels?

Mr Taylor: In the future.

MS DUNDAS: Yes, if the rains come back.

Mr Taylor: In the short term it's anticipated that the levels will remain high. But in the longer term, with the re-establishment of the riparian zones and the contour ploughing, the techniques that are being implemented now, we anticipate that the water quality coming out of the forests will improve as the plantations become established.

MS DUNDAS: I noticed that there used to be an output measure for the treatment of wildling pines but it has disappeared. Is that because they were all burnt? So there are no wildling pines in Kowen?

Mr Taylor: No. There are some in the Kowen area, but I guess they were taken out because the big issue was adjacent to parkland in the areas west of the Murrumbidgee, and those have been burnt in the short term. That's a measure that I would anticipate would be reintroduced over time. At this time it's probably not an effective measure.

MS DUNDAS: And what's happening with your staffing levels? The changes to appropriation in terms of wage negotiations have, between 2003-04 and 2004-05, a 250 per cent increase, which drops to a 75 per cent increase. In the outyears it dwindles to a 2.5 per cent increase. So are you bringing on lots of staff and then just maintaining that?

Mr Taylor: I think it's probably best if we change chairs at this stage.

MS DUNDAS: I do have one more question for you, Mr Taylor, while that's being done. With regard to the output measure for the target planning for non-pine and pine: one is measured in hectares, and one is measured in plants. Why are they both not measured in hectares?

Mr Taylor: The pine is established at a standard density or stocking, depending on the regime that we're putting in and establishing; whereas the natives in some cases are going to be an enrichment planting. We'll aim for an ultimate stocking, but if there's already some native seedlings coming back in that area we won't be planting a new seedling alongside it. So the measure becomes a bit meaningless if you try to measure hectares. If you put 350,000 trees in you might get a lot more area.

MS DUNDAS: Thank you.

Mr Thompson: And just to add to that: the standard stocking rate—I just have it in my head—is 1,000 plants per hectare.

MS DUNDAS: So what's happening with staffing?

Mr Rake: Gary Rake, business manager of ACT Forests.

Mr Davidson: I will lead off by saying that ACT Forests has had a heavy workload since the fire. As you can see from the level of activity in 2003-04, there has been an awful lot of money spent and therefore a lot of work done as part of the clean up operation. ACT Forests have employed a number of people on contract to help with that work. I think the staff numbers have recently been up around 31 or 32.

The core staffing is 24. It is expected that, now that this reinstatement program, as per these budget papers, is in place, over the period of the next 12 months or so the staffing numbers will come back down to around the 24 level, being related to the level of effort required to deliver this program. But they have had a very big peak on, and that will continue for another few months yet.

Mr Rake: Perhaps I could address the point you made about the 250 per cent increase in GPO. That is only a contribution to the increased cost of the wages and salaries from the EBA being negotiated at the moment. The government only appropriates a small amount to contribute to the cost of our wages and salaries. The majority of that is being funded from the insurance pool. Previously it was funded primarily from commercial operations. In fact we've got a hybrid source of funding for our employee expenses. The GPO you're seeing there is just a marginal increase.

MS DUNDAS: For the 2003-04 year, because most of your wage costs were being met through the insurance payout, you needed only a small amount of money from government, from the GPO, but in 2004-05 and 2005-06, as the reliance on insurance drops—because it is going to stop coming in—will you need more money from the government?

Mr Rake: The line you're seeing there for GPO is the estimated effect of the EBA that is being negotiated at the moment. In 2003-04 it was only anticipated to represent three months of the year. The EBA expired at the end of March. In 2004-05 there was the first year's increment and then in 2005-06 there is the first year's, coupled with the second year's, and likewise in the third year, after the term of the EBA.

MS DUNDAS: All right, that makes sense. At the moment you have around 31 staff but you expect that, in the future, it will stabilise at 24?

Mr Rake: That is correct.

MRS DUNNE: I make the observation, Minister, that forestry is an investment in the future. It is one of those things that, with the government as a landowner and the particular requirements we have for forestry. In a sense, as far as money making is concerned, it is nice if you can do it. as a territory, we have a lot of demands on our forested areas in terms of amenity and things like that. Would you consider, in the process, different sorts of forestry? Mr Taylor said before that ACIL and various people in the non-urban study looked at it in terms of cropping, but are there specialised forest products that would repay the investment of time—say specialised cabinet timbers or something like that? you're not going to make buckets of money out of it but you might be storing up something of value for future generations?

Mr Wood: That is, I think, a long-term thing

MRS DUNNE: Yes, forestry is a long-term thing!

Mr Wood: We've begun the new course, so to speak, after the consideration that you heard. At this early stage you can take a veering away from that course, perhaps. Yes, there was examination of various options but the one that emerged was the most readily sustainable, I'd say. In the end you don't wipe anything out but you make decisions early, not late.

MRS DUNNE: The thing is that, if you went in for cabinet timbers or something like that—they're slow growing.

Mr Wood: They're not part of the trees that are native varieties.

MRS DUNNE: They're not part of what's currently planned but in 100 years time, if we made that decision now, we might be grateful, or our successors—our children—might be grateful that we made that decision.

Mr Wood: You make an observation, yes.

Mr Rake: The economics of that type of forest use is more akin to a mining operation, where it is an opportunistic use of a resource that has occurred almost at no cost to the landowner, rather than something that satisfies a rational investment analysis where you look at the increased cost of establishing that type of plantation and then apply a time value on that investment. The economics don't stand up, unfortunately.

An example would be to put in a fancy oak seedling at approximately 12 months of age, which is about the minimum you can look at for it to survive. You're looking at a couple of dollars for that plant, and for a *pinus radiata* you're looking at about 30c. The value doesn't seem material when you think that you are saving \$2 or \$3 per plant, but it is across an estate and then, with time value of money over perhaps a 30 to 80-year rotation, it becomes a marked difference.

Mr Wood: It is worth thinking about.

MRS DUNNE: Yes, I understand that but it is just that, if we're not essentially planting it to make money out of it in the next 10 years, we perhaps should be looking at these things.

Mr Wood: We'll leave it as an open question.

MS DUNDAS: In respect of the planting program—and it is obviously a priority to reinstate Deeks Park—what's the program for those areas that were closer to the suburbs, such as along Eucumbene Drive?

Mr Taylor: I presume you're referring to the area adjacent to Eucumbene Drive and Warragamba Avenue.

MS DUNDAS: Yes.

Mr Taylor: George Tomlin's implementation taskforce, in association with Philip Cox

and Co, the landscape architects, have done detailed planning. They've had a lot of community consultation, I understand, in the Weston Creek area and they have now got detailed plans, right down to maps with spacings for the different species, the actual layouts of those species and their combinations.

They've also been working with the Emergency Services Bureau and CSIRO to develop the plans in accordance with the fire requirements in the abatement zone, so that they're getting species mix, layout and setback distances and that, appropriate to the area. ACT Forests have been contracted. We're laying out those areas on the ground. We've got the maps and we're using GPS equipment to do that.

MS DUNDAS: The initial work has started?

Mr Taylor: Yes. All the maps have been done and some of the pegging out. The planning has been done for the areas for cultivation, for the planting. I expect you'll see machines in there within a fortnight.

MS DUNDAS: You're going to increase the volume of logs being sold under log supply agreements, due to pulpwood sales. I understand that, over the last couple of years, you've been stripping down the dead pine, salvaging what you can and selling that. Where is the pulpwood coming from? Is that the bits that weren't salvageable as logs?

Mr Taylor: No. We can only sell pulpwood from green forests. It is not possible to use pulpwood when it is contaminated with charcoal. That contaminates the final product, although it is munched up. The pulpwood is coming out of the Kowen Plantation. The age class of the Kowen Plantation is such that there are a lot of plantations out there approaching thinning age, rather than big saw logs. Quite a lot of small pulpwood logs will come out of those plantations over the next few years.

MS DUNDAS: When is Kowen due for its next big log harvest?

Mr Taylor: We're currently working with Parks ACT cleaning out Boboyan pines so they can rehabilitate that part of the park. When that is finished, probably within about eight weeks, we'll be back into Kowen, just as an ongoing harvesting program there.

Mr Thompson: Kowen's a big stage forest. It is ongoing.

Mr Taylor: It has been scheduled to continue on in perpetuity. It is not going to be clear cut out and not re-established.

MS DUNDAS: What is the work being done at Boboyan? I thought that the Boboyan pines got destroyed in the fire.

Mr Rake: They are bullet-proof! It was the one bit that didn't burn.

Mr Taylor: They had a mild fire go through them. It wasn't enough to destroy them and we're working with parks to remove the remaining pines down there, so the area can be rehabilitated.

THE CHAIR: Give them a medal!

MS DUNDAS: Why has the number of person days spent on fuel management activities quantity measure disappeared—or why is it ceasing?

Mr Rake: Essentially that measure was trying to capture the amount of on-ground time we were spending on fuel management activities, but it became evident that we were really adding apples, oranges and bananas, in that it would be possible with a couple of days' work to treat a very large area by letting some agistment contracts, whereas going out and undertaking a fuel reduction burn would require 20 staff for 12 hours a day or perhaps longer. Then if we had let a contract for some slashing in an area, again it was only perhaps even a couple of hours work. So the measure really didn't accurately reflect our compliance with the bushfire fuel management plan.

MRS DUNNE: How are you going to report on bushfire fuel management?

Mr Thompson: Perhaps I can answer that. Essentially—we mentioned this in our response to the McLeod report—it will be much more about on the ground progress against the fuel management plan. So, rather than measuring the input of the days, it will be about the extent to which—

MRS DUNNE: About the number of hectares or the number of sites. So that if the plan has 10 sites for this year, it is the number of sites you've addressed?

Mr Thompson: That is right.

MRS DUNNE: That seems to make a fair amount of sense.

MS DUNDAS: One of your highlights is to commence work on the international arboretum. I expect a similar answer to the one I got before! What part will ACT Forests play in the international arboretum project?

Mr Davidson: Hilton is the expert but it is more of the George Tomlins taskforce doing the design work. In fact, in that case it is going to be a design competition. When they've finished that it will be handed over to ACT Forests for implementation.

MS DUNDAS: And also to CityScape Services for implementation.

Mr Thompson: It is a very large area of land. It is essentially an extension of the current work that ACT Forests does. It almost comes back to a question Ms Dunne was raising before. It will not just be *pinus radiata* or some other conifer, it will be a whole mixture of different species, but it will be managed by forests.

MS DUNDAS: It will be managed by forests?

MRS DUNNE: It gets a mention under CUPP as well.

Mr Rake: Forests has a relationship with CUPP, in that the current community service obligations that we provide to the community are funded through CUPP, and CUPP by our services. Given that our foresters have the expertise in getting trees in the ground and growing them, they'll look after that part of the arboretum.

MRS DUNNE: That makes a lot of sense.

MS DUNDAS: I guess DUS, CityScape and CUPP are managing the funds coming through TO ACT Forests and ACT Forests are implementing whatever Tomlin's team comes out with.

Mr Rake: The relevant portions of it. Canberra Urban Parks and Places have expertise in maintaining grass verges, for example; so there will be cooperative work there.

MRS DUNNE: Can I ask a really esoteric technical question? In the press release about the arboretum it said "in conjunction with the cork oaks and Himalayan pines", I always thought they were cedars. Which are they and what's the difference?

Mr Taylor: There are cedars—*Cedrus deolara*.

MRS DUNNE: I thought they were.

THE CHAIR: Thank you, ACT Forests. Hilton and Gary, thank you for that magnificent tag-team effort. That is the best I've seen since I used to watch Brute Bernard and Skull Murphy go around in *World Championship Wrestling!* Well done fellows; you're excused. We will now do heritage. I refer to an answer to a question I put on notice in relation to the bushfire memorial, in which I asked the minister where the work was up to.

Mr Wood: That is under arts.

THE CHAIR: I will ask the question later.

MRS DUNNE: For some time I've been meaning to ask about Hong Yong's gravesite. Does that come under heritage

THE CHAIR: It is heritage.

Dr Cooper: Maxine Cooper, Executive Director, Environment ACT. It comes under parks and conservation because they manage the land.

MRS DUNNE: I'll ask you that on Monday.

Dr Cooper: Thank you for the notice!

MRS DUNNE: I was thinking that may have been the answer but I thought I'd check in case I missed the opportunity. I wanted to talk about issues relating to heritage, the implementation of draft variation 174. There were some issues that came to the attention of the planning and environment committee at that stage in relation to the extent to which heritage—please don't take this disparagingly; I'm just trying to find the right language—was a "policeman" or an adviser in the whole process of maintaining our heritage landscapes, I suppose, and streetscapes in particular in relation to 175.

There was a level of criticism from landowners in Reid, Blandfordia, Forrest and places

like that. They felt that there was very little assistance with things as basic as advice, and that there wasn't very much contribution from the government generally in respect of maintaining the streetscape. They felt that there was a lot put on a landowner and not much responsibility taken—

Mr Wood: These are trees on leased land.

MRS DUNNE: No. An example given to the planning and environment committee was in I think Forrest—I might stand to be corrected—where leaseholders approached the government to say that some of the heritage street furniture, like street signposts and things, were in need of attention. They went back and back; and nothing happened until somebody came along, took down a heritage concrete post and put up a wooden one. This is something that has happened a lot. I've recently received some concerns from people who have bought in heritage areas but, when it comes to the crunch, they're saying that the advice is not very forthcoming and not particularly helpful.

An example given to me recently was that of four houses in Reid. They would really appreciate things like, for example, swatches. You know, "Here are the different sorts of render patterns you can have on your property; here are the heritage colours; this goes with this; you can't use this colour with this render" and things like that. That sort of basic advice seems to be lacking. I suppose that, because of where I sit, I only get the people who have had problems. How much of a problem do you perceive that to be?

Mr Wood: I haven't had much input on that. I'm aware of many circumstances where existing older heritage furniture has been maintained. I haven't caught up with the events that you talk about. Dr Cooper may be able to go a little further.

Dr Cooper: I must say that the team hasn't raised them with me but we do have a heritage adviser and the staff are there. So, as far as making contact is concerned, nobody has complained that they've made contact and haven't been able to get access to information. I'll look into that.

MRS DUNNE: I'm just about to write to the minister about a particular case.

Mr Wood: Yes, I'd be interested to hear it.

MRS DUNNE: I'm waiting for the outcome of an AAT hearing before I write to you, Minister. There has been the most unseemly bunfight, it would seem to me, over the nature of the render finish on a house.

Mr Wood: A bunfight between—?

MRS DUNNE: Between the owner, some neighbours and heritage. The house is on the corner of Anzac Avenue and one of those streets.

Mr Wood: That green house?

MRS DUNNE: I don't think it is green at the moment. They still have to take the render off because they were told by the builder that the render was drummy. Obviously it is drummy. If you walk around and knock it, it echoes back at you. It obviously isn't

original. Well, to this mug punter's builder's daughter's eye, it is not the original render; it is obviously a DIY job. There is considerable controversy about what the render finish should look like and what colour it should be.

The lessees are saying to me that they feel they are not getting assistance from the heritage unit because there are mixed messages. The heritage adviser came out and said, "That's not original render." But there is no advice to say, "That's not original render. You can take the render off and re-render it." Then the neighbours complain that the render is not the same, that the render doesn't match, and things like that. What assistance is given to people who are expending a considerable amount of money to maintain houses that have sometimes been pretty bodgily built in the first place and on which it is expensive to maintain the upkeep?

Dr Cooper: I'd have to come back to you on the specifics of that case because I don't have the details with me. On the general one, as I said before, we do have the heritage advisory service and we also have staff available for advice. I'll come back to you on the detail.

MRS DUNNE: What does the heritage advisory service do?

Dr Cooper: It offers advice on a whole range of heritage issues. People can seek that advice and it is given.

MRS DUNNE: On colour and finish?

Dr Cooper: Not having used it myself, I'd have to go and ask the staff exactly what are the types of issues. But one would assume that heritage issues cover all those types of things.

MRS DUNNE: In places like Reid, Blandfordia and Forrest we're not talking about maintaining the fabric of each of the individual buildings but maintaining the feel or look of the streets—really how they appear from the street. The experience of the planning and environment committee, when we did the draft variation, was that there seemed to be a feeling that it was a bit random as to what sort of assistance you got, and also whether something was approved or not.

Mr Thompson: From the viewpoint of the heritage unit, their role would be exclusively one about advocacy and education. The reality is that there is a whole round of other business that they're distracted by, including commenting on an awful lot of development applications and the like. There are people who are very pro-heritage and there is another group of people who are not very interested at all. They are having to mediate through all of that. In the end the reality is that we're making an investment in a unit that does some of this comment or mediation to try to stop inappropriate development. And then the other side is also there—the advisory service. That certainly, I know, runs to colour, texture and those sort of things and a lot about landscape and gardens. That is often the way you can retain the heritage feel.

MRS DUNNE: A lot of the Reid heritage feel is about the colour, texture and gardens rather than the buildings—it is really the facades that we're concerned about. Also in relation to development approvals, for a development that was approved before draft

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variation 174 came into effect—and this is probably a question for you, Dr Cooper—if you want to do minor amendments, does the pre-174 situation or the post-174 situation apply?

Dr Cooper: I'd have to take that one on notice.

MRS DUNNE: Thank you.

MS DUNDAS: I just wanted to clarify, what are the seven ACT Heritage assets? I've found only four in the ownership agreement.

Dr Cooper: They are Albert Hall, Yarralumla Woolshed, Duntroon Woolshed, the organ from the carousel, which is currently in the old Ainslie Primary School, the merry-go-round in Civic, Tuggeranong Homestead and Tuggeranong Schoolhouse.

MRS DUNNE: The carousel has had a fair amount of money spent on upgrades and things like that.

Dr Cooper: Correct.

MRS DUNNE: At one stage it was not very safe. How is it performing? Are bits continuing to fall off, or is it now in full working order except for the—

Dr Cooper: The carousel being the merry-go-round in Civic?

MRS DUNNE: Yes—minus its organ, which is far too loud.

Dr Cooper: We are spending \$200,000 on it this financial year. Approximately \$179,000 of that has gone on the shutters. It is functioning very well now. If you go past now, you'll notice that all the shutters are up. It functions well, and it feels great. The remaining moneys we're going to be spending on painting it. As far as we're concerned at the moment it is safe, it is functional, and we hope that for everyone it is fun.

MRS DUNNE: I had noticed that the shutters used to be down a lot. Why was that? They didn't work?

Dr Cooper: They didn't work. Part of the problem we've got with shutters like that is that it seems like a lot of money for those kind of shutters. But they're specialist in terms of how they are made and how they function for security.

MRS DUNNE: Yes, they are important.

MS DUNDAS: I want to get some clarification between nature conservation and land management and the money going into Tidbinbilla versus the work being done on Aboriginal sites that were affected by the bushfires.

Dr Cooper: That would mostly come under the parks and conservation budget even though in a team-based approach, as we have in DUS, the heritage people are part of that team, the same as the heritage people are part of the forestry teams.

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MRS DUNNE: I just want to go back to an issue about advising and maintaining fabric to see whether I could get an explanation for the Whiteley houses.

MS DUNDAS: There is no explanation!

MR HARGREAVES: How much TNT do you need?

Mr Wood: One of the problems is the old act that we're trying to get rid of. That is one of the issues.

MRS DUNNE: It is very interesting. I'm sure, Minister, you'll notice that the planning and environment committee was a bit vocal about the fact that, while we were considering whether we should maintain the fabric and the curtilage of the Whiteley houses, the curtilage was being fairly seriously impacted upon in at least three of the four instances.

Mr Wood: This is the Canberra Avenue Whiteley house, is it?

MRS DUNNE: There is the one further in, in Leichhardt Street or something like that. I don't have a problem with the development. In many ways I think the development is very innovative and could be called adaptive reuse.

MR HARGREAVES: Yes, right!

MRS DUNNE: It is a technical term. I'm just wondering: why did we ask the community to spend effort and time considering whether we should maintain the curtilage of the Whiteley houses when, at the same time, there were development applications being approved by the heritage unit and by the heritage adviser going along substantially changing the curtilage of the Whiteley houses?

Dr Cooper: I'll have to take that one on notice because I'm not up to speed on the details. Can I come back to you with that?

MRS DUNNE: I'm waiting for it. Look, I'm very vexed about that. It is not that I burn a candle particularly for the Whiteley houses but I think the process was a bit ordinary.

Dr Cooper: The one thing I am aware of is that they have been put on the register now. That is one of our achievements this year. I'll take that on board.

MS DUNDAS: Who manages the Uriarra schoolhouse?

Dr Cooper: The Uriarra one? The Duntroon or the Tuggeranong schoolhouse?

MS DUNDAS: No.

Mr Wood: There is no schoolhouse but there is an old school at Uriarra. And there is a hall—Uriarra Hall.

MS DUNDAS: Yes.

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Mr Wood: That is a good question. It might be my property people, who were here half an hour or an hour ago.

MS DUNDAS: It wasn't in the list.

Dr Cooper: No, it is not.

Mr Wood: We'll find out for you.

MS DUNDAS: Has the Uriarra Hall or any of those surviving properties been looked at in respect of their heritage value?

Dr Cooper: I am of the understanding that our heritage people are working with forestry. I'm sure that is the case, but we'll come back to you.

MS DUNDAS: Thank you.

MRS DUNNE: I have a crossover question in relation to heritage and the West Civic master plan. I was surprised the other day, when going through the West Civic master plan in intricate detail, to discover that not only is Toad Hall heritage listed but parts of the rocks. I ask you!

MR HARGREAVES: It is the conception place for half of Canberra!

MRS DUNNE: There is the notion that we should maintain the kitchen block.

Mr Wood: That it be interim listed?

MRS DUNNE: Yes.

Mr Wood: It is not hard to interim list something.

MRS DUNNE: So they are just interim listed?

Mr Wood: I would expect so. I don't imagine they're fully listed. I've not seen anything—

MRS DUNNE: The other one is the Acton Hotel, which is a bit of a shell. I'm just wondering what has to be maintained of those buildings. Some of the citations seem to say you need to maintain the form or the feel of them. I'm not quite sure how you maintain the feel of Toad Hall without the smells!

MR HARGREAVES: Let's hope it is different from the 1970s!

MRS DUNNE: It is pretty obvious why you would want to maintain the Shine dome, but I have questions about Toad Hall.

Mr Wood: It probably hasn't got that far yet. That wouldn't be indicated. Someone has just put it on the list. It is easy to do.

MRS DUNNE: That is why we need to talk about those flats.

Mr Wood: To me as Minister for Housing or as Minister for Heritage?

MRS DUNNE: Both!

THE CHAIR: Thank you, heritage people. We'll now go to output class 4.1, artsACT. After that we'll go to the cultural council. Another project that is progressing is the Belconnen Community Arts Centre. I see \$200,000 in the budget for that; however, in the outyears, next year there is zero. What precisely do you expect to get for the \$200,000? Why is there no money in the outyears for that project?

Mr Wood: That is a capital item, so there won't be anything in the next year. Some other minister will be making claims for that in the next budget round. That is for site examination and for, in my terms, general preparation and examination.

THE CHAIR: Do you have a site in mind?

Mr Wood: Lots of people have sites out there, yes.

THE CHAIR: Do you?

Mr Wood: No—I'm open.

THE CHAIR: Why isn't there any money in the outyears? I've heard various figures bandied about as to how much the new facility would cost. Also in other parts of the budget there is money in the outyears for how much is being spent. For example, this morning, we talked about how much was going to be spent on the Holt shopping centre upgrade, and yet there is no money there in terms of an indicative amount of what the government intends to spend on the new facility. Why is that so?

Mr Wood: There is a lot of work to be done yet. There are two sorts of infrastructure. Too many people are focused purely on a building, but the more important infrastructure is the people infrastructure. This process is proceeding steadily—that is a word I've used before today. It won't be a success unless we have a people infrastructure. There are plenty of people in the area who are doing fine things in art but there is no consolidated group at this stage.

Belconnen Community Services have funding for arts officers—arts people, but there is no consolidation. It seems pretty obvious to me that one of the important areas you have to work on is that consolidation of artistic effort that is necessary to sustain the other infrastructure like a facility. Don't get away from the fact that you just can't plonk a building somewhere and say, "Look, wonderful! Done." You've got to think of the other side, which is really more important.

THE CHAIR: I note, however, that members of the community have been talking about a certain amount of money they would like to see spent on it. I seem to recall that, at some stage, the government had some indicative figure in mind. What you say is all very well, Minister, but I am surprised—

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Mr Wood: Look, it is easy to push and say, “Let’s have a building.” I could go out there tomorrow, stand on a site and say, “This is it”—and I could get nice photographs. But it simply isn’t the way to go and it is not the way we’ve been going on it. I haven’t heard any amount of money specified for it. Nothing has come to me, that I can recall, about that. You can put any amount of money on a building. I have to tell you right now that my main interest is in working with this \$200,000—to look around, do a site examination and establish a site because a building will be inevitable in the end—but primarily to make sure that, as we move forward, we’ve got people who can do it.

MS DUNDAS: Money was expended on the Belconnen arts facility over the last year for consultancy work.

MRS DUNNE: It was 60 grand or something like that, wasn’t it?

MS DUNDAS: Yes, with a report that may or may not have been factually correct in the end.

Mr Wood: Yes, there was a problem with the bus interchange, I think.

MS DUNDAS: Just a minor glitch! The work that the consultants did, I think, was quite good in respect of their community involvement. The money that has been appropriated in the 2004-05 budget for forward design proposals—

Mr Wood: No, I don’t know that it is in that term. It is in terms of forward design.

MS DUNDAS: It is forward design proposals for refurbishment or a new building.

Dr Cooper: We’re waiting for the final report from the consultants on which way to go. But it is for forward design of whatever the government agrees to, or whatever is recommended.

THE CHAIR: So it might be refurbishing existing buildings?

Dr Cooper: There has been no decision made.

MS DUNDAS: Minister, is there a commitment to funding the outcome of the forward design work?

Mr Wood: That will be in the next budget, I would expect.

MRS DUNNE: That is a no.

Mr Wood: It is not in the 2004-05 budget.

MS DUNDAS: It is not even in the outyears of the 2004-05 budget.

Mr Wood: No, it is a capital work, so it will be a claim by the arts minister in a year’s time to develop the outcome of all the decisions.

MS DUNDAS: Okay.

Mr Wood: You might think that is slow.

MS DUNDAS: You have been quite vocal that this isn't just about a building, but we've reached the point where we are now making those kinds of decisions and the money isn't there to give the community who are trying to use it and feel part of it any hope.

Mr Wood: I wouldn't agree with that at all. I think it's all very clear that there is a movement for an arts activity/joint enterprises/community arts activity in Belconnen. I don't think there is any doubt; there's no question about that. We have agreed that it is serious and we've been moving positively towards that. I'd never allow anybody to say that there is no serious intent here, not that I've got any control over what people say.

THE CHAIR: There being no further questions on the Belconnen arts facility, I turn to grants. Minister, you have secured an increase in funding in the budget, a grant of \$90,000, which rises to \$650,000 in four years. BP3, at page 162, says, "This initiative provides support for the arts and the broader community to access the arts in two main ways: multiyear funding for organisations providing key arts infrastructure; and project funding for one-off activities." Forgive me if I'm wrong, but in terms of multiyear funding there are only about three groups on triennial funding.

Mr Wood: Fifteen now; we've been moving apace on that.

THE CHAIR: Something I've been on about for 12 months or so. You seem to be indicating that you envisage putting many more groups on triennial funding.

Mr Wood: Many more? I don't know. We've reached a pretty high level in our terms.

THE CHAIR: What do you intend to do to increase multiyear funding, be it triennial funding or some other form of multiyear funding?

Ms Allan: The funding will be triennial. The agreements are triennial and each three years the organisations put in a submission for funding for the following three years. Those are considered by the cultural council in accordance with guidelines that are published, so everyone knows the criteria. The costs for those organisations have been increasing steadily. As well, the demand on them has been increasing. A number of organisations will be coming up for renewal this year, about six or seven, I think. They will be considered through the year by the cultural council and they'll make recommendations to the minister.

THE CHAIR: Are you looking at including any other organisations in triennial funding?

Ms Allan: Each year the council considers the number of organisations asked and considers those organisations against the published criteria, but there's no-one at the moment.

THE CHAIR: I note in terms of the funding that you have said that you are going to have some additional programs that some of this extra money will be used for.

Mr Wood: Projects?

THE CHAIR: Projects or programs. What are you looking at there?

Ms Lennon: Are you talking about different classifications for funding?

THE CHAIR: Yes. I saw a release from the minister either in conjunction with the budget or just before that seemed logical in terms of additional funding for additional types of programs or projects.

MS DUNDAS: Projects only for one-off activities, perhaps.

Ms Allan: I think the cultural council has decided to change slightly its classifications. I don't have a list of them with me, but we can take that on notice.

THE CHAIR: Perhaps you could get that.

Ms Lennon: The project round that you're talking about, the other part of those two sorts of funding, is all in one bucket and the council has peer committees in each art form that assess the applications that come through that one round. That's a small modification in which art forms are clustered together. They don't have set budgets at the beginning of the process. That's done throughout the process.

THE CHAIR: Are you looking at maybe a slightly different characterisation? You are aware of problems experienced by groups such as the national eisteddfod and the Canberra City Band. I thank you, Minister, for taking on a couple of things at least in relation to that with Llewellyn Hall and some money for the band. But it just struck me as incongruous that if such groups, which provide so much enjoyment for Canberrans—in the case of the eisteddfod, many young people go through it any given year—miss out on funding, there is something wrong with the way we are doing things. Is any change being made to perhaps the criteria for the grants?

Mr Wood: One of the reasons is that there is a lot more competition and there are some very tough applications. I always caution organisations to make sure that they put in a very strong application, because it has a part to play.

THE CHAIR: It seems that a number of persons outside the territory have benefited from grants.

Mr Wood: Individual grants?

THE CHAIR: Individual grants, and I think that some group in Wollongong got \$30,000. I saw individual grants that clearly relate to activities that will be done outside the territory. In some instances, there is an obvious benefit to the territory but others, on the face of it, look somewhat more dubious, yet major groups such as the ones I've mentioned seem to miss out. It seems to me that perhaps some consideration needs to be given, and maybe it is, to ensuring that things like that are done better.

Ms Allan: All applications that come to the fund are considered in the context of the benefit to the ACT. That's one of the primary things that go through every application. So, while it might not be apparent on the outside, it has always been an integral part of

any project that gets recommended. There's a lot of competition.

MS DUNDAS: I seek some clarification. I didn't hear the answer because everybody was talking at once. How many groups are on triennial funding at the moment?

Ms Allan: Fifteen.

MS DUNDAS: Can I get a list of those groups on notice?

Mr Wood: Certainly, yes.

MS DUNDAS: Is the ACT arts funding program to fund more groups or to fund whichever 15 groups are successful with more money?

Ms Allan: At this stage, it's not proposed to have new groups on multiyears, but this year—right now—there is no recommendation to fund another group on multiyear funding, so it's likely that any increase to the multiyear funding category will be through increases to the existing organisations.

THE CHAIR: Why? That seems like a bit of a closed shop, if anything.

Ms Allan: Every year the council considers who else is out there and whether there should be more organisations, but they haven't considered that for next year yet.

THE CHAIR: You're in the middle of the grants round now, aren't you? You've called for applications.

Ms Allan: We've just opened for applications.

Ms Lennon: There is also the question of the ongoing viability of some of these organisations if, in fact, they don't get additional funding.

THE CHAIR: What do you do with those? That sometimes crops up in any community organisation. How do you assess that in the case of an organisation that is having trouble with its viability? Do you do anything in relation to that to provide any assistance?

Ms Lennon: We put in a bid for more funds this year and we were fortunate to get some. That will assist.

Ms Allan: In order to get any funding for those organisations, they have to put in a detailed business plan and those are assessed along with their programs and budgets and the benefit to the community that they are providing. They also need to answer the key result areas of arts capital and how their activities answer those key result areas. Each year, they need to do a revised program and budget and if we or they feel that there's a slight wobble in their activities or in their viability at all we try to pick them up very early to support them without additional funding, because there's no spare money for that, with their practices or whatever it is so that they don't get into a very difficult situation throughout their agreement.

MS DUNDAS: Those contracts are managed over three years. Do they get CPI increases

each year?

Ms Allan: They do.

MS DUNDAS: And what's the CPI set out for artsACT?

Ms Allan: We get CPI. Next year we'll have it as part of the funding program because we got that increase. Is that what you meant, sorry?

MS DUNDAS: No, is it 2 per cent or 2.5 per cent?

Ms Allan: Whatever Treasury is saying it is for the year that we set the agreement.

MS DUNDAS: Not every department follows that.

Ms Allan: No, but we usually ask Treasury what it is.

MS DUNDAS: The centenary of federation monument has been cancelled, according to the capital works budget. Why was it cancelled, besides the fact that the centenary of federation was three years ago?

THE CHAIR: If the minister would come back, maybe he could answer that.

MS DUNDAS: I'll put it on notice.

Mr Thompson: It's not a project that we've been managing at all.

MS DUNDAS: It's an artsACT project.

Ms Lennon: It was in our portfolio some time ago, I think, and I think that there were planning difficulties or something else with it at the time that held it up and, of course, now the centenary of federation has passed.

THE CHAIR: Could you take that on notice?

Mr Thompson: Yes.

MS DUNDAS: The initial funding was after the centenary of federation had passed as well, so the timeframe seemed a little bit—

MRS DUNNE: Wonky.

MS DUNDAS: That was where the major questions first started, but now that it has been cancelled it would be interesting to know what happened with that project. In terms of other ongoing capital works, what is planned to be done with the art and soul sculpture program funding? I understand that some of that work was being put out as a design tender, that it was a competition proposal; is that true?

Ms Allan: Art and soul is just a series of separate public artworks that were grouped together so that people could understand, I suppose, the promotional reasons. In the

public art program each year we bid for funds for specific works through the capital works program. The most recent one was Laser Rap. It was actually part of that. It is on the health building down in Moore Street. It was launched last week.

MS DUNDAS: So it's not for permanent sculptures in the sense of permanent pieces of art.

Ms Allan: It's a permanent public artwork, yes. Laser Rap is a public artwork on the Moore Street health building. Go down there half an hour after sunset any night and it's on.

Ms Lennon: It's visible for three hours every night.

MR HARGREAVES: I think that this money was actually in the 2003-04 budget: I seem to recall that arts were looking after the bushfire memorial. Can you tell us where we're at now?

Mr Wood: Yes. Can I say again that we're moving very steadily on that. In fact, that is on very good advice, because all the people who know about these things told us, against some calls, not to rush in and do a memorial very quickly. So there has been a very careful working of this through with the community broadly and with the community affected by the fires. Ms Allan will tell you where we are now.

THE CHAIR: You had some community consultation, which I thought was meant to be completed by this month.

Ms Allan: Yes, and we expect the report from the consultant on that community consultation to be out very soon. The consultation was extensive. We did set up a committee—I think that this was known—of representatives of the various communities most affected by the fires and we want to speak to that committee first, so that they have an opportunity to see the consultant's report before it goes out to the whole community. But that will be happening imminently.

THE CHAIR: Ms Dundas asked for a list of the 15 groups that get triennial funding. You are now into the funding round for 2005. If you could just provide us with details of all the groups which got funding under, I think, the six categories for 2004; in other words, the funding round which would have been given out some time last year for the calendar year 2004, just every category and every single group, which I think the committee probably would benefit from having.

My other question is in relation to pages 228 and 229, and you're not Robinson Crusoe in this regard as similar things happened in other areas of the budget. For grants and purchased services, the second last expense on page 228, the estimated outcome for 2003-04 is shown as \$7.947 million and in the budget this year the outcome is considerably more than the budget for 2003-04, so you might like to tell why there is an extra \$1.2 million. There are then some increases in the outyears. Firstly, why was there such an increase in the estimated outcome against the actual budget for the current financial year? Secondly, how much of that is grants and what are the purchased services? What is the actual break-up of that unit?

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Mr Wood: We'll come back to you on that because that break-up might be a bit detailed.

THE CHAIR: I asked the same question in the sports area because there was a very similar point there.

Mr Wood: A collection of quite a lot.

THE CHAIR: Yes, basically, which in past budgets was separated, which made it easier to read. We might make that a recommendation.

Mr Wood: Okay, we'll come back to you on that.

Ms Lennon: Can I just clarify what the \$1.2 million is that you're talking about?

THE CHAIR: If you go to page 228 and look at grants and purchased services, which is the second last item, you will see \$6.762 million for the 2003-04 budget and the estimated outcome for this year is \$7.947 million, so there is a difference of about \$1.2 million there, and then there are figures for the coming year and the outyears. I want a break-up of exactly what that means, how much of it is for those grants and what are the other things.

Mr Wood: Mr Thompson suggests that it's a bit of balancing from one further up that has gone down whereas the bottom line remains fairly consistent, so some movement between categories.

THE CHAIR: If you can't tell me exactly what it is now, please supply that on notice.

Mr Wood: We'll do that.

THE CHAIR: While you have these pages in front of you, on page 229 there are a number of performance indicators. In fact, it is similar to some other parts of the budget. For example, you've got three of them for cultural programs. I take it that that is because there are three cultural programs. Then you have secretariat support for the cultural council for an estimated number of meetings and the target is 11. I take it that's meetings. For the number of arts assets managed, I take it that that is for 11 assets. Then you have one public arts program and one service purchasing arrangement managed. The ones with the figure two next to them—the cultural council meetings, the assets managed, the public art program and the service purchasing arrangements—are all new measures. Why are they new measures, especially as they are stating the bleeding obvious? Don't worry, it's in other areas of the budget where there is a performance measure of one, which is about delivering one program, which the head of the Chief Minister's Department agreed was a rather strange sort of thing to put in.

Ms Lennon: I'm not quite sure I understand the question, but the reason that we have new measures is simply because the previous measures were, in fact, fairly meaningless. I think there were only about two of them and one of them was to identify and implement arts capital priorities, and there were five listed. In fact, that doesn't reflect very well at all what artsACT does. The new measures do reflect, for instance, the public art program, the festivals program, the fact that we manage a number of assets, the fact that we administer funding programs, the fact that we give policy advice—all those things are

now reflected and they weren't before. That's why we have the new measures. But I'm not quite sure I've really understood you.

THE CHAIR: You've explained why they should be in the papers. My question there is: why here? Whilst they are important to state, making them performance indicators or performance measures is somewhat meaningless.

Ms Lennon: They're outputs, in a sense. We have to list outputs and they are really our outputs.

MS DUNDAS: While we're on those pages, what user charges, both non-ACT government and ACT government, did you budget for but did not come through? That's on page 228.

Ms Lennon: Sorry, I have to take that on notice.

Mr Wood: Is that the third or fourth line down there?

MS DUNDAS: Yes, both the third and fourth lines.

Mr Wood: There is just a list of zeroes.

MS DUNDAS: Yes, but in the 2003-04 budget you included \$5,000 for non-ACT government user charges and \$18,000 for ACT government user charges.

Mr Phillips: Across the department, we're talking about \$12 million in user charges for some of those categories and we're talking about a budget here of—

MS DUNDAS: I understand that, but the budget for 2003-04 actually had user charges coming into the outyears, so there obviously has been a change of policy management here in terms of user charges.

Mr Phillips: Or a reclassification.

MS DUNDAS: Or a policy decision in that sense.

MRS DUNNE: Can you explain the row of noughts?

MS DUNDAS: That is the question. The ownership agreement doesn't list all 11 of the assets that you actually manage. The ownership agreement indicates that there are three of them that are buildings, facilities and such like—Gorman House, the Tuggeranong Arts Centre and the Street Theatre—and the rest listed are actually artworks.

Ms Allan: No, they're all buildings.

MS DUNDAS: So this list of artsACT assets managed is all about buildings.

Ms Allan: Yes.

MS DUNDAS: Okay, so the management of the arts assets comes under the public art

program.

Ms Allan: Sorry, can you repeat that question?

Ms Lennon: We've got public art assets and we've got facilities. We've got 11 facilities and they're buildings.

MS DUNDAS: How many public art assets do you have?

Ms Allan: Public artworks? I think there are in the realm of 35, but I can get back to you on that to confirm that.

MS DUNDAS: A number and a list would be helpful.

MR HARGREAVES: When you are talking about 35, are you talking about individual works or are you talking about collections?

Ms Allan: Individual works, just works in public, so some of them will be just elements.

MR HARGREAVES: Okay. Just for my ignorance, because I'm really ignorant as far as this stuff is concerned, the paintings at the Nolan Gallery or issues like that—

Ms Allan: This is only public artworks, so artworks like the sheep down there or the cushion.

MR HARGREAVES: You're counting the sheep down there. Are the ones on the slopes of Kambah Village part of your public art collection?

Ms Allan: No, that's actually CUPP.

MR HARGREAVES: They've got their own public art collection.

Mr Wood: That's right.

MRS DUNNE: So you own the cushion and the sheep outside the Canberra Centre.

MS DUNDAS: It's a bit unclear from the budget papers, but how much money do we actually spend each year on public art?

Ms Allan: On commissioning public art?

MS DUNDAS: Yes.

Ms Allan: It varies from year to year. It should be in here under capital works, because it comes under the capital works section of the budget. It's identified under the public art program each year in the capital section. Just thinking off the top of my head, I think it was \$250,000 for 2004-05.

MRS DUNNE: Yes, that rings a bell.

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Mr Phillips: There's \$250,000 in the capital works program.

MS DUNDAS: We're losing a piece of public art in terms of the federation monument not continuing. Has the rest of the public art budget actually been ticking over and been used to develop public artworks?

Ms Allan: Yes.

MS DUNDAS: So that's all on target in terms of commissioning and where it's being constructed.

Ms Allan: It's very difficult to develop a design brief, commission a work and have it constructed and installed within a 12-month period.

MS DUNDAS: No, I understand that.

Ms Allan: It's all being spent for public art and going towards it in that way. Some of the projects are taking longer than we would like them to take, but that's simply because of that process.

Ms Lennon: There is another component of the public art funding which is actually in capital works which covers things like 24/7, is that right?

Ms Allan: Yes. There's another component of the public art program which isn't just capital works and that covers things like 24/7, which is being launched tonight. That's the week long—

Mr Wood: Maybe.

Ms Allan: Someone's going to launch it tonight, Bill.

MRS DUNNE: That's the green thing I got in the mail the other day.

Mr Wood: Yes.

MRS DUNNE: I haven't had a chance to read it.

MS DUNDAS: Is the new project funding that's coming on as that second part of the ACT arts funding initiative going to be used for one-off, I guess, public art works or will it be used to enhance the artistic and cultural community?

Ms Allan: Yes, the money going to the funding program will go to the program as a whole. That money is assessed by the Cultural Council on the basis of applications received to the project round and on the submissions coming from multiyear funding organisations, which provide the infrastructure for the arts. The applications that come to the project round could be in any art form for any type of activity. We receive hundreds every year.

MS DUNDAS: So the initiative is basically going to supplement an already continuing mode of delivering arts?

Ms Allan: Yes, it goes straight back out to the community in that way.

THE CHAIR: On page 229, under “Timeliness”, we’ve got “Arts Festivals and Cultural Programs” and “Service purchasing contract payments dispersed to organisations within three months of Ministerial approval”. Is that the grants? You’ve got 100 per cent, which doesn’t surprise me because three months seems an incredibly long period of time to get money out to people. Normally I thought the government was meant to pay bills in about 28 days for most things; so three months does seem a long time. Why?

Ms Allan: That service purchasing is just the payments to the Cultural Facilities Corporation and to what used to be the National Institute of the Arts, the ACT government agreement with the ANU. The grants is the one below that which is “Manage delivery of the ... Funding Program”. The grants are paid much faster than that.

THE CHAIR: I imagine they are. It just seemed like a sort of flabby performance measure if it was three months because I’m sure you pay them a lot quicker than that in reality.

Just one final question from me on grants: in terms of individuals—and I do see some occasionally—or groups who need assistance basically to sort of fill out applications and work through the mire of what they should apply for, do you actually provide that? I’ve had a couple of instances of people who seem to have been sort of sent around to various agencies, even Commonwealth ones, but do you have some service that you do offer people or groups who want to apply for arts funding?

Ms Allan: Yes. Our program officers meet with people regularly. When the funding round opens for applications we actually hold two information days where any applicant can make an appointment and have a one-on-one, 20-minute meeting with the program officer in their art form to talk about their project. Their role is not to advise on the project itself, their activity itself, but to assist them to understand what the criteria are and how their project might fit so that they can argue it better.

Ms Lennon: And at the other end of the funding round as well, for those that weren’t successful, we debrief them so that they can improve.

THE CHAIR: Do you have a basic contact number, which would be a starting point for someone or some group?

Ms Allan: Yes.

THE CHAIR: Could you get that to me? I’d just find that very helpful in terms of—

Ms Allan: Do you want me to say it now?

THE CHAIR: Yes.

Ms Allan: It’s 62072384.

THE CHAIR: Is there a contact officer sort of sitting in the chair at this stage or is that just a general number?

Ms Allan: That's the front number, and she'll be able to assist whoever rings to get to the right project officer, depending on their art form.

THE CHAIR: Thank you.

MRS DUNNE: Minor new works, arts facilities, \$100,000, is a sort of fairly standard amount every year.

Ms Allan: We do get a different amount each year for the facilities. There are a number of projects at Gorman House actually that really need attention that we'll be looking at. Off the top of my head, I can't tell you exactly what they are.

Ms Lennon: There are disabled toilets.

Ms Allan: Yes, there's some disabled access; there's the entry and foyer to a couple of the major arts organisations that are tenants there; and some of the heating and cooling in some of those places is absolutely terrible, so it's about looking after things like that.

MRS DUNNE: In relation to arts facilities I'll ask my perennial question: Art Sound, when is it moving?

Ms Allan: It is moving?

Mr Wood: I agree; it's moving too slowly. They got a substantial grant, very substantial, and I think—we're anxious to see the money spent—there's a question there of their trying to get the absolutely 100 per cent perfect facility. Are they doing some fundraising or something?

Ms Allan: They have been and they've been quite successful in sponsorship. Because it's a big and a complex project, as I know you're aware that it is, we're working together with the organisation; and it's moving.

Mr Wood: They've delayed it so they can top it all up to get perfection, which is, I suppose, justifiable but I'd like to see the money spent.

THE CHAIR: Anything further on that? No. We'll move to the Cultural Facilities Corporation now. Thank you very much, ladies. Harriet Elvin and co, come on down.

Mr Wood: Why do they always leave the Cultural Facilities Corporation till last?

THE CHAIR: On page 465 and following pages, I have a couple of questions there. Firstly, on 465, you're exploring long-term improvements to facilities, including the sale of assets and options for providing the Nolan collection with greater public profile. We had a little bit of controversy a few months ago about whether it should stay at the Nolan Gallery and I think the relatives of Sir Sidney Nolan were very keen for it to do so. Some other views said parts of it should be on display in the Canberra Museum area. What's the status of that at present? How's that travelling?

Ms Elvin: Harriet Elvin, the Chief Executive Officer of the Cultural Facilities Corporation. We are just about at the stage to go out for detailed public consultation. I actually visited Lady Nolan when I was visiting family in England at Christmas, so I am able to talk about her views first hand. But we're now going out for a more extensive round of public consultation.

Having been through a range of preliminary studies—for example, we've done a full condition report on the current Nolan Gallery which, as I expected, found a range of problems with the current condition, a range of ways in which it could and should be improved—we sought legal advice on ownership issues of the collection; we've undertaken a functional review of the Nolan Gallery; we've undertaken a heritage impact statement and an analysis of visitation to the Nolan Gallery vis-a-vis the Lanyon estate.

So there have been a whole range of preliminary studies. Those have allowed the consultants doing the study to develop seven different options for what we could do in future with the Nolan collection and we will now be undertaking detailed public consultation on those options.

MS MacDONALD: Can I ask in relation to the public consultation: how will you be running that and how long will it run for?

Ms Elvin: Well, it will take the form of a combination of public meetings, stakeholder meetings and writing to all the people who've already written to the corporation or to the minister expressing views about the Nolan collection so that we can directly invite them to the meetings or, indeed, invite them to put their views on paper.

MR HARGREAVES: Will you include the Brindabella members of the Legislative Assembly in that list, please?

Ms Elvin: Of course, yes.

MS MacDONALD: Yes, if you could. I'm sure Mr Hargreaves has—I know I have definitely—had representations about the Nolan Gallery; so I'd be very interested in partaking in that.

THE CHAIR: On page 468, Cultural Facilities Corporation, "Cashflows", we have, for this year we're in, under "Operating Payments"—these are estimated outcomes: \$10.799 million; it goes up 7 per cent the following year; then it goes up 11 per cent to \$12.332 million; then it drops down to \$11.683 million; and it stays much the same at \$11.799 million the following year. I see some slightly erratic sorts of figures under "Other Revenue": \$481,000 for 2003-04; up to \$1.041 million for 2004-05; then \$1.392 million; and then back down to \$491,000 and \$490,000 in the outyears. Similarly, under "Payments", we have: \$543,000 for 2003-04; going up to \$1.104 million for the budget we're looking at; then up to \$1.457 million; and then down to \$556,000 and \$555,000 in the outyears. What is the reason for the very significant increase in 2004-05 and the year after that and then the decrease?

Ms Elvin: That relates to GST movements in relation to the library and Link project. If you go to page 469, under "Statement of Cashflows", the other revenue is identified

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there. The increase is primarily due to GST refunded and then there's a matching amount in other payments; so, yes, you're right. It's an abnormal amount that relates to a sort of one-off occurrence.

THE CHAIR: So there's nothing else apart from that then; that's fine. That explains that one then.

MS DUNDAS: Do other members want to talk more about the Nolan Gallery?

MR HARGREAVES: No, I'm anxiously waiting to see the seven deadly sins.

Ms Elvin: They're not seven deadly sins; they're seven exciting options.

MR HARGREAVES: I hope there are not six options for Civic and one for Lanyon, are there?

Ms Elvin: No, quite the reverse.

MR HARGREAVES: Good, six for Lanyon and one for Civic.

Ms Elvin: I may be able to give you more detail.

MR HARGREAVES: That would be lovely.

Ms Elvin: I think most of them relate to modifications or adaptations on the existing site. The minority would relate to partial or full relocation.

MR HARGREAVES: Can you tell us—and I'll accept it if you can't—what Lady Nolan's view was?

Ms Elvin: Lady Nolan has a strong view that her late husband would have wanted the works to remain at their current site, but I guess I should point out that, while fully respecting that view, at the same time that's not formally recognised in the legal documents—the deeds of gift and so forth.

MR HARGREAVES: Was the basis of the legal opinion that you obtained to make sure that that was so?

Ms Elvin: Yes.

THE CHAIR: How old is Lady Nolan?

Ms Elvin: I think she must be in her 80s. She's very frail.

Mr Thompson: Mr Chair, just to comment: Harriet's been good enough to give a little bit of an indication of these options. But putting aside exactly what's in the options, the unpleasant reality is that the level of visitation to the Nolan Gallery, and what should be one of Australia's great set of paintings, is very low.

MR HARGREAVES: It's very unfortunate—if something as marketable and as saleable

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as such a gallery isn't marketed such that it does attract people—and it would also be very sad to have something as nationally significant as that removed from the Tuggeranong area when it is crying out for some attention against every other place in town. So we look at it not only in the context of what is a good setting for it but also its value to what I consider to be an underserved part of town anyway.

Ms Elvin: Well, certainly those views will be fully taken into account and I'll make sure you're invited to the consultation process.

MR HARGREAVES: Thanks very much.

MS MacDONALD: Yes, we would appreciate that very much.

Ms Elvin: But I guess I would reinforce Mr Thompson's point that at the moment we have somewhere fewer than 7,000 people a year visiting the Nolan collection which is, what, 20 people a day; and our whole motivation for undertaking the study was to try to look at ways of increasing that. That may not necessarily mean moving the works. One, I think, very real option is to actually build onto the existing gallery so that we can have a visitor centre for Lanyon and we can channel all the Lanyon visitors through a combined facility, which would necessarily increase visitation. So that's a very real option.

MS MacDONALD: I would say that that would probably be the way to go. I know that what is being said about the number of visitations is very important—and it's very important to actually have the number of visitations increased because it is a very important collection of works—but there are a great number of people who would be very sorry to see it go from that area.

MR HARGREAVES: Can I ask, Ms Elvin: whose responsibility is it to market that sort of stuff? Is it the Cultural Facilities Corporation?

Ms Elvin: It is the corporation's, and we certainly make every effort and we're always trying new things. At the moment we've just launched a new schools program where the children come—and it's usually interstate schools—after hours; we do a sort of campfire and barbecue meals with them; and we do a combined program on bushrangers between the Lanyon Homestead and the Nolan Gallery. That's a way of getting greater exposure of the gallery.

I honestly don't think it's a lack of marketing efforts and different ways of trying to attract people, but it is quite a difficult combination of a startlingly modernist artist's works on a historic estate and often visitors who want to see a historic homestead may not necessarily want to visit an art gallery. But these are the things that we need to look at and see if there are some natural complementarities.

MR HARGREAVES: Have you spoken to the tourism people, Ross MacDiarmid?

Ms Elvin: Yes, that's been part of the study—to look at visitation patterns. We're actually going to do some surveys of visitors to Lanyon and say, "Why is it that you're not visiting the Nolan Gallery? Is it because it's outside your area of interest; you don't know enough about it? Are there ways that we can improve that?"

MR HARGREAVES: I didn't see the tourism ad that was shown in Sydney. I think I only saw it once in the ACT anyway, because I don't watch television. But did the gallery or Lanyon feature in those ads?

Ms Elvin: I don't know enough about them to say that.

Mr Wood: I wouldn't have thought so; it was more thematic or something rather than actual stuff.

MS DUNDAS: It wasn't meant to be focusing on places and icons; it was meant to be more of a general overview.

MRS DUNNE: "How do you feel about it?"

THE CHAIR: "How do you feel about your country" or something, yes.

Ms Elvin: One way that we're really trying to promote the Nolan Gallery at the moment is on ACTION buses. We've commissioned advertisements on the back of the buses and they're actually really effective. I don't know if you've seen those.

MS DUNDAS: The non-financial performance objective of having the number of visitors, patrons, facilities programs, et cetera managed by the corporation is actually set to decrease between what is targeted for 2003-2004 and what the target is for 2004-2005. Why is that?

Ms Elvin: I'm sorry, could you give me a page reference?

MS DUNDAS: In terms of the budget papers, page 465, the first dot point under "Highlights" has, as the achievement, a target of 325,000 visitors and patrons. The complementary page in budget paper 3 for 2003-2004 has the target of 322,000 visitors and patrons. I'm actually also looking at your statement of intent. Both of them are on the same page. Why has there been that decrease?

Ms Elvin: That's a reflection of some movements both ways; so we're projecting, for example, a slight increase in visitation to the Canberra Museum and Gallery but a slight decrease in visitors to the Canberra Theatre Centre. We anticipate that a major disruption will occur with the building of the Civic Library and Link. There will be a construction site between the two theatres. Though we would like to hope that we can maintain our current patron numbers, I think we have to be realistic and accept there's going to be some impact on our activities.

MS DUNDAS: I thought that would be the answer because the statement of intent actually breaks it down that, whilst you're targeting for a drop in Canberra Theatre, you're actually maintaining the level of visitors you're expecting to the Playhouse.

Ms Elvin: Yes, but the main impact will obviously be on the Link and foyer areas—because the Link will be demolished—and then on the big theatre. We think that most of our commercial promoters would hire the big theatre, the Canberra Theatre, and we think that they may be concerned about noise impacts, for example, and general disruption and

possible impacts on the numbers of patrons, making it less attractive commercially for them to come. So that's where we anticipate the impact will be. Obviously we'll be trying to minimise that, but I think we have to be realistic and say this is going to be a huge project in between the two theatres, with a considerable level of disruption, and it's realistic to expect some decrease in patronage.

MS DUNDAS: Why, then, has there also been a drop out of the theatres in terms of the number of exhibitions that are proposed to be put forward across all of the galleries and the house museums?

Ms Elvin: I think that's more a reflection of us wanting to consolidate the number of exhibitions. Quite often you get the feedback from our visitors that exhibitions are happening too quickly; you get to hear about an exhibition, you recommend it to somebody else, they go in and it's already all happened. So it's a balance between wanting to have a changeover so that regular visitors get to see something different each time and not wanting people to be disappointed if they come in and the exhibition's already gone.

MS DUNDAS: Is the drop in exhibitions directly responsible for the drop in number of education and public programs, because if you've got fewer exhibitions you've got fewer new programs?

Ms Elvin: That would partly be it—you're right—given that public and education programs do often relate very closely to exhibitions. I think there again the drop in education public programs is only forecast in two areas, CMAG and the Nolan Gallery. What we're trying to achieve there is getting the same or more people to a fewer number of programs. It's not the best use of our resources if we're putting on a whole heap of programs and very few people are turning up. So if you look at the visitor numbers for Canberra Museum and Gallery: we're actually projecting a slight increase, even though we're trying to wind back a bit on the number of programs.

MS DUNDAS: These figures are actually quite hard to judge because they don't have any of the outcomes next to them as most other budget objectives do. How are you going in terms of meeting the targets that were set in 2003-04?

Ms Elvin: We do provide quite detailed information on those in our quarterly reports and then in our annual report. At the back of the annual report is a statement of performance, and we provide quarterly reports, which have all that information, which go to the minister and the minister then tables them in the Assembly.

MS DUNDAS: We're looking at the budget; we're not going to see the annual report for 2003-04 for a few months yet, by which stage the budget has been passed, as we can expect. We can't actually see how appropriate the targets are that you're setting in terms of how things have gone.

Ms Elvin: I've certainly got year-to-date figures on each of those targets that I can copy to you if that's helpful to you.

MS DUNDAS: Actually that would be helpful, thank you. I'll keep chugging along. I'm very aware of the time.

THE CHAIR: You're all right; go on.

MRS DUNNE: Good; I was just about to draw your attention to the time. I've just got one little thing.

MS DUNDAS: I don't have that many more questions. Is the capital injection that's actually set out in the budget papers all for the Link project?

Ms Elvin: No, it's primarily for the Link project. We're looking at page 470, is that right?

MS DUNDAS: I was actually looking at page 466, sorry. What's on page 470?

Ms Elvin: It's probably a bit easier to see on page 470, which shows that the major amount of the capital injection for the forthcoming financial year will be \$5 million for the Library/Link project but there will also be a half million dollar amount for two minor new works projects.

MS DUNDAS: I was looking at the minor new works for historic places packages and assumed that that would be ongoing maintenance for those facilities and for all of the facilities that you manage. How is that shown in terms of the budget papers in the outyears because obviously there are no capital injections in the 2006-07 outyears?

Ms Elvin: Those amounts we bid for on a year-by-year basis.

MS DUNDAS: So ongoing maintenance costs you're bidding for on a year-to-year basis?

Ms Elvin: Ongoing maintenance costs would be factored into our own budgets and in fact—

MS DUNDAS: So there aren't any works ongoing?

Ms Elvin: No, we have to bid for those in each capital works program. We've usually been successful in getting minor new works funding. We also do a certain amount of our own internally funded works, and those appear on page 468, "Statement of Cashflows". If you look at the figures under 2004-05, "Investing Payments", you'll see a figure of \$5,625,000. Have you got that figure?

MS DUNDAS: Yes, sure; I've found it.

Ms Elvin: That is the figure we were just talking about—the \$5,500,000 plus an ongoing amount of \$125,000 that we budget as internally funded works. That may be the sort of regular amount that you're looking for. If you track that through into the outyears you'll see estimates of \$128,000; so there is that amount that's built in from our own resources. Over and above that we would bid into the capital works program.

MS DUNDAS: And in terms of the theatre subscription package: how is that actually progressing?

Ms Elvin: That's going exceptionally well this year. I think we've already sold, this year, more than the total number of packages for the whole of last year. Obviously the ability to buy these packages rolls on quite late in the year because you can have quite a limited number of shows in each package. So that's proving to be very good and it's looking good for next year. There's quite a lot of really high-quality product available. It's the 40th anniversary of the Canberra Theatre Centre, so we're hoping it will be a really good anniversary year with a good subscription package to support that.

MS DUNDAS: Do you take away a profit from the sale of those subscriptions?

Ms Elvin: Well, there are two sorts of business we do at the Canberra Theatre Centre. One is our own venture programming business where we entrepreneur the shows and take the commercial risks on them; and in some cases we would make a profit on those. More often we would put a, as we call it, cultural investment into those shows, because, really, if those shows were capable of delivering a certain profit a commercial promoter would be out there doing them anyway.

There's the other sort of business we do, which is venue hire business, where a commercial promoter or indeed a major company such as the Australian Ballet or Bell Shakespeare comes to us as a hirer. They hire our facilities; often they use our marketing resources; and we provide the technical support, the front-of-house support and so forth.

MS DUNDAS: So I guess the return you would get from the subscription season is ensuring that there are actual bums on seats for those shows so that you get the dividend from the hirer and—

Ms Elvin: It's really a case of ensuring through that program that Canberrans and people from the region can see the full range of performing arts presentations, because if we didn't have our own subscription program we'd be limited to the hirers. They will only come if there's a sure dollar in it. I think the people of the ACT will be deprived of the opportunity particularly to see the more cutting edge performances, the riskier ones artistically. Those simply wouldn't come here unless we were investing in them.

THE CHAIR: Mrs Dunne, you have a question.

MRS DUNNE: Actually, it's not so much a question but a note of congratulations to the Canberra Theatre Centre on its introduction of what I think is called—my index memory has gone—auditory description. I've had positive reports from people who provide the service. I just wanted to congratulate you.

Ms Elvin: Thank you very much, we'll pass that on.

THE CHAIR: Lady and gentlemen, thank you very much.

The committee adjourned at 5.50 pm.