



LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON ESTIMATES

(Reference: Appropriation Bill 2005-2006)

Members:

MS K MACDONALD (The Chair)
DR D FOSKEY (The Deputy Chair)
MR R MULCAHY
MS M PORTER
MR Z SESELJA

TRANSCRIPT OF EVIDENCE

CANBERRA

FRIDAY, 20 MAY 2005

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 9.32 am.

Appearances:

Mr John Hargreaves, Minister for Disability, Housing and Community Services, Minister for Urban Services and Minister for Police and Emergency Services

Department of Disability, Housing and Community Services

Ms Sandra Lambert, Chief Executive

Dr Colin Adrian, Deputy Chief Executive

Mr Ian Hubbard, Director, Finance and Budget

Ms Bronwen Overton-Clarke, Executive Director, Policy and Organisational Services

Ms Lois Ford, Executive Director, Disability ACT

Ms Roslyn Hayes, Director, Disability ACT

Mr Martin Hehir, Executive Director, Housing and Community Services

Ms Maureen Sheehan, Director, Housing ACT

Mr David Collett, Director, Strategic Assessment Management

Mr Nic Manikis, Director, Multicultural Affairs and Community Engagement

Ms Rosalie Hardy, Senior Manager, Therapy ACT

THE CHAIR: Good morning, minister, officials and committee members. You should understand that these hearings are legal proceedings of the Legislative Assembly protected by parliamentary privilege. That gives you certain protections but also certain responsibilities. It means that you are protected from certain legal action such as being sued for defamation for what you say at this public hearing. It also means that you have a responsibility to tell the committee the truth. Giving false or misleading evidence will be treated by the Assembly as a serious matter. Everybody understands that? Excellent.

Mr Hargreaves: Nodding of the heads denotes assent, Madam Chair.

THE CHAIR: Would each witness, on coming to the table, state their name and the capacity in which they appear. Would witnesses also bring their name plaques with them to the table. They are on the table over there. There are not too many name plaques today, so we might be running around making some up. We will see how we go. Please clearly identify when you are taking a question on notice. It is then your responsibility to check the transcript and respond to the question. Responses to questions taken on notice are required within five full working days. The transcript will be emailed to the minister and the departmental contact officer for distribution to witnesses as soon as it is available.

I have to get through the spiel, Mr Mulcahy, and then you can ask me a question. Would members please clearly identify if they want a question to be taken notice and give any page references. Proceedings are being broadcast to specified government offices and the media may be recording proceedings and taking visual footage. Would all witnesses and members please ensure that mobile phones are not used in this room. Morning tea will be approximately at 10.30 am and afternoon tea at 3.30 pm. The lunch break is planned to be from 12.30 pm to 2 pm.

Today we are dealing with the department of Disability, Housing and Community Services. We will be going through overview statements and capital works, where relevant. Then we will go to output classes: output class 1, Department of Disability, Housing and Community Services, which appears on budget paper No 4, pages 271 and 275 to 277; budget paper No 4 appendix, pages 63 to 64 and page 66; output class 2, early intervention; output 2.1, therapy services.

Then we will go to—I will not read the page numbers—Housing ACT: overview statements and capital works, where appropriate, and output class 1, social housing services, which is on budget paper No 4 from page 318, as is listed on the updated detailed timetable, which I believe many people have a copy of. I do not have the most recent one in front of me.

Mr Hargreaves: Have we seen that time frame?

THE CHAIR: Your chief of staff is nodding, minister. Are there any areas that people do not wish to hear from?

MR MULCAHY: No, Madam Chair. I want to raise a matter before we proceed.

THE CHAIR: Yes.

MR MULCAHY: I would like to move that the committee, as a conclusion to yesterday, formally requests the production of all files, memoranda and emails pertinent to the decision to extend the FBT exempt status of salary packaging purposes within areas of ACT Health, including the production of files CO42917 and CO42054 for the committee.

THE CHAIR: Yes, Mr Mulcahy. We will write to the minister. That is fine.

MR MULCAHY: Thank you.

THE CHAIR: There are no areas that you get to escape. Sorry about that. Minister, do you wish to make an opening statement?

Mr Hargreaves: Yes, Madam Chair. Thank you very much. I am absolutely delighted to be before the committee in my first estimates appearance. It was actually a big choice between ripping my fingernails out or coming down here, and I chose this one because I thought this would be less painful.

Madam Chair, I thank the committee for giving us the opportunity to appear before it and to further explore the department's 2005-06 budget and the programs and initiatives contained in it. This is the agency's fourth budget, the first since the incorporation of a number of new areas that have substantially increased its size and service functions. The new areas include the Office of Child, Youth and Family Support, child and family centres, and multicultural affairs and community engagement. The most significant opportunity this amalgam affords is the integration of service programs to meet the often multiple and complex needs of our clients. The department has again achieved additional funding to improve service delivery and address disadvantage in our community.

The 2005-06 ACT department budget signals both a consolidation of a range of policy and program efforts and a springboard for new reform initiatives. The government's commitment to the rejuvenation and reform of disability services is again supported through the addition of significant funding. An extra \$7.5 million over four years is being provided over four years, which seems a bit tautological, but there you go, to assist people with disabilities, their families and carers. This money supplements the additional \$11.1 million provided in the last budget for disability services. I just make this point. When we are looking at the budget, we need to understand that we are not dealing with zero-based budgeting; we are dealing with incremental budgeting and we have to understand that the level of funding is on top of the provisions made in 2004-05.

This brings the total budget for disability and therapy services to approximately \$63 million a year. The base in 2003-03 was just over \$40 million. Significantly, the current budget assigns \$3.3 million over four years to enable people with disabilities who have high or very high needs to live more independently. The government has listened, responded and delivered for people with disabilities, their families and their carers. Many of the people who will receive new support packages have previously been assessed by a funding panel as having high or very high needs, with the risk of their family support breaking down.

The funding panel comprises two parents or carers, two non-government service providers, one representative of ACT Health and one representative from Disability ACT. You will see by that panel composition, Madam Chair, that it is a partnership decision about the distribution of those funds. It is not dispensation from on high. The recipients include four people with acquired brain injury between the ages of 20 and 40 who have been living in aged care nursing homes. The remaining recipients require a range of community support to enable them to continue to live in their own homes or with family. We reject institutional care. Support packages range from \$7,000 to \$125,000 for ongoing accommodation or in-home support, as well as transitional support from schools for vocational or day option programs.

Overall, some 160 people now receive funding for individual support. This is a substantial increase on the 99 people receiving packages in 2002. In the space of three years we have been able to provide services for 60 people, an additional 60 people. The budget will also provide greatly enhanced community support options for young people with a disability living on the north side of Canberra.

A total of \$1.7 million over four years will enable the development of day option programs to assist young people with disabilities to develop essential life skills, skills that will provide them with enhanced future opportunities. In regimes prior to the Stanhope government, people were stuck in a cupboard. We are not going to do that. This can involve the provision of extra education, the development of vocational skills or even having a fun social life and participating in all sorts of recreational activities in their spare time.

As we know, bridging the gap between adolescence and adulthood is a transition that can be significantly harder for a young person with a disability. A new service will also be developed within Disability ACT to assist families who have children with intensive support needs, particularly those with challenging behaviours, such as autism spectrum disorders. Each year a number of family situations come to the attention of

Disability ACT and other agencies, of course, because parents and guardians are no longer able to manage the challenging behaviour of adolescents, particularly those with an intellectual disability and autism.

A total of \$1.7 million has been provided over four years to establish the service, and this is additional to the \$1.6 million over four years announced in last year's budget for increased autism assessment and support. The 2005-06 budget will also provide funding to enable the assessment and trial of specialised seating, mobility and communications equipment for children and young people with disabilities who have complex needs, including autism. Therapy ACT will manage this initiative.

The unprecedented increase in funding in last year's budget to implement the ACT homelessness strategy will continue to deliver service improvements. Just as an observation, we are about giving people homes not throwing them out of it. As at the end of April 2005, we had purchased nine properties for the homeless at a cost of almost \$3.3 million. We have committed to a further three properties at a cost of more than \$1 million. Another 12 vacated properties across Canberra with a value of \$3.8 million have been allocated for the homeless, as well as 17 properties for single men. These 17 properties are flats and townhouses primarily in multi-unit complexes and have a value of \$2.7 million.

To assist housing affordability and to meet the diverse housing requirements of Canberrans, we are providing \$1 million per annum for capacity building and community housing, indigenous housing and the Ainslie Village. This will initially enable improvements to safety and amenity for tenants at Ainslie Village, supplementing the \$500,000 appropriated in the previous two financial years. The ongoing funding will also assist the indigenous housing sector, as well as the expansion of the community-housing sector generally.

The funding of a wide range of concessions supported by the ACT government and administered by the department has been increased substantially in the 2005-06 budget. Almost \$8 million will be provided over four years to meet the increasing cost of services and the growing number of eligible Canberrans accessing concessions on, for example, energy, water and sewerage and motor vehicle registrations. Concessions, of course, greatly assist lower income families and pensioners to make ends meet. It is about their quality of life; it is not about number crunching.

The budget will also assess the initial settlement of refugees into the ACT. This involves the provision of housing and support to temporary protection visa holders through the refugee resettlement services program. We are all about trying to give these people homes, not sticking them in barbed wire. This involves the provision of housing and support, as I said, to these people.

Significant capital works projects will also come on stream in 2005-06. These will include: the new Griffin Centre; Palmerston community hall, the multicultural centre; the Civic youth centre; community housing projects; housing joint ventures and the Gungahlin boarding house. This year the total capital works budget for the department totals more than \$13 million. I will say that again—more than \$13 million. The new initiatives include the provision of \$1.66 million to develop specialised accommodation for people with dual disabilities who require a period of intensive treatment and support

and \$1.5 million to fund the development of a single therapy service with hubs in both the north and the south of Canberra. Money is also being provided to assess the feasibility of establishing a centrally located drop-in and support centre for people who are homeless, at risk of homelessness or experiencing social isolation. Additionally, some \$52 million will be spent on capital improvement of public housing and \$600,000 will be provided to ensure the capital upgrade of valuable community facilities across Canberra.

Canberra's community services have also received a positive message from this year's budget. From 2006-07 new models of community services indexation will be introduced, which comprise an 80 per cent wage cost index and 20 per cent consumer price index. Community services will also benefit from funding provided under the community sector funding policy. This will enable the managers of these services to receive professional development training aimed at improving the effectiveness of services and thereby ensuring their viability. Some 150 community organisations will be assisted.

Before concluding, I would like to reflect on the crucial relationship the department has with its community partners. We could not deliver the level and quality of services to our many thousands of clients without the commitment and support of our partner organisations across the human service sector. These relationships will continue to be nourished in the coming 12 months as we move together to increase the level and quality of our services and implement the government social policy agenda as articulated in the Canberra plan and the Canberra social plan. While our service delivery responsibilities are substantial, our policy agenda diverse and our risks significant, our focus will, as always, remain on the front line of service delivery and in seeking outcomes that are centred on the real and express needs our clients.

I would like the record to note that officers of my department and I regularly have face-to-face meetings with people out there in the sector. We do not just rely on paper trails. We actually see these people and listen to them and understand their pain and try to develop policies to address them. Madam Chair, I would be absolutely ecstatic to receive any questions the committee might like to throw at me.

THE CHAIR: Thank you, minister, for your opening statement.

Mr Hargreaves: It was indeed my pleasure.

THE CHAIR: Minister, in budget paper 4, page 220, there is mention of \$1.5 million being allocated for the establishment of a single therapy service. Could you or your officials please explain what the main role of this service will be and when it is expected to be completed?

Mr Hargreaves: Page 220 you say, Madam Chair?

THE CHAIR: Yes. It is page 220 of budget paper No 3, actually. My apologies.

Mr Hargreaves: Yes, we can, Madam Chair. I will ask Rosalie Hardy to join us at the table, with your permission, to give you some detail on this. But essentially, by way of introduction, the therapy service in fact has been providing a particularly valuable service, as you would know, to particularly vulnerable members of our community. As

you know, the thrust of the service is about trying to attack the difficulties families experience with autism. We talk about early intervention programs with kids in schools. We talk about the work that they do with children with speech difficulties, which actually impedes their learning and their development.

What happens is that Therapy ACT is actually an evolving organisation responsive to the way in which the community moves. What we have done is move to come up with an organisational model, which we hope will provide a regional attack and a regional approach. But I will get Ms Hardy to give you some details. It would be helpful if we could have some specific questions, perhaps. Dr Adrian will kick it off because he is better at it than the rest of us.

Dr Adrian: As members would be aware, the therapy service has moved to an integrated therapy service over the past two years. We are looking at providing essentially therapy services to individuals of all ages. Prior to that there was a separation of therapy services between services to younger clients and to older clients in two parts of the organisation.

As part of moving to an integrated approach, the base of operations has traditionally been out of the Holder centre, and the intention is to continue operating from Holder on the south side. That building has had a number of occupational health and safety issues and one would have to say in years past it certainly has not been an adequate headquarters for Therapy ACT, both from a staff perspective and from a client perspective.

Over the past year we have been spending quite a bit of money, something in the order of \$750,000, in making significant improvements there. We are also, as is indicated in the budget papers, looking at establishing a similar hub on the north side. That hub will be located very close to the operations that we have with disability services and housing services close to Belconnen Mall. So we will have some synergies of therapy staff, disability and housing staff being located very close together. That service will enable almost the full array of services that are operated on the south side to be operated on the north side.

In addition to those two hubs, we will be operating out of spokes, where therapy is already establishing relationships with the new child and family centres. The first one is being established at Gungahlin. We will actually have therapy staff based at those centres and we will have a similar arrangement at Gungahlin. We will essentially have the two hubs, north and south, as well as operating the spokes out of the child and family centres.

THE CHAIR: Thank you, Mr Adrian. You just said Gungahlin twice. I assume you meant Tuggeranong?

Dr Adrian: Tuggeranong the second time. My apologies. Perhaps Rosalie Hardy could go through the specifics of some of the therapeutic services to be operated.

Ms Hardy: The one part I would like to add is that we have done considerable consultation about the movement to the north and south side hubs, both with the community and with staff, and we have a plan for the transition into those two areas. We have had building plans. We have done the consultation with staff and with some of our clients in relation to the set-up in those areas. So we are looking forward to this and we

are hoping we can commence very soon.

As part of this we will move into our age-based teams. We have the models up for comment and they will be on our intranet. They have been delayed due to a few minor IT problems, but they are there. They have gone out to consultation with our consultative committee and we are in the process of looking at staff allocation and client allocation to the area. So we feel we are well on the way to moving to a single therapy service with the age-based teams.

THE CHAIR: Thank you, Ms Hardy and Dr Adrian. I might invite Dr Foskey to ask a question or two.

DR FOSKEY: I note that overall the department has committed to making savings of close to \$2 million in 2005-06 and a further \$1.07 million in the following three years. That is from budget paper No 3, page 206. Can you please give me a breakdown of where these savings will be made, which program areas will be making savings and how these savings will be achieved?

Mr Hargreaves: I will address it first, Madam Chair. I would expect—I would hope, in fact—that the same question is asked of all agencies as they come along and that you will get predominantly the same answer. We cannot ask the people of the ACT to tighten up without doing it ourselves. We also have an obligation in terms of service delivery to make sure that all of the resources that we have available to us in these tight times actually apply to service delivery and do not necessarily apply to duplicated administrative and management services in some agencies, and no doubt we will have this discussion at another time.

We can find that some services that are being delivered have contract management, for example, between elements of the same department. That does not apply to the same degree within this department as it does in others. That is one of the areas that we can find where we can actually apply funding. So savings, in fact, that you see here must be considered in the context of other things that we do where expenditure applies.

We also have to understand that this department is only three years old. Because it is three years old, we need to ensure that the management processes and the way in which this department delivers its services to the vulnerable members of our community have been constantly reviewed by the CEO along the way and are now of such maturity that the government, through the CEO, can have a look and say, “How are we going to deliver these services more sharply and better?” We have to ensure that the savings that you see there are reflected in those kinds of responsible management decisions. I will get CEO Sandra Lambert to give you some detail about that.

Ms Lambert: We are looking at making these administrative efficiencies in a number of ways. There are several principles that are guiding me, and I have articulated these quite clearly to the community sector when I have met with them.

One is that front line service delivery in the department will not be in any way affected. If I can use an example of that, the individual support services, which are our direct delivery of services in group homes and other accommodation settings, will not be changed at all. The staffing numbers, et cetera, will stay the same, as will their admin

budgets. As well, the essential supports to those front line services will not be changed either.

An example of that would be that obviously the people in group homes and the staff who work there, as we have commented in this forum before, require continuous training, and that will continue. Similarly, we will not be in any way looking at our grants, which are direct to non-government sector organisations. So the grants to the organisations that we fund, the peak bodies and so on, will remain the same. We have made that commitment, too, to the community organisations.

We have looked at the department. The minister made the point that we are three years old. From my perspective, three years is appropriate to actually have another look, particularly at what I call the back end functions of the department, those that are there in the end as overheads to support service delivery. We are primarily a service delivery department doing some very difficult things in human service areas and managing quite significant risks as we move forward.

So we have looked across the agency. The renewing community infrastructure program has had \$1 million removed from it next year on the basis that we received additional money from government for renewing community facilities infrastructure. We received \$0.9 million as part of the Office of Child, Youth and Family Support, which is not part of the hearings today. Other community facilities run by the department were increased to \$600,000 and we also have an additional—you will recall this—\$300,000 for additional repairs and maintenance. All of those carried through, so we will still be expending something in the order of \$2.3 million on community facilities next year. A lot of money has already been spent on those facilities and I think it is time for us to take a good breath and be quite strategic, given the breadth of facilities we now have under our purview and given the changes from the administrative orders.

The other savings will be essentially through staff and administration reductions, often by attrition, and also by having a good look at our back end administration to see where we may be able to refine and realign. That particularly happens when you have got a number of areas coming together from across government. As members are well aware, our department did grow significantly as part of the administrative orders last year and we will be looking to remove duplication. That does often happen when you bring areas together. So we will be doing that as we move forward.

MR SESELJA: How many jobs do you expect to go, how many redundancies and how many by natural attrition?

Ms Lambert: I do not have an expectation at the moment of a firm number because, as I said, we will have to have a good look at things as they occur. But if you translate those numbers into—it is approximately 14 staff.

MR SESELJA: Overall?

Ms Lambert: Overall.

MR SESELJA: So some redundancies?

Ms Lambert: If you translate those numbers for this year.

MR SESELJA: So you would be expecting around 14, some redundancies possibly and some natural attrition?

Ms Lambert: It may be that. That is an option open to all of us across government. But whether it works that way or not will be a matter for the realignment. We will also be working very closely with staff. I have asked my executive directors to talk to staff and ask their views about the best way to organise ourselves as we move forward, too.

Mr Hargreaves: We need to make the point, Madam Chair, very, very clearly, that with any evolving organisation under a Labor government, the first opportunity to reduce staffing numbers is taken through attrition. The second is through voluntary redundancies. There is no such thing as an involuntary redundancy within my administration.

THE CHAIR: Thank you, minister. Ms Lambert, following on that comment, I should say that I have been following up this same issue with all departments, although I slipped and did not follow it up with health yesterday. I will have to put that one on notice to them. But prior to any redundancies, and this is a slightly separate issue but it does involve cost savings and that is why I ask it, is there consideration being given, because this is the tendency within the ACT government service, to actually advertise virtually all positions as full-time positions, to actually look to making available permanent part-time positions? Although it will not provide the same level of cost savings that you would get from getting rid of the position in total, it would actually reduce the amount and it also fits in with making a family-friendly workplace.

Ms Lambert: I will leave Ms Overton-Clarke to give some detail of this. We do have a strong commitment, given the nature of our agency and the nature of our work, to enable people to achieve work-life management, I think is the best way to describe it. So we are receptive, where we can be, to part-time work. Some of the time that is quite difficult in our direct service delivery areas, but it is a key factor really for me in enabling people to stay, for instance, in Therapy ACT. A lot of our staff are young. They want to start families and would like to return to work part time. So when that happens, we are very keen to support them in those processes as part of keeping people involved in the workforce, if that is what they choose. But Ms Overton-Clarke will be able to answer this one in more specific detail for you.

Ms Overton-Clarke: I think it's a really good point; it is something we will be looking at further. As Ms Lambert said, we have a relatively high proportion of permanent part-time staff because of the makeup of our organisation. At the end of last year, of staff numbers of 719, we had 141 permanent part-time staff. That will have increased by the end of this year because of taking on the Office for Children, Youth and Family Support.

That brings the full-time staff numbers up to 1,000. At the end of this financial year I'd be able to give you the numbers of permanent part-time staff. As Ms Lambert said, those 141 are particularly in the area of Therapy ACT but also in Disability ACT. Our clients want to be able to access those services during school time, particularly for supporting and servicing the children in Therapy ACT. That is also the case in Disability ACT because of the shift nature of work. Part-time work lends itself to that area.

Just while we're talking about family-friendly initiatives, as you'd be aware, across government in terms of the template certified agreement, we have initiatives such as maternity leave increasing to 14 hours, greater availability of flex-time for senior officers and the ability for senior officers grades A and B to take up to five days extra leave a year. So there are a number of family-friendly workplace initiatives across ACT government that have been very much on the agenda. The even further use of permanent part-time staff is something that we'll look at in terms of being able to implement the savings regime.

MR SESELJA: You made a commitment for the last election to \$10 million each year for three years to be injected into capital works and public housing stock. I don't see it anywhere in the budget. Is it there?

Mr Hargreaves: No.

MR SESELJA: Why not?

Mr Hargreaves: The department, within housing, has a business approach to its stock for replacing, replenishing and rejigging it. For example, if we have a waiting list and we have some stock in a really old suburb and somebody leaves it, we can sell it and buy 1½ properties out of that money. There is a business-like approach to it. As part of that business-like approach we're going to be spending \$52½ million in this coming year.

We all know that this is a particularly austere year. The reason it's austere is that, if you have a look at the amounts we've expended over time for Gallop, McLeod and Vardon—add all of those together and take them off the deficit—you'll find there was a significant surplus. But, lo and behold, there isn't one; there's a significant deficit.

I considered that Housing ACT, with its rather superior business-like approach to providing accommodation to those who really need it, could exist on that \$52 million. I didn't particularly feel—and remember these are cabinet decisions, so I'm part of a collective—like asking for \$62½ million. If that meant I couldn't provide money to people with high and complex needs, for example, it wasn't going to happen.

No, it is not there; however, I can tell you that next year, as the Treasurer has indicated in the outyears, won't be anywhere near as austere as this. The year after that won't be even as austere as that one. I shall be taking a submission back to the cabinet for the 2006-07 year for an increase, for that \$10 million. You also have to understand that, in the context of the capital expenditure landscape, we spend about \$100 million.

For example, because the Gungahlin Drive extension has been delayed, we have experienced an undue call on our capital funds due to price escalation, quite apart from the idiotic idea of paying out quite a number of thousands of dollars every week while this thing is played out in the arena. You can quote that in your press releases if you like. I'm quite happy to repeat it myself.

THE CHAIR: Minister, don't antagonise me on that!

Mr Hargreaves: I'm finding it very difficult to restrain myself, Madam Chair.

THE CHAIR: You'll have to try harder!

Mr Hargreaves: I thank you for your advice. The point is that there were additional funds required to pay for the Gungahlin Drive extension and the price escalation for the prison, which is unavoidable, has eaten into the availability of capital funds. I'm quite relaxed that Housing ACT will be able to do it. It's interesting, you know. We were being bagged out about the price escalation of the prison. I remember, in fact, the Liberal Party's provision in the estimates of 1998-99.

MR MULCAHY: I'm fascinated!

THE CHAIR: Order!

Mr Hargreaves: A \$32 million off-budget provision.

THE CHAIR: Order!

Mr Hargreaves: No. Madam Chair, this is a salient point.

THE CHAIR: There's too much noise coming from the committee members and from visitors.

Mr Hargreaves: The amount of money for the prison was an off-budget provision. This government has put it on budget.

MR MULCAHY: I have a point of order, chair. The minister is disregarding you.

THE CHAIR: Yes, I get it. I'm going to deal with it, Mr Mulcahy. Minister, please stick to the department that we're dealing with. You can deal with the prison when we get to that at a later stage. I think it comes under the Attorney-General's area, so you can't deal with it now.

Mr Hargreaves: I know. It's capital works funding. Mr Seselja has asked me why we didn't put \$100 million in.

THE CHAIR: It's in no way related to this.

MR SESELJA: \$100 million? I didn't ask you about \$100 million. I will check the *Hansard*.

Mr Hargreaves: No. It'll go up over time.

THE CHAIR: Okay. Everybody just calm down. Minister, if you're going to do that, we can't hear you. I can't hear a word you're saying and I seriously doubt that *Hansard* would have picked up much of that. Please stick to the department that we're looking at today.

Mr Hargreaves: I'm not terribly bothered; I'm relaxed.

DR FOSKEY: Did you go in fighting for that \$30 million?

THE CHAIR: I don't think he'll divulge what happened in cabinet!

Mr Hargreaves: I think that is a very tricky question. I'm not going to divulge the workings of cabinet.

MR SESELJA: I have some questions that aren't so tricky.

Mr Hargreaves: I've no doubt!

MR SESELJA: I never try to do tricky questions with you. You said it was because of Gallop, Vardon and the bushfire. When you made that promise before the last election, you knew about all the expenditure, didn't you? It wasn't some sort of surprise that happened between the election and the budget. When did you know that you were going to break this promise? When was that decision made?

Mr Hargreaves: The decision to reprioritise the capital funding was made in the budget cabinet process.

MR SESELJA: You made this promise in October, just before the election.

THE CHAIR: Just a moment. Can I ask something of other members and visitors to the committee? It doesn't help to make little comments. Everybody calm down; let the person who's asking the question ask the question and let the minister and the officials respond. We'll move on a lot faster and more easily if we do that.

MR SESELJA: You knew about all these things, and the government knew about all these things. That wasn't the reason for the change. When you made the promise you must have had an idea that it was going to be a tight budget. Did you know at that point that maybe you wouldn't be able to fulfil it, or did it happen some time afterwards?

Mr Hargreaves: You'll understand this when, one day, you get into the cabinet, Mr Seselja.

MR MULCAHY: You predict that, do you?

Mr Hargreaves: I do. I don't think the same about yourself or your colleagues, but I'm sure about Mr Seselja.

THE CHAIR: Order!

Mr Hargreaves: Although I think the leadership is yours on a plate, Mr Mulcahy, if you want to go for it.

THE CHAIR: Mr Hargreaves, I've warned you about antagonising me.

Mr Hargreaves: When you do that, Mr Mulcahy, you'll be the chairman of the cabinet and you'll be able to teach Mr Seselja the cabinet process! What happens with these decisions is that there is an economic landscape about elections; there are expectations

on, for example, the extent to which land sales will apply; and there is the extent to which the federal government will not give us the extent of GST that we have been promised. There are a whole series of vagaries. You must remember that, even after the election, other priorities emerge.

Each budget cabinet will have a look at the totality of the picture and will make these decisions. In this particular decision it was decided that, for the financial year 2005-06, the \$10 million would not be provided. The issue is, of course, open for revisiting in every financial year thereafter. We also need to understand that there are many capital works items afoot, which will be concluded in the course of the year and therefore capital funds will be freed up for that competition for funding.

MR SESELJA: The plan would be, then, to reinstate the \$10 million in the next financial year. Is that what you're envisaging?

Mr Hargreaves: The cunning plan, Stan, is for me to take a submission to cabinet for the 2006-07 financial year and onwards. I can assure the committee that I will be taking it with the vigour I'm becoming notorious for.

MR SESELJA: It might be helpful, before you make promises at elections, to put all those qualifiers to the people. You might want to say, "We'll commit \$10 million as long as we get this funding and as long as our priorities don't change in the next three or four months."

Mr Hargreaves: I agree with you absolutely.

THE CHAIR: The question, Mr Seselja.

Mr Hargreaves: That's why the people spoke in October last year.

MR SESELJA: They believed your promises, and you're breaking them already. It's taken you all of five minutes.

Mr Hargreaves: Yes, they did. The promise was decent governance. In fact, they didn't get it from you; they rejected you. Good luck!

THE CHAIR: Perhaps the minister will stop baiting the opposition members, and perhaps the opposition members will please stop responding. Mr Seselja, you don't need to antagonise the minister into antagonising me further, either.

Mr Hargreaves: I'm having a great morning. Bring 'em on!

THE CHAIR: We're only 45 minutes into it, too.

Mr Hargreaves: It's going to be a long day, isn't it? I had a long day yesterday and I'm looking forward to it today.

MS PORTER: Mr Seselja mentioned capital works, which prompted me to ask this question.

Mr Hargreaves: Which page, please?

MS PORTER: In budget paper 4, page 282, it mentions money that's provided for capital upgrades. What sorts of things is this money going to be spent on? Is it different from what used to be called minor new works? Is that the same thing?

Mr Hargreaves: Capital upgrade funding is part of the changes to the capital works process instituted by Treasury in the 2005-06 budget. In the past, agencies had to bid for minor new works in the budget process every year as part of the capital works program. They had to lay it all down and bid for really small jobs one by one. The capital upgrade funding is now an annual allocation that replaces the annual bidding process for minor new works.

The change recognises that agencies such as the department have an ongoing need for funding to undertake minor capital upgrades and refurbishments of their facilities. It eliminates the need to go through a bidding process every year. The \$600,000 allocated to the department in the 2005-06 budget is slightly higher than the minor new works funding in 2004-05, which was \$560,000. The funding has steadily increased since 2002 when we had \$263,000. We got \$415,000 in 2003-04 and, as I've said, \$560,000 in 2004-05.

In the department the funds for capital upgrades will be used for building refurbishments and upgrades to meet current building and health standards, improve functional efficiency of the facilities, and for OH&S equity and access upgrades—for example, the installation of safety devices, upgraded ramps, pathways and doors, and grounds upgrades.

They can include general landscape problems such as trip hazards and drainage problems on our departmental facilities. It streamlines the process. It recognises that the community assets out there are going to require attention every year. It's taken the bidding process, which pitted one against the other on a priority basis and said, "There's an amount of money you're going to need anyway, so we will dish those sorts of funds out." That's what those are.

MS PORTER: I notice, on page 223 under highlights, a reference to the Kippax library. I was wondering if you could update us on the progress of that.

Mr Hargreaves: That's an urban services matter.

MS PORTER: I beg your pardon.

Mr Hargreaves: I would happily address it but I wouldn't want to deny the officers of urban services their entertainment.

THE CHAIR: We can come back to it.

Ms Lambert: Can I add something to the minister's answer? This is what I was referring to before. When the department was formed with very small amounts of money, we did some work on a strategic approach to community facilities. With the way the department has come together, we now need to stand back, have a good look at that and expand it to

the facilities we've picked up across the department.

As I said earlier, in addition to that \$600,000 we've got an extra \$300,000, which is also for minor new works. We've got \$900,000 from all the community facilities from the office that has recently joined us, and we also have the \$500,000, ongoing, from the renewing community infrastructure program. It's really important that we have a good look at all of those areas, expand our strategic work to include those and have a very targeted approach as we move forward to community facilities. The community is quite keen to do that as well.

DR FOSKEY: That's something that is being squeezed with redevelopment in Civic, City West and so on, which is often the area that misses out. I notice that there are two figures on page 282 of budget paper 4, the category "extra community space" in the new Griffin Centre works in progress, on the top line. I'm interested in how those funds are being used in the whole mix, seeing that the new Griffin Centre is, I believe, a private development.

Mr Hargreaves: No, it's not. I'll get Dr Adrian to explain it.

DR FOSKEY: It's a government building?

Dr Adrian: We manage the current building centre, or have responsibility for it. The new Griffin Centre, which is coming out of the ground across the road as we speak, will similarly be within our portfolio of community assets. What's shown there is that the Griffin Centre capital works were funded in two parts. There was the original allocation that the government made. Subsequent to that, a decision was made to increase the quantum of space in the Griffin Centre with an additional floor.

DR FOSKEY: Do we know how many square metres we're talking about now?

Mr Hargreaves: We can take that on notice. We're happy to give it to you, but we don't generally wander around with that level of detail.

Dr Adrian: That reflects the additional space and buildings. As I indicated, it's currently under construction and we're anticipating that there will be a handover to us from QIC, who are the people responsible for the whole of the site, later this year. We're in the midst of negotiations with tenants regarding their move from the existing centre into the new centre later this year.

DR FOSKEY: I've got budget papers 3 and 4 open. Perhaps next year the budgets can have different coloured pages.

Mr Hargreaves: We'll try and make some of them green for you!

DR FOSKEY: I refer to page 212 of budget paper 3, the capital works budget for the department of Disability Housing and Community Services.

MR MULCAHY: I am sorry to interrupt you, Dr Foskey. I think Mrs Burke has a supplementary question on the Griffin Centre before we leave that. You're on to something other than capital works, are you?

DR FOSKEY: You must be very intuitive!

MR MULCAHY: I can read, too.

MRS BURKE: I refer to the delays with the Griffin Centre. Dr Adrian has given us a slight timeframe but can you expand more on the delays? If you could go a bit deeper into the timelines and tell us where we are up to, that might help.

Mr Hargreaves: Yes certainly. I'll get Dr Adrian to give you some detailed information to address the misinformation that's been put out in the media recently.

Dr Adrian: There certainly has been some confusion about dates. It is unfortunate that the date of June 2006 is there. Certainly all the money for the Griffin Centre will be spent by that date. The anticipated handover date, though, is September—October this year. As I indicated before, it will then be a process of tenants moving from the existing centre into the new centre. September is the expected completion date, and it's on track for that date.

MRS BURKE: Are you saying the original date was wrong?

Dr Adrian: The date that's in the papers reflects that all the money will be expended by June 2006. Unfortunately, it also makes the suggestion that that's the completion date of the building. That's incorrect.

Mr Hargreaves: You've got to understand that, whenever you construct a building and officially open it, it doesn't mean that every penny against that contract has been expended. There are things that will go on beyond that; there are warranties and all sorts of things. What we're saying here is that the building will be officially commissioned and opened around September—October of this year, but that the accounting process of fixing up the bills applicable to that particular process will be completed in the context of this financial year. The main issue for the people in the multicultural community out there is that they're getting, uniquely across Australia, a centre.

DR FOSKEY: Going back to page 212 of budget paper 3, the capital works budget for the department was \$10.745 million for 2004-05 but apparently only \$4.675 million was spent, and the remainder rolled over. You've already touched on it but can you please explain, in complete detail, the nature of the work that wasn't completed which has now been rolled over?

Mr Hargreaves: I will ask Ian Hubbard to address this one. He's been busting to have a talk to you for a long time.

Mr Hubbard: Thanks, minister. The answer to that is similar to what the minister was saying. It is really about the timing of when payments need to be made. We can't commence a capital works project without knowing that we actually have the funds to fund the project. So the funds are typically allocated in the year earlier than when the funds are required and we draw those funds down, as bills are received, to pay them. We have a pretty strict policy in the department that we don't pay any invoices until the actual works have been completed or the services delivered.

In this case, as you will see, we are currently allocated \$10.7 million in capital works funding of which we expect, by the end of this financial year, \$4.6 million to be spent. Of those projects under way, we will be rolling \$6 million into the 2005-06 year. I can give you a breakdown of which amounts constitute the \$6 million, if you would like.

The Griffin Centre payments that we expect to occur after the end of this financial year total about \$1.2 million. Again that is just when the invoices come in from the provider. The multicultural centre as well, we expect about \$1.3 million to come in after the end of the financial year. The child and family centres, we expect about \$2.7 million to come in after the end of the financial year. Finally, you would appreciate that the Palmerston Community Centre is another project that is currently being developed and we expect about \$800,000 to come in during the 2005-06 year.

Mr Hargreaves: Could I just explain another little thing, Dr Foskey, about this. I appreciate that people reading either the first or early parts of these documents can sometimes get a little bit confused. When you see that total financing figure there in the left-hand column, that indicates the total amount of money that the government is providing for a particular department, for a particular series of works.

What happens is that the financing for those things is spread over a number of financial years to whichever year that expenditure will be encountered. So it may or may not be the case that the expenditure will occur in the financial year in which the total financing is provided. If it is only a small amount of work, like a million dollars or a couple of hundred thousand, it is likely to be in that particular financial year. If it is something up around \$5 million or \$6 million, that kind of thing, generally speaking, that means the project will be a fairly long one and it will go over a series of financial years.

This is what I was getting at when I talked earlier about the incremental budgeting versus zero-base budgeting approach. Zero-base budgeting gives you the cash, you expend it in that particular financial year and you come back and talk about it again the next one. Incremental budgeting means that we actually will allocate a project cost for a project, spread it over a number of financial years, and you won't hear about it again. Then we come back and top it up incrementally for another project and away you go.

What you see here is the financial accounting treatment of that particular process. So when you see in Disability, Housing and Community Services \$10,745 million, when you look at the projects, you would not expect to see all of that expenditure in the 2004-05 year. You would expect to see a significant amount of that in the 2005-06 year. The same thing will apply in the 2006-07 year when we come around to talk about this again next year.

MR MULCAHY: Minister, welcome to your first estimates, I believe, as a minister.

Mr Hargreaves: It is indeed.

MR MULCAHY: I hope it proves to be as fascinating for you as it has been for me in the last three days.

Mr Hargreaves: It has. I have been watching you on the telly.

MR MULCAHY: Good on you.

THE CHAIR: This is our fifth day, Mr Mulcahy; we have had four days already.

MR MULCAHY: Minister, I draw your attention to the appendix to budget paper 4, pages 73 and 74, the cost of property management and the cost of valuer payments to community housing providers. There appears to be an underspend over those two areas of around \$7.3 million. Could you explain why that might have occurred in the 2004-05 period? Are you with me?

In the estimated outcome, for example, on page 73, the cost of property management is \$84.3 million, in approximate terms; the estimated outcome is \$81 million. Over the page, the cost of valuer payments to community housing providers is targeted at \$10.3 million; its estimated outcome is \$7 million. Can you give us some information about that apparent underspend, minister?

Mr Hargreaves: Were you not satisfied with note No 6 at the bottom there, Mr Mulcahy?

MR MULCAHY: I would like some expansion on that information.

Mr Hargreaves: Was there something additional to that note that you would like to direct us to?

MR MULCAHY: Are you talking about the note about Havelock House?

Mr Hargreaves: We have put an explanation under note No 6 down the bottom there—the cost of property management below target and all that.

MR MULCAHY: No 6, yes. Could you just explain a little further? I am just trying to work out how the \$3 million would be addressed within that footnote.

Mr Hargreaves: Absolutely, Mr Mulcahy. I will ask Mr Martin Hehir to explain this thing. He is quite capable of doing that. So hang onto your seat and enjoy the show.

THE CHAIR: Just before Mr Hehir starts, for the benefit of people outside of this room who might be listening in and following the program, in case it hasn't become absolutely clear, we are dealing with overview statements in capital works for both the Department of Disability, Housing and Community Services and Housing ACT; they have all been lumped in together, which is probably a sensible way of dealing with it.

Mr Hehir: In relation to the difference between the target of \$84 million and \$81 million for the estimated outcome, the majority of that is \$2 million for depreciation charges that aren't being applied. There was a revaluation undertaken of the portfolio, which we undertake every single financial year. As a result of that revaluation, the useful life of a number of the multi-unit properties was extended. They actually felt they had a longer life than had previously been identified for them. Accordingly, the depreciation charges were varied. That accounts for about \$2 million of that.

A further difference is that there is about a \$400,000 reduction in the level of water charges that we had anticipated. The other stuff is generally around employees and the general admin costs. So \$2.4 million of that relates to—

MR MULCAHY: And the other part, Mr Hehir? I wonder whether the minister would like to answer that. That was over the page, on 74.

Mr Hehir: The \$10 million to the \$7 million?

MR MULCAHY: Yes.

Mr Hehir: There were a number of projects over a number of years for the expansion of community housing. I think there was \$3 million in 2002-03, \$3 million in 2003-04 and \$3 million in 2004-05. In the first year of that round, the 2002-03 year, a number of projects were identified where community housing providers, people seeking to get into that market, sought to undertake development projects from the ground up without having identified any land, without having any planning undertaken really. Many of those projects are still running. It does take quite a bit of skill and time to put together a development project such as those. They form the majority of the rollover there.

MR MULCAHY: So when you look at budget paper 2, which summarises the increased spending on housing as being an increase of \$7 million, is there a relationship between that apparent—

THE CHAIR: Sorry, what page of budget paper 2?

MR MULCAHY: I am sorry; page 18, BP2.

Mr Hargreaves: Look out, Marty, it is a trick question.

MR MULCAHY: Is there a relationship between that perceived and declared increase of \$7 million and in fact what is virtually \$7 million that you haven't spent? Is this effectively a rollover?

Mr Hehir: I think the wording, as I read it, is: compared to the 2004-05 estimated outcome, there is an increase of \$7 million; and against the estimated outcome there is an increase of \$7 million.

MR SESELJA: Is that just a bit of tricky wording?

Mr Hargreaves: What part of increase don't you understand, Mr Seselja?

MR SESELJA: Is it an increase or not?

THE CHAIR: Order!

Mr Hargreaves: He has got it twice; he has said it twice.

MR MULCAHY: Are you saying effectively that these funds are really being brought into the next fiscal year and that you are not expending due to various problems that you

have cited?

Mr Hehir: The first set of figures that I gave you, the \$84 million to \$81 million, no, I am not saying they are being brought into the next fiscal year at all. The depreciation figures will be reviewed again in the context of evaluation. At the moment we have used this financial year's valuation of the property portfolio to estimate our depreciation. If there is a change in that, that would go forward. Certainly the changes that result in the reduction this year have been built forward; so there is certainly not an issue there. In relation to—

MR MULCAHY: If I could just clarify then: half of this supposed increase is really just what you didn't manage to spend last year due to the project and development issues that you have cited.

Mr Hehir: There are some amounts, just over \$2 million, that we will be bringing forward, the community housing projects.

Ms Lambert: Which is not half, no way.

MR MULCAHY: That is semantics. I think everyone understands—

Mr Hargreaves: Semantics! The shadow Treasurer talks about semantics. We are nowhere near half. We are going to send a calculator around to your office.

MR MULCAHY: I think it is very clear, chair, that the officer has made it very clear to me that it is underspending last year being presented as additional spending this year.

THE CHAIR: Order! Mr Mulcahy!

Mr Hargreaves: The member of pedal power is back-peddalling.

THE CHAIR: Dr Foskey has a supplementary question and then we will go to morning tea.

DR FOSKEY: Now that Mr Mulcahy has brought us to page 74 of the appendix, I would like you to expand, minister, on the reason why new applicants housed is below target. That is point No 4. It is a little bit expanded in note No 6. It is interesting that there is a higher than expected vacancy rate at Havelock House and Betty Searle House. Given, as we know, the crucial shortage of housing, I would have thought that might have gone somewhere towards fulfilling—

Mr Hargreaves: Thanks very much, Dr Foskey. I think it is actually timely that we got Mr Hehir to explain the vagaries of public housing, community housing and all the rest of it. We can't actually look at each one of these in isolation because if we do we are just taking a snapshot; we really need to talk about it in terms of assisted housing where the government is actually assisting in accommodation generally. I will get Mr Hehir to expand on this for you.

Ms Lambert: Just before Mr Hehir begins: one of the things I would point out is that, with boarding houses in particular, you have to be particularly careful about the client

mix, the level of need that people present with and the importance of having a living situation which is balanced. That does impact quite a bit, given the high level of complexity of some of the clients that we are dealing with. Mr Hehir can explain more of the detail. But it is an issue for us as we move forward and one we talk a lot about with the sector. Frankly, we rely a lot on their judgment in those situations because they are the ones running the service for us as well.

Mr Hehir: In relation to the two properties identified there, Havelock House and Betty Searle House, one of the issues that lead to a higher vacancy rate is actually the level of turnover as well. Both properties have a more transitional population base than many other community housing and public housing properties. They are more intense in their living form, if you like, in that there are more people around and it is more of a boarding house, particularly Betty Searle, than a standard public housing or community housing sort of profile. So, given the complexity and the high level of turnover, it does actually lead to higher vacancy rates at any point in time. That is one of the major factors impacting on that.

I think the other thing that would be fair to say is that, particularly with Betty Searle House, some of the complex needs of clients mean that the service provider needs to be very careful about the mix that they have there and making sure that the property works in a harmonious fashion.

DR FOSKEY: Is there support for people with complex needs in these places? Is that something that the department can—

Ms Lambert: That is part of the contractual basis that we have with the sector. As I said, we keep in pretty constant touch with them about the needs that they have. As we need to, we supplement, if we do need to, with particular clients.

Mr Hehir: And in particular, Betty Searle House does have a dual arrangement where we have a housing manager role and we have a client support role, delivered by different parties. It is a facility with quite a deal of intensive support to it.

THE CHAIR: We might move on.

Mr Hargreaves: Madam Chair, before you do, we took a question on notice from Dr Foskey about lettable space. I have the answer here. Congratulations to the officer in the department who speedily found this out for us. The amount of additional lettable space in the Griffin Centre, Dr Foskey, will be 450 square metres, which is not as big as a public house.

The other thing, Madam Chair: for Mr Seselja's information—he has gone—he asked us did we know about the figures for those three inquiries before making cabinet decisions. The Vardon figures were not finalised until the second appropriation. The answer to that is: one-third, that is, 33.5 per cent, no.

THE CHAIR: It is 33.3 actually.

Mr Hargreaves: Thanks very much. He still didn't pick it. You give him a cheeky one and he didn't pick it. Great Treasurer you are going to be.

Meeting adjourned from 10.44 to 11.03 am.

THE CHAIR: Welcome back minister, members and visitors. There are some photos being taken this morning for the annual report.

Mr Hargreaves: And who examines that annual report, Madam Chair?

THE CHAIR: The public accounts committee, I believe. Are there other capital works questions?

MR MULCAHY: I will ask one on capital works. It is just a small matter to do with the Palmerston community hall.

Mr Hargreaves: Page?

MR MULCAHY: Budget paper No 4, page 282. You had \$1 million allocated in the capital works budget, I understand, in 2004-05, with an expected completion date of June 2005. There appears to be only \$195,000 likely to be expended in this fiscal year with a balance in next year. How far is this over? Is it just like the other one where it is just straddling the financial year, or has this significantly delayed the construction?

Mr Hargreaves: I will get David Collett to answer the question.

MR MULCAHY: Could you clarify when the completion date is likely to be?

Mr Hargreaves: Yes, easy one.

Mr Collett: The funds were identified for a new hall in Palmerston. The design brief was commenced with the community with an assessment of community demand. There was some feeling that the services provided at the hall could be better provided if there was a modest increase in the size of the hall and a proposal was taken back to government suggesting that that might be a good outcome.

In the context of the budget, there were not additional funds forthcoming to support that increase. So we have been doing some more work with the community about doing the hall as a first stage, with the possibility in future years—and as yet there is no commitment to that—of expanding the facility to take on board the additional functions that the community identified as being worth while to provide out of the hall. That has meant a little delay in the start of the construction of the hall. We are now intending to complete the design and start construction work early in the 2005-06 financial year and to finish the hall early in 2006-07.

MR MULCAHY: The 2006-07 fiscal year?

Mr Collett: Fiscal, yes. At the moment there is no significant increase in the cost of the hall; nor has there been a significant delay.

MR MULCAHY: So that will roll over, that remaining \$805,000, into the 2006-07 year, you expect?

Mr Collett: No. We would expect to construct the majority of the works on the hall in 2005-06. As Mr Hubbard indicated, it would be the tail end of the contract in the following financial year.

MR MULCAHY: All right. So roughly when do you expect to actually have the project completed?

Mr Collett: Early in the financial year 2006-07, August or September.

MR MULCAHY: I have a related capital works question. It may be Mr Collett's area. Under child and family centres, there is an estimated cost of \$6 million, with only \$520,000 spent pre-2005-06. What are the plans in relation to the \$5.4 million remaining to be spent in the coming year?

Mr Hargreaves: Madam Chair, unfortunately that falls within the portfolio responsibility of Ms Gallagher. So it needs to be put to that minister.

THE CHAIR: I am sure that Mr Mulcahy will and if he does not, I am sure somebody else will.

Mr Hargreaves: No doubt. She will be looking forward to it.

MRS BURKE: I have a question on capital works, new works BP4, page 282. I see that \$100,000 has been set aside for the homelessness drop-in centre. You were expecting this one?

Mr Hargreaves: I just won 20 bucks, thanks.

MRS BURKE: There is a lot of misinformation, it would seem, out in the community about what you are actually meaning to do. I raised this issue with the previous minister and it was knocked on the head because apparently it was not part of your homelessness strategy, I was told. How can you say now that you are going to look at the feasibility of a drop-in centre for homeless people?

Mr Hargreaves: I am grateful to Mrs Burke for the question, instead of us playing misinformation out there in the media. But since Mrs Burke is responsible for most of that misinformation, I will ask Ms Lambert—

MRS BURKE: I will ask you to withdraw that, minister.

Mr Hargreaves: No, I will not.

THE CHAIR: Order!

Mr Hargreaves: Madam Chair, I will ask Ms Lambert to give Mrs Burke and the committee exactly the truth about what this project is.

THE CHAIR: Minister, there is an implication there and I would ask you—

Mr Hargreaves: It was a statement, Madam Chair; it was not an implication.

THE CHAIR: Minister, it is not helpful to me or to the committee if you antagonise people asking questions of you. I would ask you to keep that in mind when you are answering the questions. I appreciate that you have a different point of view to Mrs Burke and I am quite sure that you and your officials are capable of outlining for the benefit of the committee and Mrs Burke the real story. That is why you are here, to elaborate on that. But to make the implication that there is untruthfulness going on is disorderly. I ask you to withdraw that.

Mr Hargreaves: Madam Chair, I will withdraw the comment about Mrs Burke putting out misinformation, but on your comment about it not being helpful, it is not helpful for me to have to spend 40 per cent—

MR MULCAHY: Point of order, chair.

Mr Hargreaves:—of my media adviser's time correcting facts in the media. Now, if it requires me to correct facts here, to take the opportunity in the context of a parliamentary committee to correct the facts that have been put out there in the media, I will take this opportunity to do so.

THE CHAIR: There is a point of order. What is your point of order?

MR MULCAHY: She asked the minister to withdraw the remark. You did not invite him to further inflame the debate.

THE CHAIR: That is fair comment. I get your point of order, Mr Mulcahy.

Mr Hargreaves: I am done for the minute.

THE CHAIR: You have withdrawn that. Thank you, minister. Ms Lambert?

Ms Lambert: Thank you. The feasibility study for a drop-in centre for homeless people relates to several parts of the homelessness strategy. That document, as you know, was released a couple of years ago, or last year. The action relates to client focus and client outcomes. It is theme 2, objective 2.3. It asks those of us who are delivering the strategy to design, deliver and maintain services to effectively respond to the specific needs of people to break the cycle of homelessness.

Mr Hargreaves: We can provide a copy, Madam Chair, if members have not read it yet.

Ms Lambert: There are several actions under that that are important. One of them is to evaluate SAAP-funded drop-in centres and to actually—

MRS BURKE: Why was it knocked on the head, Ms Lambert, when I suggested it then?

Mr Hargreaves: That is a good reason, to start with.

THE CHAIR: Order, minister! Mrs Burke, would you allow Ms Lambert to make her comment.

MRS BURKE: Fair comment, chair.

Ms Lambert: That is a political question and I would not be able to answer it.

Mr Hargreaves: Correct.

Ms Lambert: It was not me that knocked it on the head, necessarily. It is not a question for me to answer. We were asked to evaluate SAAP-funded drop-in centres to look at alternative models for people who are homeless or socially isolated. We were also asked to look at identifying public spaces used by homeless people and, in consultation with them, to determine what we could do to make those spaces safe and appropriate. Finally, we were asked to look at recognising the need for safe, secure shelter and public places for people who are homeless. The context of the strategy is quite relevant.

Secondly, in terms of what we do with this, and you referred to the community not being aware of or not certain about this, the homelessness advisory committee meets again on 2 June, I think it is. That committee is chaired by me and has significant representation from the community sector. It is an exercise, really, in collaborative governance for delivering the strategy. We will talk about this and how we use this money to activate these particular sections of the strategy. But I would say that, whatever we do in the strategy, we work very closely with the sector and with the people themselves who are going to be the recipients of the service.

MRS BURKE: Thanks. I have a supplementary, I do not doubt that and I thank you for that. But what I asked was: given that it is in capital works, new works, is that then an indication that there will be some sort of facility? It talks about a centre, so I presume that there is. What will that centre look like?

Mr Hargreaves: Madam Chair, through you, Mrs Burke, I think, has a misunderstanding of the nature of the drop-in centre.

MRS BURKE: That is what I am asking, minister.

Mr Hargreaves: Ms Lambert has actually indicated that there is consultation with the sector about it. It is talking about going to some geographic parts of the community where this is occurring and talking to people about what it is.

Mrs Burke talks about the issue being knocked on the head. Madam Chair, this is a drop-in centre; this is not a boarding house for homeless, which is what Mrs Burke was peddling at the time. That was rejected by the government and, I might say, rejected by the sector. What we are talking about is giving people a hand up, giving them assistance to do this by having a drop-in centre. The drop-in centre can be any number of things. What it is not is a piece of bricks and mortar and a boarding house, which has been rejected by the sector. If Mrs Burke has not spoken to the sector often enough to be told that, well, that is not my fault.

The issue about a drop-in centre is that if a person is in crisis in homelessness, they can actually go somewhere and they will find that referral. They will find that succour that they need. For example, we have a bloke living rough on this hill over here. I know in

1998 that was so. If this person finds himself able to go to this drop-in centre, this person will be told, “We can help you,” and the housing people will actually put this person up in a backpackers’ hotel, if that is what is best for that person.

The drop-in centre is to give these people who are out there living rough an opportunity to go in and say; “I need help and where can I get it?” It is not to have a boarding house. It is not going to be a little square box put on the top of City Hill by Terry Snow so that people can go and live there, no.

MRS BURKE: So it will not house or give people food or accommodation overnight, for example, let them do their washing there?

Ms Lambert: It could well do a number of those things.

MRS BURKE: Okay.

Mr Hargreaves: And it could do none of them, Mrs Burke.

Ms Lambert: It could be something, an extension to an existing service and we might be able with these dollars to enable an extension of their facilities for just that, for people to do washing or to shower or something of that nature. But really, as I said, it is in the capital works budget because we may well need to do some work with an existing facility—usually it is with an existing facility—but we have got to do the feasibility work. That is usually where it sits in budgets, and so we will do that.

I reiterate that we will be working with services that already provide some capacity to do this. I think that those of us who are working on the strategy agree we need to have a more, if you like, coherent look at where those services are and see what it is that we need to supplement or enhance those services. Ms Sheehan might have some more to add.

Ms Sheehan: Recently the community inclusion fund has funded the Uniting Church in partnership with our department, to begin a very small-scale service, which will just really be breakfasts and maybe three to four hours drop-in on three days a week, perhaps four days a week. That will happen at the Wellspring Church, which is near the CFM building in the middle of town.

As Ms Lambert was saying, that service, which will start next week, will provide an opportunity to see who uses the service, what the needs of those people are, do they need to wash their clothes, do they need to have a shower, do they need to connect with other services that would assist them to address the causes of their homelessness. That would be one thing that we would look at as we do the feasibility study generally about the needs of people.

MR MULCAHY: Supplementary question, minister. What is your best estimate of the number of homeless people in Canberra?

Mr Hargreaves: I am not even going to indulge that one, Mr Mulcahy. I know that there are people sleeping rough. You can interpret homelessness in any way you like, but you would know that we actually attack homelessness in terms of people sleeping rough,

people who have an imminent chance of homelessness or people who are living with relatives who actually have a roof over their head. They are still regarded as homeless people. We have a homelessness strategy. If you would like me to send you a copy of it, I will.

MR MULCAHY: I would like to know. You say we can interpret it in various ways, but you are the housing minister. I am just wondering: how you quantify in broad terms the number of people who in Canberra would be homeless? You are the housing minister. You must have a feel for that.

Mr Hargreaves: You are trying to get me to give you a number so that you can put out your press release, Mr Mulcahy. Keep trying.

MR MULCAHY: Are you refusing to answer the question, minister?

Mr Hargreaves: No, I am not refusing to answer your question, Mr Mulcahy. Your question is too wide for me to bother to answer it. If you want to be a bit more specific about it, we will talk about it. Would you like to know our estimate of the number of people sleeping rough? Would you like to know our estimate on the people with imminent homelessness?

MR MULCAHY: Yes, I would like to know both those figures.

Mr Hargreaves: Would you like me to give you another definition you are not aware of that we can ask?

MR MULCAHY: I would be happy to take the numbers that you would like to ascribe to those categories, minister. Do you know them? Could you share them?

Mr Hargreaves: Yes, I do know them, Mr Mulcahy, and I will tell you what I will do for you. We will get you accurate information. I will take your question on notice and I will give them to you in exact numbers. What I am not going to do is play numbers at fifty paces with you at the moment when clearly you have no concept at all of what homelessness means in this town.

MR MULCAHY: So you are going to take that on notice, minister?

Mr Hargreaves: Absolutely

MR MULCAHY: Thank you, chair.

Mr Hargreaves: If you like, Madam Chair, I can ask Maureen Sheehan to give some information to Mr Mulcahy. If it is not sufficient, we will supplement it with further information. Would you like that?

MR MULCAHY: I will be happy to receive it. That is what I am after.

Mr Hargreaves: I am very pleased you are happy.

Ms Sheehan: In doing the initial needs analysis of homelessness in the ACT in order to

develop our strategy and look at what services we needed to provide for homeless people, there was an estimation done at that time—and that was in 2002—that across the whole year, 1,000 people would experience primary homelessness, and that would be sleeping rough at some stage, which was really quite a shocking number for us. That was the reason that we were able to go forward to government and seek the additional funding that we received to provide additional homelessness services.

MR MULCAHY: To clarify that figure, Ms Sheehan, you say 1,000 instances of people through the year?

Ms Sheehan: That is right.

Mr Hargreaves: At some stage.

Ms Sheehan: Yes, at some stage.

MR MULCAHY: A typical figure? Right.

Ms Sheehan: I am sorry. It is not that there are 1,000 people every night of the year, but that across the whole year 1,000 people would have experienced sleeping rough in the ACT.

MR MULCAHY: I know these figures will change every day of the week, but typically we are talking about hundreds at any one time, would you guess?

Ms Sheehan: It is very difficult to estimate that because it depends on the time of year. For example, you might expect more people to be sleeping rough because they are able to do it without frostbite in the summer, whereas in the winter they might choose to go to a refuge, for example.

Mr Hargreaves: Mr Mulcahy, just to amplify a little bit more, too, there are times of the year we know, and you would know, where family breakdown occurs more frequently. Christmas time, for example, is a good one. What happens is that people who are sleeping rough and in fact have had an altercation in the family are not actually destitute at all. They have just run away from a situation quite appropriately, do not have anywhere to run to, sleep rough and so would be counted in our mix, as they should. But the solution to their particular issue is to reunite them with their families, not to actually provide them with accommodation.

As I said, we need to be very careful about the definitions of homelessness that we talk about. We cannot just say that, because people are sleeping rough, they are derelict people, because they are not necessarily. That is why I wanted to get a little bit more specificity about it.

MR MULCAHY: I am keen to know how you, as a minister of a department, categorise groups. I am not asking you to give me to the precise number every night of the week, but it is helpful from the point of view of this committee, looking at expenditure in government, to know in broad terms the number of people you believe are desperately in need of housing. Maybe you want to show fluctuations between winter and summer, but it is to give us an indication of whether we are talking several hundred at any one time or

thousands. Clearly, we are talking about hundreds, and that is useful information for other things that may arise.

Mr Hargreaves: But you have still missed the point, Mr Mulcahy. Because the people are out there does not mean they need housing necessarily.

MR MULCAHY: I understand there are people in different situations. I realise that.

Ms Lambert: I was just going to say that one particular category that is very hard to put a number on is young people. I have had direct experience of this in a previous employment situation where young people can be homeless for brief periods of time, but there is often quite quickly reunification with families. So it is very difficult to get a handle, if you like, on where the levers are in that particular area of homelessness policy. AHURI has done significant research into this and a recent AHURI report suggests that the best way you can deal with that is not by having lots of shelters but by actually working in with the school system, which is part of my previous life, to actually enable the intervention to occur when the first fight occurs with mum or dad or something like that. So it is quite a difficult area to really work out where the equations are.

Mr Hargreaves: I think you also need to know in the context of your query about the homelessness, and we have used the example of somebody who is actually homeless, sleeping rough. What happens, and this is where the feasibility study and drop-in centre are so vital, is that we have got quite an extensive support system going for those sorts of people.

With the Canberra emergency assistance scheme—Mrs Burke is familiar with it and has supported it very heavily and I am appreciative of that—we have the opportunity, for example, of putting people in backpacker accommodation if they really require that. You can find occasionally a man with a couple of children. We can put those people up in either motel accommodation or caravan park accommodation. As soon as these people who are actually homeless come to our attention, then we fix it. Where we have a challenge is looking at the priority for people who are in the imminent stage. We need to make judgements of course, as we all do, about whether or not they are emergency, critical or what. If they are critical, we help them. It is as simple as that. We have those services.

I will give you another example. We are in partnership with the YWCA. We have six homes, I think, down in the Tuggeranong area. When people are thrown on the street by the private sector—and it happens—what has happened hitherto is that the family is split. The mother and children would go to a refuge, for example, and the man would go somewhere else. These homes are in fact to keep that family unit together to give them the strength and support to springboard into something better.

So there is a range of initiatives, a range of services, should I say. All we need to do is to identify the people who are in that way. The way in which we propose to further that is to go down the way of drop-in centre feasibility. We need to know those things and we can send out people and say, “Pick them up. Put them in the backpackers.” From my experience in public housing, over 40 years in this town, right now we are about as good a responsive service to the urgency of homelessness as I have ever seen.

THE CHAIR: I understand Mr Seselja has a capital works question. I think that is probably the last capital works question that we will end up having.

MR SESELJA: At page 323 of budget paper 4 there is an allocation of \$1 million for energy and water efficiency initiatives. Before the election, \$4 million was promised for that initiative, was it not?

Mr Hargreaves: I will get Mr Hehir to give you more details about it. Again, Mr Seselja, we needed, as a cabinet, to look at all of the budget bids, the budget promises, all those sorts of things in the context of whether or not we were capable of doing it in the time frame that people understand us to be doing it. Where we have promises, they will be delivered over that time.

MR SESELJA: This one has not been delivered, has it?

Mr Hargreaves: Mr Seselja, as with your particular service within the Assembly, this being your first year, this is indeed the same. It is the first year of it. It is very difficult to deliver something before it actually starts, I have to tell you. Even we cannot do that.

MR SESELJA: You are planning on delivering \$1 million, not \$4 million.

Mr Hargreaves: What we are doing here, as you can see, is \$1 million more than your mob ever put into this sort of area. We accept that, if we could do everything that we wanted to do—

MR SESELJA: Everything that you have promised.

THE CHAIR: Enough. One person asks a question; the minister or the officials are allowed to answer the question; then you can ask a supplementary. Don't interject in the middle.

Mr Hargreaves: The promise was to do some water and energy initiatives over a certain period of time. That was our judgment, in fact, in the context of the financial environment that we were working within. You were not here when I answered your question before about whether we knew the effect of those three reports. The answer to it was no, the Vardon report was not known until the second appropriation. So you need to understand that, with a changed economic environment, we have to look at how much money we can invest in various things.

We have still invested a million dollars into this initiative. If you are saying to me that we shouldn't be investing that \$1 million into water and energy initiatives, that maybe we should be doing something else—

MR SESELJA: That is not what I am saying. I am saying you should keep your promises.

Mr Hargreaves: I consider the promise to be kept, Mr Seselja, because if you go and have a good read of it, if you have a look at the wording of it, you will see that it is \$X over X years.

MR SESELJA: So you are saying it is in the fine print.

Mr Hargreaves: I am not saying that at all. If you want to put words in my mouth, you will get a response.

MR SESELJA: In 2006-07 there is nothing; in 2007-08 there is nothing. Over which period will this \$4 million promise then be delivered?

Mr Hargreaves: Mr Seselja, the capital works budget is not necessarily the same as the recurrent budget. You have got ins and you have got outs. We can go down that one again if you like. What we need to understand about the capital works one is that a lot of the programs can have guaranteed base funding forever, and some of them rely on the completion of other programs on foot.

MR SESELJA: Are you able to point us to where in the budget, if not here, the \$4 million is allocated?

Mr Hargreaves: I do not need to do that, Mr Seselja. I will point you to \$1 million, which is \$1 million more than you blokes ever put into it.

MR MULCAHY: On a point of order, chair: this is becoming quite comical. These are reasonable questions.

Mr Hargreaves: Reasonable by whose standards?

MR MULCAHY: I think we have shown a lot of latitude today, chair. We have not had this level of belligerence from any other minister. I think the questions are reasonable. We would just like the minister's cooperation.

MR SESELJA: Minister—

THE CHAIR: If I can just deal with the point of order first, Mr Seselja. Mr Mulcahy, I take your point of order. I also have pointed out before that I can't direct the minister or the officials as to how they answer the questions. I ask that the minister answer the questions as fulsomely as possible. As I have said many times this week, Mr Mulcahy, I can't actually direct them as to how they answer the questions. I do request the minister and the officials to answer the questions as best they possibly can.

MR MULCAHY: I understand that they can answer it as they see fit, but I don't think it is answering it to say, "This is a waste of time; I'm not interested." That is the message that certainly has been coming through time and time again.

Mr Hargreaves: I didn't say that.

MR MULCAHY: That is certainly the message that has been coming through time and time again.

THE CHAIR: How about if we move on? That might help.

MR SESELJA: We are just finalising this. The minister seemed to be equivocating, so I am not quite sure of the answer. You said that the promise was \$4 million over a number of years. Are you able to show us where that \$4 million is planned to be spent? Given that there is only \$1 million in 2005-06, when will the rest of the money be spent and where is that in the budget papers?

Mr Hargreaves: There are two facts that you seem to be playing chess with over there, Mr Seselja. One of them is: the government has promised to put the energy initiative in over the period of the term of its office. The second one is: there is \$1 million in there. Mr Hehir might like to give you some more information and he might not, but I will ask him to make a choice on that.

Mr Hehir: I am happy to detail some of the initiatives that we already have, some of the projects we have run in the past and likely areas for the expenditure, but clearly I can't answer the question you have actually asked.

MR SESELJA: So there is \$1 million, then, isn't there? There isn't any other money that has been allocated in this budget even for the outyears for this particular measure.

Mr Hehir: The capital works—

Mr Hargreaves: Hang on a second, Mr Hehir. Mr Seselja, you have got a page open in front of you. It says \$1 million in 2005-06. There is nothing in the outyears, is that right?

MR SESELJA: That is what I was pointing out to you and you told me it was very complex; so I was waiting for you to point to the other parts of the budget where it is.

THE CHAIR: Both of you stop talking. One person at a time, for the sake of Hansard and for the sake of my sanity.

Mr Hargreaves: What you see before you is an allocation of \$1 million in the first year. I have told you already that the government has undertaken over the period of its term to do this particular initiative. It is not obliged to you or anybody else to put everything in the outyears if it so chooses. It can put them in the outyears if it so chooses or not, as is its choice. There is a promise there. If you want to come back at the election next time and say, "You didn't keep your promises," fine; we will talk about it then.

MR SESELJA: In which year will it be delivered?

Mr Hargreaves: The issue, Mr Seselja, is that, and I am surprised it has taken you so long to get to this point, the capital works bid—and I went through this about the housing one—is an annual bidding process. We have got about \$100 million, give or take a bit, that we bid for every year. Some of those projects in fact require outyear indication because the projects themselves will be of that length. Some of them don't. Some of them are in fact a project of 12 months.

Some of them—let us say the water and energy initiatives—we will do something for this particular 12 months. We may do a completely different initiative in the next financial year. But it is part of the annual bidding process. Okay? Once a year I will take to cabinet a whole string of capital bids. When the cabinet considers whether to give

money out, it considers a number of priorities—the emerging priorities of the preceding 12 months or whatever and election promises that we have undertaken to keep.

MR MULCAHY: You mentioned earlier, minister, in reply to Mr Seselja that there was associated recurrent spending.

Mr Hargreaves: No, I didn't.

MR MULCAHY: I thought that was the—

Mr Hargreaves: No, I didn't. I said it is not the same as recurrent. I said that capital works is, in a sense, one-off each year. It is not necessarily the same as recurrent expenditure.

MR MULCAHY: I will check the *Hansard*. I obviously misheard you.

Mr Hargreaves: You can check it until you are blue in the face. That is what I said.

THE CHAIR: Even if it was the case, what you are clarifying now, minister, is that there is a difference between capital works funding and recurrent funding?

MR SESELJA: We are quite clear on that.

Mr Hargreaves: I am happy to give Mr Mulcahy yet another lesson in government budgeting if you so choose, Madam Chair.

MR MULCAHY: I think I understand it perfectly well, Mr Hargreaves. My question was about whether there was associated recurrent spending. Maybe you could explain to me where it is.

Mr Hargreaves: That was not your question at all. You had better check your own *Hansard*.

THE CHAIR: It has been dealt with, Mr Mulcahy and minister. Mrs Burke has another capital works question.

MRS BURKE: Housing ACT, minister, given that this isn't part of your annual bidding process, funds new works from its own source revenues—correct?

Mr Hargreaves: Yes.

MRS BURKE: Being non-appropriated—

Mr Hargreaves: No.

MRS BURKE: Wait a minute. I am talking about page—

Mr Hargreaves: Don't throw away lines of not being appropriated. It is not such.

MRS BURKE: Can I just finish and explain what I am trying to get at?

Mr Hargreaves: Then don't put in incorrect statements. I will correct you at the time.

MRS BURKE: Page 215, budget paper 3, non-appropriation funded new works program off-budget projects: can you explain why the value of off-budget projects in Housing ACT has dropped by \$26.384 million in 2005-06?

Mr Hargreaves: Yes, easy as. Mrs Burke, through you, Madam Chair: I am really pleased to have you ask that question because Mr Hehir is going to walk us through the process of how that actually works. There is a misconception out there in the community that every house that is bought is bought by the government throwing a bunch of dollars at it this particular financial year. That is just not so. It is a far more complicated process than this. So I will hand over to Mr Hehir, who will walk you through it.

Mr Hehir: Can I just get the page reference again, sorry?

MRS BURKE: Yes, certainly. Page 215, budget paper No 3. I am referring to off-budget projects, housing, \$36,194,000. Referring back to previous figures, there is a drop of some \$26.384 million from the previous year.

Mr Hehir: Sorry, and what page are those previous figures on?

MRS BURKE: From last year's budget papers, 2004-05. There is a drop this year, 2005-06, of \$26.384 million.

Mr Hehir: I will have to take that on notice, but I can certainly give—

MRS BURKE: It was \$60-odd million. It has dropped to \$36 million.

Mr Hehir: There is—

MRS BURKE: Could I just—

Mr Hargreaves: Give him a chance to answer the question, would you?

Mr Hehir: I will need to check this table, but in our capital expenditure we expect to spend about \$52 million this year as opposed to \$62 million for 2004-05. That is why I just need to check against that table and see what the components of that table are actually made up from. But the reduction is primarily from the overflow of the 2003-04 appropriation of \$33.2 million, where about \$13 million was moved from 2003-04, rolled over because we got that very late in the financial year. We spent about \$20 million of it in 2003-04. We are spending about \$10 million of it in 2004-05. That is the difference between 2004-05 and 2005-06.

MRS BURKE: That is major rollover funding, surely, Mr Hehir, isn't it? Why didn't we spend this money? I thought it was needed for urgent projects. I will take it on notice. If you can give me that, that is great.

Mr Hehir: The appropriation occurred towards the end of the financial year, as you may recall. As it is an appropriated item, there was no requirement to spend it within that

financial year. It is able to be rolled over. It was a capital payment. The funds were, largely, spent very quickly.

Mr Hargreaves: Mrs Burke shakes her head in disbelief. What she doesn't understand here is the basis of accrual accounting. The amount is appropriated for a project. When the amount is appropriated for the project, the project proceeds.

MRS BURKE: I can see what is happening, minister.

MR MULCAHY: On a point of order, chair—

Mr Hargreaves: No, you can't.

THE CHAIR: Just a moment, minister.

Mr Hargreaves: You haven't got a prayer on that.

MR MULCAHY: Chair, we seem to have an entire hearing that has been peppered with the minister—

THE CHAIR: What is your point of order, Mr Mulcahy?

MR MULCAHY: My point of order is that the minister seems to be just launching into tirades against legitimate questions from committee members when he doesn't seem to have answers.

THE CHAIR: Mr Mulcahy, there is no point of order.

MR MULCAHY: If he doesn't know the answer, say he doesn't know it.

THE CHAIR: Mr Mulcahy, there is no point of order. I would appreciate it if you would desist. Right. I believe that Mr Hehir is taking Mrs Burke's question on notice.

MRS BURKE: Thank you.

Mr Hargreaves: Because we don't trust the figures.

THE CHAIR: I think we might move on.

MRS BURKE: They are your figures.

THE CHAIR: Order, Mrs Burke! Ms Porter, you have been waiting very patiently.

MS PORTER: Are we moving off capital works now? Thank you, chair. I noticed a mention on pages 50 and 51 of budget paper 4 of the community engagement unit. I was wondering whether you could explain to the committee what demonstrable achievements the community engagement function has achieved since it was established in August 2003.

Mr Hargreaves: Thanks very much, Ms Porter. Through you, Madam Chair: one of the

things that this government is doing and has been doing since 2003 is trying to repair the disconnection between government and the community by having a community engagement function within its bureaucracy. I have to say that this community engagement unit has achieved incredible things that I have observed in the short term of being the minister.

The unit, Ms Porter, drives a relationship between the ACT government and the community sector. Examples of the way in which this engagement has built up include: we hold meetings of the joint community-government reference group every six weeks where the peak community sector organisations and the government agencies address issues of concern to the community sector and the building of the stronger community flagship of the Canberra social plan.

We also run the community council forum, which gives the six community councils an opportunity, on a bimonthly basis, to provide advice to the minister, which is me, on the issues of concern at the grassroots level in the ACT community. I have been accused by Mr Pratt's press release recently of not engaging the community. I say in respect of this one that I have already met with that forum and had some discussions with them on their issues. I was impressed by the way in which the community engagement unit and the council chairs got together and threw things around. I was less than impressed with some members' propensity to assist in other people's press releases, but that is life.

Ms Porter, the other thing that they have done is the development of the social compact and the holding of forums with government agency representatives and the community sector representatives to enhance their understanding of the principles for the two sectors to work together. There has been the development of the community engagement initiative to build a stronger, more cohesive relationship between the ACT government and the Canberra community. I will be announcing something publicly in the near future about that.

Through this engagement, it could also enhance the capacity and the viability of the communities and the ACT through the development of the community sector funding policy that was launched in February 2004 and the development of a revised service funding agreement, collaboratively with the community sector and the ACT government agencies, in May 2004. We provided training on the service funding agreement, governance training and financial management training in May or June 2004. Again it will be from May this year to August this year.

We have also done the establishment of a funding managers network to achieve better consistency and coordination of government ongoing funding of the community sector and the administering of the IT upgrade for community organisation programs, which provided refurbished PCs and broadband connection to over 40 community sector organisations—over 40 of them. Currently we are tendering for a telephone help desk for the over 150 community organisations receiving ongoing funding from the ACT government.

Then we have to consider this in the context of the connection between the government and its community. The community is a very strange animal. We have got the community organisations that represent little elements of it. There are over 150 of those. You would know only too well from your Volunteering ACT days just how extensive

their particular services and needs are. Uniquely, this government has decided to have a high-priority engagement initiative with these folks.

We also need to engage one on one with people. When we talk about people with a disability, it is one of our priorities to engage with the actual person who needs the support, the person with the disability or their carer, in addition to being able to engage with the support organisation that supports people with that specific disability. So we engage with a lot. Again, this initiative, started off in 2003, has borne fruit.

We talk about priorities for a direction the department might want to go and assistance to me, for example, when I go to budget cabinet about which has to have priority over what. As an example—Mrs Burke was there—the client-guardian forum that I went to is just one that comes off the top of my head. I see many of them. You see and talk to people individually. That was the community being engaged with government. It was the power of that particular forum that stoked me to get that \$3.3 million over four years for them. We can't do that unless there are structures and processes in place, which is what this particular initiative has actually created over these years. As you can see from what I have said, the engagement is real; it is ongoing; and it is an honest exchange.

MS PORTER: Can I, through you, chair, ask a couple of supplementary questions? I have a couple of quick supplementary questions. The first one will be very quick, I think. You mentioned the tendering to provide a help desk. Is that an IT help desk that you are referring to?

Ms Lambert: Yes.

MS PORTER: My other question is about the community sector funding policy that you mentioned, I think.

Mr Hargreaves: It was launched in February last year.

MS PORTER: You did explain quite a bit about that, but I was just wondering whether you could outline what benefits that particular policy has for the service providers.

Mr Hargreaves: I think it is quite appropriate that I ask Mr Nic Manikis to come to the table. I go around to quite a number of the organisations. I think I have done about 10 in the last week. I get feedback from multicultural groups and community groups, this sort of thing. My visiting these people pales into insignificance when you talk about what Nic Manikis actually does in his own time. I will ask him to give you an idea of the benefits of that.

Mr Manikis: Essentially, what that service funding agreement does is it gives surety over a three-year time frame for funding. That's the basis. It also allows for intellectual property. It documents that that rests with the recipient. These funding agreements are for organisations with assets of less than \$3,000. The main point about it is that it gives that three-year, multiyear funding, and that's in place. Having a surety is help for community organisations in that they don't have to come back on an annual basis for their funding, as was the case, and this particularly affects peak organisations where they have programs that go across years. They can better plan their resources and their services for their respective constituency groups if they have the knowledge that this

funding is going to be there. What happened prior to that was that it was all over the place and community organisations often found themselves unsure of how to plan their services into the outyears, because the funding certainty wasn't there. I think this is a major benefit that has occurred.

MS PORTER: Did this funding policy replace the previous purchaser-provider?

Mr Manikis: It did, yes, and you may recall that most of that was on an annual basis.

Ms Lambert: One of the good things about it has been the opportunity for joint training of the sector. That has been beneficial to both parties, I might add. We have been able to have a good exchange of information, and there has been some quite specific training provided in terms of finance, governance, risk management and so on. These are areas where, for the community organisations individually, as you would know, it has been very hard to get the resources for that. Having a shared approach to that has been beneficial. Frankly, I am looking forward very much to having the community engagement unit in the agency as part of my community services area and enabling that expertise to work on a better relationship for us, too. As you would be aware, we fund a significant number of community organisations.

Mr Hargreaves: Just on your point about the purchaser-provider model, Ms Porter, one of the things that Ms Lambert has taken on, as a bit of an obsession, I suppose, is to make sure that the dollars that we give out go to the source of the problem, that they don't go to unnecessary administration. You would know from your experience with volunteering the amount of wasted resources that were going down in the purchaser-provider model. It was high time, when the Stanhope government was elected in 2001, to throw away the purchaser-provider model, which was introduced by the former regime.

MR MULCAHY: At the top of page 51 of BP4, under supplies and services, you will see a rollover of 2004-05 funding to 2005-2006 funding in the amount of \$1.85 million. Can you inform the committee of the circumstances of that rollover?

Mr Hargreaves: I am advised that it's part of the Chief Minister's Department.

THE CHAIR: Mr Mulcahy, Ms Porter is referring to the part that's transferred.

MR MULCAHY: The community engagement.

THE CHAIR: Yes, which is transferred across.

MR MULCAHY: So this has nothing to do with housing.

THE CHAIR: No.

MR MULCAHY: All right.

THE CHAIR: Dr Foskey, do you have a general question?

DR FOSKEY: Yes. I have a few. One is a question that you have answered in part in

various places but I'd just like a consolidated answer. It goes to specific programs with unspent funds in 2004-05.

Mr Hargreaves: Do you have a reference that we can go to, Dr Foskey?

DR FOSKEY: No, because I'm talking about something that actually isn't there—

Mr Hargreaves: We will do our best but, if you like, we will talk about something that is not there either! Talk about what you would like to and we will talk about what we like and then we will all meet in the middle.

DR FOSKEY: It is the sort of thing that estimates are for: we have to delve and dig to find out which programs have unspent funds. We have been talking about capital works and now I am talking about programs.

Mr Hargreaves: I can assure you that our program for importing elephants into the ACT has been abandoned.

DR FOSKEY: Okay. I would just like to have a list of them and reasons—

Mr Hargreaves: All of those?

DR FOSKEY: Where they were underspent.

Mr Hargreaves: A list of what?

DR FOSKEY: Specific programs where all the funds were not spent in 2004-05 and the reasons they were underspent.

Mr Hargreaves: Is that the whole department?

DR FOSKEY: Yes, it's across the whole department.

THE CHAIR: It's a big area.

Mr Hargreaves: That will be an enormous amount of work, Dr Foskey.

DR FOSKEY: Would it?

Mr Hargreaves: And I could not do it in the time that you give us to do it.

THE CHAIR: Might I suggest, minister, that you take that question on notice.

Mr Hargreaves: I am talking about on notice, Madam Chair. We will have a go at it.

DR FOSKEY: I'm sorry I asked such a difficult question.

Mr Hargreaves: It's not a difficult question, Dr Foskey. It's that the financial year is not over yet. Do you see what I mean?

DR FOSKEY: Yes, okay.

Mr Hargreaves: So we can't actually answer your question.

DR FOSKEY: Right. So you couldn't actually do some creative—

Mr Hargreaves: No, not until 30 June. You can't say, "Oh, well, we don't think that one will." I'm not prepared to sign off on something like that.

DR FOSKEY: All right.

Dr Adrian: The normal process with that sort of information would be for that to be looked at in the annual report hearings, where we would have the full financial year outcome and report against that year both in terms of quantitative and qualitative outcomes.

DR FOSKEY: This is just a point of clarification because I am not sure which section of the department is looking after child and family centres.

THE CHAIR: Minister Gallagher looks after child and family centres.

DR FOSKEY: Okay. And where is housing policy beyond ACT Housing?

Mr Hargreaves: For example?

DR FOSKEY: Where we talk about specific housing needs for particular groups of people.

Mr Hargreaves: It's within the general department. We will get Dr Adrian to show you how it fits into the jigsaw, if you like.

THE CHAIR: Just before we go to Dr Adrian, I might clarify with you, Dr Foskey, as to whether you have a specific question on housing policy.

DR FOSKEY: No, it's just a clarification question. I'm saving all my housing questions until we get to that output.

Dr Adrian: Let me clarify the way in which policy works within the department. In the central part of the department, we have a strategic policy area that looks at all the policy functions that we are responsible for across the department—disability, SAAP services, housing, the new Office for Children, Youth and Family Support, multicultural affairs, community engagement and so on. High-level strategic policy questions are addressed out of that unit in concert with the individual line areas, so that would be with housing, disability, therapy and so on. We have a process whereby there is a central policy area but it's also done with the operational line areas that deliver the services.

DR FOSKEY: I also want to ask some questions about the sustainability indicators, which are a theme of our estimates report. There are sustainability indicators and they vary in usefulness, as I have seen so far, in terms of actually measuring those things that, I guess, clients want departments to deliver. Have you had any feedback on the

indicators that you used in this budget? If so, what was that general feedback?

Mr Hargreaves: Treasury determines the format for budget papers. We don't have the ability to change the indicators unilaterally. If it's a chief ministerial or Treasurer's direction, and I've forgotten which, we have to comply with those things. Those indicators and measures are determined in consultation with the Auditor-General and we just comply with the format that we're asked to follow. However, I can advise you that the new format for annual reports and for the description of output classes in here attempts to address the triple bottom line concept, of which sustainability is one. I don't wish to dodge the question, but I would prefer it if you had something specific so that we could either address it or perhaps use it as an example.

DR FOSKEY: Okay. I just know that Treasury is very keen for feedback on the indicators that it has chosen. It would seem that this first year of using them is a good opportunity for seeing how they work.

Ms Lambert: In the meetings I've had with the community sector since the budget, we've been asked questions about the indicators we use. It was quite clear in the papers surrounding the budget that the next year would provide an opportunity for people to provide input. I meet regularly with the community sector and I will certainly be seeking feedback from them on those processes.

DR FOSKEY: That's excellent. That's really helpful. Thanks. I've finished my questions.

THE CHAIR: Mr Mulcahy, let me just clarify what we were just talking about. You were asking about when we might deal with indicators and I suggested we might deal with them in relation to the output classes. But if you have a general question on indicators—

MR MULCAHY: It would impact in the output class but it's an indicator thing that I think they'd be able to address.

Mr Hargreaves: Can I suggest that if you have a question about the type and style of an indicator, it might be helpful if we do it in that output class because we can actually address it with a certain amount of relevance. We're very happy to do that, and it might be clearer if we do that.

MS PORTER: Minister, budget paper 3, on pages 185 and 186, mentions a number of initiatives under the Department of Disability, Housing and Community Services. Page 269 talks about the objectives of the department and lists a number of things under the strategic plan, five important strategies. I am aware that, for the providers working in this particular area, it's a difficult area to work in. I am wondering what Disability ACT has done to support the development of the sector in particular in supporting the providers?

Mr Hargreaves: A very comprehensive response is required to that one, Ms Porter, and I'm pleased to accept the question. I think I'll ask the CEO, Ms Lambert, to kick it off. The short answer is: heaps.

Ms Lambert: Ms Ford can give you much more detail, but I mentioned when I was talking about the homelessness strategy the collaborative governance with the community sector, and doing that in an environment which delineates very clearly what our responsibilities are under the Public Sector Management Act, the Financial Management Act and so on, but also endeavouring to work as much as we can with the sector which, after all, in many instances is delivering the service. We've worked really hard in a variety of ways to engage the disability non-government sector as well as, as you heard the minister say earlier, individuals and people who care for them.

But in terms of the sector itself, I think we've got a range of things. I don't think we're perfect, and it would be naive of me to say that, because you've got to keep working at this. Relationships have to be kept. You have to keep working at them and refine them and work on them. But I will say that we've learned from our work in the disability sector, because that particular community sector was very alienated when this department was created. With what we have learned, we will, I think, now be able to apply it to good effect as we engage with the sector that delivers services to children and young people who are in need. As I said, we're not perfect, but we have learned a lot, and we continue to move along that spectrum, if you like, of improvement. But Ms Ford will have more detailed examples to provide you with.

Ms Ford: It is important to realise that 17 per cent of the people in the ACT are identified as having a disability and they require access to the whole community. It is important to put in the context of the whole sector. Indeed, the policy framework for disability, *Future Directions*, looks at four strategies that cut right across the entire sector right down to the very important provider-sector government and non-government sector.

In terms of supporting the capability and capacity of the whole sector to respond to people with a disability, we have placed a very high profile on the International Day of People with a Disability. In that high profile we have targeted not only the community but also businesses. We have had the biennial ACT government inclusion award. This year we are looking at working closely with businesses to get them to start thinking about how they may be more inclusive of people with a disability. Additional to that, we have our access to government strategy, which is ensuring that people with disability have access to government departments. We want to ensure that we can increase government employment for people with a disability. One other area is the taxi subsidy scheme so that people have better access to their community.

In the disability-specific sector, there have been a number of initiatives. The introduction of the community linking team, through the individual support services, better links people to their community and also to the very important supports that they need and require. Often people with a disability are unable to do that for themselves. Additional to that, within the next month we will be developing the local area coordination service. We have developed an information line so that people with a disability are able to contact and get information about what is available in the community.

Again, you may ask what this has to do with building capacity. Unless we build the capacity of individuals with a disability to access the community and put that pressure on the community to respond, we are not doing a lot around capacity building. You would also be aware that considerable funding has gone into funding and meeting the demand

in the community through individual support packages. At this point, a total of \$6.8 million goes into ISP funding. Of that, 78 per cent of the individual support packages are expended in the non-government organisation sector.

I now go to innovation grants. As you would be aware, we have been working closely with the community—individuals, families and services—to look at more innovative and flexible ways of developing and delivering services within the community. Alongside that is the development of the work force, the forums for the disability support workers and the establishment of certificate 4 training. We also provide sponsorship to individuals and the community to attend conferences or support their conferences so that they are better able to build capacity within their own communities. An example of that would be autism, the Foundation for the Blind and the Deafness Resource Centre.

We also maintain a large number of stakeholder groups. More than 60 members in our stakeholder groups feed into the policy development. The output of that is the development of the capacity within the sector. Additional to that—more targeted to individuals—are the quality of life grants. This year \$100,000 will go directly to supporting individuals either with small equipment grants or maintenance of their current supports. There is also the carers policy, which assists carers. Approximately 80 per cent of the ACT disability community is cared for by family or friends.

How do we support our providers to develop their capacity and continue to deliver? We are currently developing a funding plan that identifies future demand drivers. We look at future demand drivers, particularly around the needs of individuals with a disability. We are also undertaking work on the current and future cost drivers, particularly in relation to provider infrastructure. We are putting significant energy into looking at how our non-government and government providers deliver their services and how we can support them to do that so that quality and output are maintained. There has been an increased focus on service delivery growth in the non-government organisation sector. There has been expenditure of the ISPs in the NGO sector. As I said, that is at 78 per cent this year.

Overall, for all providers, including government and non-government organisations, an additional \$2.6 million has gone into recurrent and non-recurrent infrastructure. That relates to community SACS awards, indexation to community providers, quality grants and training for community providers, and our individual support services. If we look at their infrastructure, we recognise that individual support services—that is, government provided services—are the highest deliverer of services, particularly accommodation services, in the ACT. In 2004-05, almost \$1.4 million recurrent and non-recurrent went into respite infrastructure, certificate 4, indexation and an internet provider for disability—a big range of initiatives.

In the community sector, the planned expenditure is to be completed and committed by June 2005 with local area coordination and funding for older adults, respite services. Alongside that goes the work around the auditing and monitoring of all services, government and non-government, to ensure that they are able to deliver quality. That includes auditing annual reports and financial statements from those organisations.

THE CHAIR: We will have the questions of clarification from Ms Porter and then we will go to Mr Mulcahy's supplementary question.

MS PORTER: You mentioned the local area coordination service. Can you explain that to me a little bit more, please?

Ms Ford: Certainly. The local area coordination service is largely aimed at early intervention and moderate support needs for people with a disability. It is to assist individuals to better connect with their local community and generic services so that they are supported. They are not direct service providers in terms of the provision of support in the way of accommodation or perhaps community support, but they are highly focused on the community access part of support.

Ms Lambert: It is a model that has been used extensively in Western Australia with very solid evaluations. Indeed, we have a community chair as part of the implementation of this, Paul Bartholomew, who is one of the senior people. He is the chair. He has had experience of that directly in WA.

MS PORTER: Are the stakeholder groups that you mentioned made up of service providers and users of the service?

Ms Ford: Most definitely. They are made up of people with a disability who are users of the service, people who use other generic services in the community, family members, other carers additional to both government and non-government providers, and cross-government stakeholders.

MS PORTER: Do they meet regularly?

Ms Ford: Different groups meet at different times. For the working groups that we have established, of which there are seven, there would be a meeting most weeks. Most of those working groups would meet a minimum of once a month. Some of them meet twice a month. At this point, the policy areas that they are looking at are legislation, work force quality, housing and tenancy access, eligibility, funding and disability awareness. In our *Future Directions* policy document, which focuses on the non-government organisations and government providers, there is a strategy for groups made up of non-government organisation providers, virtually exclusively at this point in time.

MR MULCAHY: You have as a declared goal the objective to provide people with disabilities with “maximum control over their lives”. Given that you just referred to the provision of taxi services to people with disabilities—looking at that noble objective—why has the government reduced the assistance to these people from \$962,000 to \$760,000 in the next financial year?

Ms Ford: The government has not reduced assistance to that taxi subsidy scheme; it has been a change in the accounting policy. Approximately \$200,000 of that total \$960,000 has always been for administration of the scheme.

Ms Lambert: The scheme is a very high-volume scheme. Ms Ford can probably give you some indications of it. There is an enormous amount of processing that goes on with this. It is a paper-based voucher scheme, which brings with it, as you will appreciate, a lot of administrative work.

MR MULCAHY: So previously those admin costs were built into the figure and that has been reassigned to some other area in the department or maybe some other area within your category?

Ms Ford: No, they have always been there.

Ms Lambert: They have just been separated for transparency.

MR MULCAHY: Just so I am entirely comfortable, has that been indexed? Does the amount available for the taxi services reflect any increased demand or increased cost of taxi services?

Mr Hargreaves: Why would you do that? On the question of indexation, if it is the cost of taxi fares, surely the rise ought to be consistent with the rise in taxi fares.

MR MULCAHY: I agree. But I just asked whether there is an indexation cost or whether there has been some other amendment to reflect the increased cost of taxis. Related to that, do you have any idea of the number of people that are using this service?

Mr Hubbard: That question is in two parts. The taxi subsidy scheme is an on-demand scheme. Some changes were made to the scheme on how you got the voucher. But it is indexed in the sense that the bills are paid as they come in. Rather than giving someone the money, the department pays the bills. My understanding is that the number of people using the taxi scheme has gone up quite a lot.

Ms Ford: It is high volume. The taxi subsidy scheme was reviewed in 2003-04 to look at how we could make changes from a \$2 voucher system, which was enormously high volume, to a higher voucher system, which is 50 per cent of the taxi fare for regular users and 75 per cent of the taxi fare for people who use wheelchair-assisted taxis. Additional to that was the introduction of a lift fee. In 2003-04 each ride was \$7.50. This year that has gone up to about \$8.50 to take into account additional costs.

Under the taxi subsidy scheme, 13,000 vouchers are used or issued monthly. Every month there are 100 applications—both temporary and permanent—because people can apply for the scheme if they have a temporarily disability; that is, they are convalescing. The processing of those—there are at least 3,500 members—is done by a very small team in the department. There is also the financial auditing and the operational expenses.

People can get their application form online. But they have to send that into the taxi subsidy scheme for processing. The taxi subsidy scheme office itself has to process the information that goes with that, which is from their general practitioner or whatever, to validate the application.

Ms Lambert: When this scheme was being reviewed, my advice was that this had been a significant area of fraud and that we needed to have good processes around it.

MR MULCAHY: My issue about costing has been addressed: it is clear that you are doing it on a percentage basis. Where do the administrative fees now sit within the accounts? You said that it was about \$200,000?

Mr Hubbard: Instead of going into the CSO area, into the concessions area, it is now put straight against admin; it is part of the big admin number.

Mr Hargreaves: It gives you an opportunity to see how much is being paid out to the client-user. When I ran rehab and aged care, I can recall having a similar service for people who could not access the rehabilitation buses. People would be coming into the rehab unit from as far away as Melba. We had a fairly small amount of money to administer. It is very labour intensive. I had one full-time officer at the ASO3 level to administer just under \$100,000 worth of stuff. It is not only very labour intensive but also very client-contact intensive: there is a lot of personal contact with these people and there is no way you can avoid it.

Even if you had a systemic relationship with the cab company, it still would not stop the elements of fraud. In 1985 I found out that, of the \$100,000 or so that was being spent on taxi fares at the rehab unit, \$35,000 was used incorrectly. Instead of going from the rehab unit to home, people were going from the rehab unit to Dickson to do shopping, leaving the taxi to sit for 25 minutes, and then going home. Of course, you can imagine that the bill just went right up. We need to make sure that those processes are squeaky clean. That is why it is so labour intensive. We recognise it is a problem but I do not see any other way out of it.

MRS BURKE: On page 282 of budget paper 4 there is a reference to the single therapy service accommodation. It is a three-part question. What is the purpose of building this facility?

Mr Hargreaves: We answered that question earlier this morning.

MRS BURKE: I beg your pardon. That is why I was a bit hesitant. Thank you. Have you also answered the question about the intensive care and treatment facility? Budget paper 4 at page 282 talks about an allocation of \$1.66 million.

Mr Hargreaves: Yes.

MRS BURKE: Are you able at this stage to tell us where it will be located, who will benefit and how the figure of \$1.66 million was arrived at? Which area of the Department of Disability, Housing and Community Services will facilitate the operations at the facility? Where will the ongoing costs of admin for this facility be sourced from?

Ms Ford: I will answer it comprehensively. The facility side of the service is the smallest part of it in terms of significance for the group of people that we are targeting. The department identified a target group of people in the ACT who are currently spread across the justice system, mental health system and disability ACT and who require additional support and treatment to meet their needs. This group of people have dual diagnosis, intellectual with a mental illness or a mental dysfunction. They have very high and complex needs and are at risk of entering or re-entering, or are within, the justice system. They are at high risk of offending, and that high risk is sometimes related to sexual offending.

The study was based on the premise that there was a very small number of people in the

ACT that would fit that profile. Indeed, when we did the feasibility study we found that at any one time there would be approximately two people who would fit that very tight profile. Additional to that, another 26 people at any time could fit that profile. The feasibility study focused on those individuals and on national and international best practice around them—the best model of service and the range of needs that we had to be catering for.

The feasibility study came up with the fact that there was a need for a range of accommodation options that included very safe, secure accommodation, particularly if the person was under the criminal justice system or had restrictions imposed on him through the criminal justice system. We needed to provide that. Secure does not mean a lock-up facility; it means that that person has some form of surveillance on him if that is what is required. It is discreet surveillance at a distance, but the person can still engage in the community. From time to time they need to be reminded about what is appropriate and inappropriate behaviour. That person may have offended and be on bail, or he may not have offended but be at risk of offending. They may have had some incidents that would place them at risk.

Ms Lambert: Or be diagnosed as being at significant risk of offending?

Ms Ford: Yes, through their diagnosis. Through their dual disability or dysfunction, there may be concerns that they will be at risk of offending. There needs to be a range of accommodation options. For people that have this type of diagnosis and problem, early intervention is critical to prevent them reoffending. What typically happens is that they are in a community environment, but when they become at risk, the implementation is not quick enough to prevent them blowing their chances in their home. They may need to be moved out of the place that they are living in, the family may no longer be able to support them, or the services themselves need to shift them out of that particular service and into another service. That is very unhelpful for the continuum of care.

The intensive care and treatment facility mentioned under capital works will be a more purpose-built arrangement for people. At this point we are looking at a site in Mugga Lane that is currently being utilised for people who have very high and very complex needs. But the design of the house that they are living in is not the best design for managing their range of needs. The building itself will be purpose-built. There will be opportunities for more independent living. There will also be opportunities for us to provide a more intensive secure environment, either through quite intensive 24-hour staffing and surveillance or through being able to remove them from the group. We are talking about a group of people together with quite high and complex needs.

MRS BURKE: Pardon me for interrupting: were you saying that you were thinking of redeveloping the Mugga Lane site?

Mr Hargreaves: It is an existing site, but it is inappropriate at the moment.

Ms Ford: It is an existing site. The other thing that came out of that study was the need to enhance the work force to provide a greater level of clinical oversight and a greater level of day-to-day support for this group of people. That funding was in the 2003-04 budget and was due for appropriation in January 2006. We will be starting to develop the service from January 2006. We do currently provide that service to some of the people in

our area but we do not have sufficient funding to provide the level of service that is required to effect long-term rehabilitation for this group of people.

MRS BURKE: So it was funding rolled over to facilitate the service?

Mr Hargreaves: No, it was to start at a certain time. But you do not start it without the premises being appropriate.

Ms Lambert: I think it is due to start in the 2005-06 financial year—January.

Ms Ford: The study identified the group of people. It identified the need for an enhanced work force and for a higher level of clinical oversight than is currently funded through Disability ACT. It identified that at least 20 per cent of that group will require full service delivery. That means they will require quite intensive accommodation, support, therapy, treatment and long-term rehabilitation. It identified 26 clients at risk and it found that we need to take a much longer-term approach to this. Obviously this is a significant issue for all jurisdictions.

MRS BURKE: I know there is a premium on time. I know that we have covered that and you have done that really well. If it is an enhanced facility, where will the ongoing costs of administration for the facility be sourced from—existing revenue?

Ms Lambert: That is the additional dollars. The reason for not starting it until 2005-06 is that we need to do this work around the construction of the model and do the consultation around it.

Ms Ford: That money was in last year's budget, I think, and it was shown as not kicking in until next financial year.

MRS BURKE: But it has not been spent until this year.

Mr Hargreaves: No, it has not been allocated. It has been appropriated to pop up in the outyear of 2006. So it is not sitting there in a bank. What you have is the enhancement to the physical premises to enable us to appropriately house these people, and then the enhancement to service provision will kick in when all of that work is completed, in 2006.

MRS BURKE: So we have not got money sitting there.

THE CHAIR: It does not get drawn down.

Mr Hargreaves: It does not need to because it has been allocated in the outyear. You are the only person here that has the 2004-05 budget. You should be telling us that.

Ms Ford: There is just one more point that I need to put. Whilst the feasibility study, the consultant's report, has been given to us, we are continuing to consult on that in relation to the service design. As yet that is unfinished.

Ms Lambert: In particular, to consult with the parents and the carers involved.

THE CHAIR: Thank you, Ms Ford, Ms Lambert, Mr Hubbard, minister, and all the other officials who have appeared. We will resume at 2 o'clock.

Meeting adjourned from 12.32 to 2.02 pm.

MR MULCAHY: We are now resuming proceedings in relation to Disability, Housing and Community Services. Possibly the secretary reminded me, but I think we are about to go to the output classes. Is that correct?

Mr Hargreaves: Yes.

MR MULCAHY: But before we go there, Ms Porter do you have any further questions at this stage?

MS PORTER: No I don't. I just wondered who was chairing the meeting at the moment.

MR MULCAHY: Well I am the third chair representative pursuant to the last decision of the committee.

MS PORTER: That's right. I just thought others would probably need to know that.

MR MULCAHY: I am sorry. For the benefit of those people, I am the third appointee in the absence of the chair and the deputy chair. We are in session. So if you have no further questions Ms Porter—

MS PORTER: Of a general nature?

MR MULCAHY: Of a general nature.

MS PORTER: No, mine are on output classes now.

MR MULCAHY: Mrs Burke, have you got anything else at this stage?

MRS BURKE: No, not at this stage.

MR SESELJA: On 1.1, yes.

MR MULCAHY: We will go to output 1.1.

Mr Hargreaves: Can I have a page reference please?

MR MULCAHY: BP4, minister, page 275 and also appendix B4, page 63, certainly covers part of it. I will go to you first, Mr Seselja. Do you have a question?

MR SESELJA: I do. Just a quick one on BP4, 275, and the appendix on page 63. It talks about accommodation support. It says that the target for 2004-05 was 300—

THE CHAIR: Excuse me, Mr Seselja. Can I just ask what happened? Was Mr Mulcahy chairing?

MR MULCAHY: Yes, I am chairing because we were past the appointed time but I am happy to hand over the chair now and continue.

THE CHAIR: I thought it was the understanding that Mr Seselja would actually take on the chair's position in the absence of the chair and the deputy chair.

MR MULCAHY: No, I think the decision was taken.

THE CHAIR: No, it was Mr Seselja.

MR MULCAHY: Was it? All right. Well, that was a misunderstanding on Mr Seselja's part and mine.

MR SESELJA: It doesn't matter now, does it?

MR MULCAHY: I am happy to hand over. Back to you now, Ms MacDonald.

THE CHAIR: Thank you.

MR SESELJA: Can I continue with the question?

THE CHAIR: We are on output classes. Mr Seselja, you have a question.

MR SESELJA: I do. I think I have taken you to where we are and I was halfway through. It is a fairly simple one. It is accommodation support. The target was 300, up to 327 and then the target again for 05-06 I believe is 327 as well. Are you able to talk us through the increase in demand and where that came from? Obviously the estimate is for 327 again, but is there a reasonable prospect that the demand will increase again during the year?

Mr Hargreaves: Madam Chair, I will ask Ros Hayes to walk you through that.

Ms Hayes: Roslyn Hayes, Director, Disability ACT. In relation to the estimated outcome of 327 this year, two different groups comprise the additional 27. One is a group of people who formerly were classified under community support and you will notice that that number is less than the target. That is because one of the service providers that we worked with, when we came to do their contract this year we asked them to be more specific about the kind of support being provided. And so when we found that it was actually accommodation support we moved that group of people to that output. Then there was an additional group of people who, from the 04-05 individual support funding round, have given us their funded support plan and have indicated that their support will be in the area of accommodation support.

MR SESELJA: So it is expected then, given those two factors that have contributed, that the 327 will stay steady? The funding is obviously for 327 clients for accommodation support, so that funding will stay steady in the next financial year at 327. There is no expectation that that will rise during the year?

Ms Hayes: There is an expectation that that will rise. As all the other people get their individual support funding finalised, those support arrangements will actually be spread

across all of those outputs and until such time as we actually have from them what it is they are going to be expending those funds on we could not put that in the targets. But we will amend those targets to reflect that at the earliest opportunity.

MR SESELJA: Okay, that is fine. So once they have put their packages together, that will rise but it will obviously decrease in other areas.

Ms Hayes: No, some of that will be from the new funds from this year. It takes people quite some time when they get an individual support package to make the arrangements with service providers about how they are going to expend that. Some of that we have got in—it is already in there. Some of it we have yet to get and that will be reflected later.

MR SESELJA: What would we expect that to go up to once those processes are finalised?

Ms Hayes: It may move by about another 10.

DR FOSKEY: This is in relation to the Gallop report, Mr Hargreaves. At page 1 of the budget speech, which is budget paper 1, the Treasurer stated that between 2002-03 and the end of this forward estimates period the government will have provided additional funding for disability services of \$75.7 million, particularly as a response to the Gallop report. I would like a detailed breakdown of that additional funding. I understand that that might need to be given to me later as a reply to a question on notice.

Mr Hargreaves: Dr Foskey, my original reaction was to take it on notice and get you a comprehensive breakdown, but I understand that Ms Hayes has it for you, so if you are okay with it we will just waltz straight into it.

Ms Hayes: This is over the four-year period. The breakdown of those funds is: \$4.5 million to support people with high and complex needs, so that is through the various individual support programs; an additional \$1.93 million to the taxi subsidy scheme; \$4.25 million for unmet need, including the establishment of the local area coordination service; \$2.3 million that went to the establishment of a single therapy service; an additional \$1.68 million for respite services; \$2.69 million for special needs support for clients with complex behaviours, which is the program that Ms Ford described just before the break; \$4.43 million in government infrastructure funding, which covers a variety of things such as the enterprise bargaining agreement changes and all those little things; \$1.9 million for services for children, families, youth and young adults; \$2.69 million for clients with complex behaviours is a separate one from the intensive treatment and support, so one was the community-based one; and \$1.63 million to expand autism assessment and support services.

DR FOSKEY: Thank you very much for having that information.

Mr Hargreaves: They are pretty good, aren't they?

Ms Hayes: There is a little bit more actually. There is a bit more over the page. An additional bit came through in the second appropriation from this year, which is \$1.08 million for respite for older carers, matching the commonwealth's funds.

DR FOSKEY: Does that figure include indexation applied to existing service levels—that is, additional funding that has been allocated to maintain existing levels of services rather than add to the quantum of service provided?

Ms Hayes: No.

DR FOSKEY: So it doesn't?

Ms Hayes: No.

DR FOSKEY: So how will that be dealt with?

Ms Hayes: These are for new initiatives. The indexation funding is separate to that.

DR FOSKEY: And how much of the funding would you suggest—this might be a bit hard—has flowed on to individuals, families and community organisations?

Ms Hayes: Well almost all of those funds are actually for direct service delivery. It is probably a bit difficult to separate it out in a new initiative because in any—

Mr Hargreaves: Dr Foskey, as a general statement, though, can I say that all of those figures are to assist people and assist organisations to assist people, not to assist the department to help that process. They are all front-end services, all front-end allocations.

Ms Lambert: Of course, Ms Hayes did cover that in our own service delivery, which is our individual support services that I talked about earlier today, and that is quite a significant component of service delivery.

DR FOSKEY: I have got a question about that but I will ask it a little bit later on.

Mr Hargreaves: You can do it now if you like.

DR FOSKEY: No, I will leave it. The next question under 1.1 is about community support and crisis intervention. How many people will benefit from the additional \$792,000 allocated to community support and crisis intervention in 2005-06 and how will this funding be allocated?

Mr Hargreaves: Before I get Ms Hayes to answer to answer this, Dr Foskey, I need to put some environment around it. You might recall conversations in the media about the provision of crisis services. When the ISP's were actually distributed there were three groups of people. There were people in a sort of a crisis sense for whom funding had to be provided and it was. There were people who were applicants who may or may not have satisfied the criteria for support under the ISP but whose circumstances may have been addressed by bringing in other support functions. And then there was a group in the middle, which I will get Ms Hayes to describe for you, for whom those additional supports could not work without substantial allocation of cash to them. And those are the people that we were successful in getting the \$792,000 at 3.3 over four years or something. So that just gives you the environment around that. We have addressed those who absolutely need it. I will hand over to Ms Hayes.

Ms Hayes: We are looking at a group of approximately 15 people whose needs have been assessed as being high or very high. We would hope that there may be a little bit of capacity there—one or two if we are clever with the money or able to do the right kind of planning with individuals; there may be slightly more capacity. But it is around that number.

Mr Hargreaves: Can I also indicate, Dr Foskey, that because this is incremental budgeting, what you do not see portrayed particularly clearly is the number of people who are actually going to be receiving this sort of support, because it is in previous budgets and it is in the outyears. What this does is bring us up to 160 people who are receiving this support.

DR FOSKEY: One hundred and sixty people?

Mr Hargreaves: Yes and the support will vary between \$7,000 a year and \$125,000 a year, depending on circumstances.

DR FOSKEY: Has Disability ACT undertaken an assessment of the unmet needs identified through the ISP funding round last year and how many eligible people actually missed out on funding?

Mr Hargreaves: This is the issue that I was just describing for you. Through the allocation in this budget, all of those people who are high and very high will receive support.

DR FOSKEY: That was 15 people?

Mr Hargreaves: The 15, though, is to be added to the rest of the people who did receive their support in the previous allowance.

DR FOSKEY: Which is 160?

Mr Hargreaves: No, it is a total of 160.

DR FOSKEY: A total of 160, right.

Mr Hargreaves: Now in respect of the other people, we recognise that it is not a case of unmet need. It is a case of whether their circumstances are such that cash is the only solution, and we do not believe necessarily it is. We need to have such things as peer support, community NGO support for them. Sometimes it is respite for carers, respite for the actual person. There is a whole range of things that does not actually have to have a particular support package determined. So we now have met all of those people who require specific ISP's.

I just want to highlight a point—and again I recognise that Mrs Burke was there at the time; I do not know if you were there at the client guardian forum meeting at Deakin. It was in fact that group of people to which we are actually providing these funds. The sorts of stories that we heard on that night indicated to us that certain people who were in high need had received support but money was not available for certain people who met the

eligibility criteria for that support. You might recall in fact that at that meeting I could not undertake to deliver that funding. The reason for that was that I was in discussion with my cabinet colleagues about these funds. My cabinet colleagues agreed with me that this was a high need and allocated these funds.

DR FOSKEY: I have got more questions on this output class but other people might want to have a go now.

MRS BURKE: I seek probably clarification more than anything. I am looking at budget paper 4, page 275, as a starter and also budget paper 4 and the appendix on page 63. Given the limited time we have I am going to try and put this all together and hopefully get some sort of an explanation.

Looking at community support and community access hours of service, community support being the number of people, community access being hours of service. And then looking at the total funding, if we can drill down to that. I guess what I am wondering is: we have the number of hours allocated to community access increased when the number of people accessing the services dropped by 40. Is there a correlation between these, and there obviously must be—

Mr Hargreaves: It is the complexity of the issues that people have to cope with in their lives and how in fact we need to bring hours of service of support to bear for those people. So it is quite probable in our society, as we grow, as the years go by, that the needs of people will expand and contract and the hours that are brought to bear are really about the number of hours you need to address the circumstances. So you will see from time to time an increased number of people and perhaps even a lessening of the number of hours provided, because the complexity is changing. This particular time, the number of people has shrunk but the complexity of those people that remain is up, so they get more service.

MRS BURKE: Thank you, minister, for that. The feedback that I get is that the complexity of the needs is quite well known but, of course, your estimated outcome is well above your target and I would have thought this is a matter of planning.

Mr Hargreaves: I will get Ros Hayes to give you the detail. But that is the general thing around it.

Ms Hayes: The community support output is measured by the number of people who are actually getting that support. Community support refers to the kinds of services people get to assist them to live independently in their own home in the community. It includes such things as meal preparation, therapy services and case management coordination services. Community access refers to programs that people attend or go out to, so it is actually going out into the community for day options, recreation, prevocational sorts of activities, that kind of thing. There may be people who are getting both community support and community access but there are many people who would just be attending a community access program who would not also be getting community support. So they are two different outputs and they can be two different lots of people.

MRS BURKE: Again, though, in the figures \$2 million or thereabout, or \$1.4 million, it is a discrepancy in the estimated outcomes in terms of the whole output there. I am just

wondering if—

Mr Hargreaves: You want to run that past us again, please.

MRS BURKE: My question was about the increased cost from \$52.938 million to \$54.573 million as a result in the increased number of hours allocated to community access. I am saying to you: isn't that bad management or bad planning? But in your answer you are saying that it is not because of the complexities—

Mr Hargreaves: And my answer to you is no on both counts. In fact, I would say quite the opposite: it is good management on the part of these people in this department because they in fact have been able to be particularly responsive to people in need, and had they not been in touch with these people the extent to which they were I would not have had the information or the support to go to cabinet and come away with 800,000 bucks.

MRS BURKE: It just seems a lot by which to be out, that's all.

Mr Hargreaves: No it isn't—

MRS BURKE: Thanks minister.

Mr Hargreaves: No it is not. I reject that entirely.

THE CHAIR: Ms Porter has a follow on to that question.

MS PORTER: It is supplementary, minister. I notice that there is reference on page 275 in budget paper 4, under accountability indicators, to a measure relating to the opportunities provided to people with disability to increase their enjoyment of social independence. I notice that the number of hours devoted to this has exceeded the target for 2004-05. Can you tell me about the opportunities that are provided for these people with disabilities?

Ms Hayes: There is a whole range of service providers who provide these hours of service, and so there is a great deal of difference between the sorts of things that are available. Some of those hours are used by individuals who have a support worker who can take them into the community to do whatever it is that they want to do, whether it is physical activity, social, recreational, prevocational. Some of the hours are used for day activity sorts of programs with groups of people. For example, the individual support services that the government runs contribute a significant number of those hours. They run 29 different programs in a week. They do flower arranging, they do ikebana stuff. People go out bowling, they go swimming, they go to do community work, they do meals on wheels, they do a newspaper run. There are dozens of different activities that people engage in. It is really very much dependent on the individual, on their disability, and what kinds of community access activity that they would like to be engaged in.

MS PORTER: And respite care is in addition to that; it is a different program?

Ms Hayes: Yes, well it is a different output.

MS PORTER: Yes, a different output.

Ms Hayes: That is right, although, of course, for many families or carers, when the person with the disability goes out into the community being supported by somebody else then, of course, that is also respite for the carer at the same time, and perhaps the best kind of respite because it is a natural way for respite to occur.

MS PORTER: Thank you very much.

Mr Hargreaves: Ms Porter you might care to note that there have been a greater number of community access hours of service, a greater number of centre-based respites, a number of bed nights—

MS PORTER: Yes, I noticed that.

Mr Hargreaves: a greater number of respite in own home cases. That seems to me to indicate that the department is being particularly responsive to these folks.

MS PORTER: It is good to see.

Mr Hargreaves: Thank you.

THE CHAIR: I have a problem in that Dr Foskey is not here. She will be back in a minute but she has got more questions on 1.1. I have some questions on 1.1 with regard to Disability ACT, but I keep looking at my budget papers and I note that my questions are incorrectly referenced so I am loath to ask the questions.

Mr Hargreaves: Don't worry. We will have the question.

THE CHAIR: It is about the intensive treatment and support feasibility study. The reference I have got here is budget paper 3, 185-186. But I keep looking and I cannot see it. I could be just being blind. I have looked at budget paper 4 as well under that page reference and I cannot find it.

MS PORTER: It is probably under the capital works.

Mr Hargreaves: It does not matter, Madam Chair. If you just want to throw the question at us I am sure we will be able to figure it out.

THE CHAIR: Just on the study—and I appreciate that the 2004-05 financial year has not ended yet; just as well because I have not my tax stuff together—I am curious to know what the outcome of that study has been and the plans for the support services.

Mr Hargreaves: Thanks very much, Madam Chair. We have actually answered the question prior to this.

THE CHAIR: Sorry, yes. I thought that might be the case as well. Well it doesn't matter now anyway because Dr Foskey is back.

DR FOSKEY: Because I am back and I have got dozens of questions.

THE CHAIR: We managed to fill that time quite admirably, talking about all manner of things.

DR FOSKEY: Okay, let me move on to the area of accommodation. Given that there are savings provisions in this budget, can you tell me the current number of people who are receiving support through the individual support service and whether this is likely to increase or decrease in this coming financial year?

Mr Hargreaves: Within the context of that, even though there are departmental savings, those departmental savings will not touch these people. Those savings will be achieved through other measures of more streamlined management. I'm happy to have Ms Hayes give you those details but only on the understanding that there is no correlation at all between the targeted savings of the department and frontline service delivery, which is what we're talking about in this output.

DR FOSKEY: Any indication of whether the number of people will increase, then?

Mr Hargreaves: As a result of the departmental savings, there is no correlation between service delivery and management streamlining.

DR FOSKEY: Okay. I just thought it might be an independent sort of thing, regardless of savings.

Mr Hargreaves: The bottom line is that they are totally separate issues.

DR FOSKEY: Okay. I've heard of a number of people with a disability being placed into temporary or emergency accommodation arrangements in the homes of other people with a disability who are supported through the individual support service and that these arrangements have sometimes been disrupting and unsatisfactory to all parties involved. Could you please tell me how many people are in temporary accommodation arrangements and what's the average length of time that they have spent in these circumstances?

Ms Hayes: Within individual support services at the moment we have two people who are in temporary placement in emergency situations. Both of those individuals have individual support packages and are looking to make alternative arrangements to move to other services but those arrangements haven't come to fruition as yet.

DR FOSKEY: Okay, so they are not the Long Gully people?

Ms Hayes: No.

DR FOSKEY: Okay, I'll get to them in a little while.

Mr Hargreaves: We've canvassed that issue before Dr Foskey, the Long Gully ones.

DR FOSKEY: The Long Gully?

Mr Hargreaves: Yes, when we talked about it before lunch.

DR FOSKEY: Okay, but I plan to ask it though.

Mr Hargreaves: Okay, but I just preface that we had discussed it in some detail before lunch.

DR FOSKEY: Yes, you'll understand that the mind does tend to drift in and out!

Mr Hargreaves: I can understand why, Dr Foskey, but I did my best before lunch to stop that.

THE CHAIR: Mr Hargreaves of course has had experience sitting on this side of the estimates table as well so I am sure he remembers quite clearly how the mind tends to drift.

Mr Hargreaves: I can.

MS PORTER: With respect to outcomes and hours, it has occurred to me that we have the objectives under future directions for Disability ACT 2004-2008. Some of those obviously are being implemented now as we speak. Are those improved accountability indicators an indication of what is coming from the implementation of that strategic plan?

Mr Hargreaves: Ms Porter, as you would appreciate, I have only been in this portfolio for six months now. It would be inappropriate for me to take the credit for what has actually transpired as a result of future directions. I think it would be more appropriate in fact for you to receive that information directly from the officers. So I would ask Ms Ford to give you that detail, because these people are the folks that are delivering on the grant.

Ms Ford: In terms of the future directions document, the outputs that are reflected in the accountability indicators have not specifically been taken into account as the actions for 2005-2008, and the priorities under that have yet to be worked through with the community. However, the indicators take into account the additional dollars that have come into Disability ACT up to 2003-04. Those indicators will change over time as the expenditure of the individual support packages, and where that funding is directed, becomes apparent. Does that answer your question?

MS PORTER: Yes, thank you.

DR FOSKEY: I have also heard that some individuals and families are dissatisfied with plans concerning their longer-term housing arrangements, and the way decisions have been made. Could you please clarify the process by which decisions are made regarding where people live and with whom they live, and the role of individuals and their families in this process? Given that respect, dignity and choice are key elements of the vision and value statement adopted by Disability ACT, what is being done to ensure that these are incorporated into the decision-making process?

Mr Hargreaves: I will get the process described to you by the officers, Dr Foskey, but when I hear things like, "I've had some comments about this" or "some comments about

that” I apply absolutely no credence to them whatsoever, until such time as I get some facts. If you have got some information about people out there in difficulty, I would appreciate that information. I am not about talking about people’s individual circumstances in public but am very happy to investigate individual issues with the department at another time. If you have specific incidences you can point to, it sometimes makes it easier for us to focus in on that part of the process that you are interested in otherwise we could be here for a fortnight. I will ask the department to start that off, and if you get your particular concerns satisfied, you can ask them to stop.

DR FOSKEY: I certainly can do that.

Ms Hayes: I am not quite sure whether the question relates to individual support services, but I will talk about that and hopefully that is where it is. We sometimes assist people to move from one of our homes to another home. Normally that is at the request of one of the people who wants to relocate, for some reason or another. It is occasionally at our request that we look at the mix of people in a house and think that it is just not working and that we ask people to consider relocation. When we have a vacancy in a house and we need to relocate somebody into a vacant room, there is a process that needs to be gone through for that to happen.

The accommodation support review committee oversees all of those processes, of relocating people, moving people into or out of our service. That committee has an independent community chairperson. There are also community representatives on that committee, as well as two managers from the accommodation support service. The role of that committee is to safeguard those processes to ensure that we don’t trample on people’s rights and that we go through a due process of making sure that there is the opportunity for people to test out compatibility. We call it an exploration process. It takes place over three months, so that there is plenty of time for people to assess whether or not this is going to be a workable arrangement.

Having said that, there are times when people, perhaps because they have got used to the idea of having a vacant room in the house, are reluctant to have somebody else come and join them. But, from our point of view, given that there are people seeking those placements, we have to persist in going down that line.

DR FOSKEY: I can see that there would be difficulties. I’ve just got one final question on the area of accommodation. What’s the approximate proportion of temporary or contracted staff employed by the individual support service?

Ms Hayes: At the moment, it’s about 20 per cent.

DR FOSKEY: How can the ISS ensure that temporary and contract staff have the quality and the level of training that would be required in the positions?

Ms Hayes: Our contract staff and the casual staff that we employ do the same induction program as permanent staff, so they have the same training in that regard. We have a contract with an agency. That contract requires that those staff have had that training and we monitor the training that’s provided. Indeed, although they are responsible for ensuring the training that takes place, staff at Disability ACT provide 60 per cent to 70 per cent of that training so we are very sure that they are trained in the policies and

processes that we need them to carry out.

DR FOSKEY: What are the transitional arrangements for the two clients currently at Long Gully what longer-term accommodation arrangements are planned for them?

Mr Hargreaves: Is that in terms of the new facilities?

DR FOSKEY: They're at Long Gully now, but I take it that's just temporary or transitional.

Ms Lambert: I'm sorry, but I do have a nervousness about confidentiality issues.

DR FOSKEY: That's fine.

Ms Lambert: I'm happy to talk generally about our processes but perhaps we could give you an individual briefing about the actual people involved. I am quite concerned about this.

DR FOSKEY: Thank you for raising that. I respect that.

Mr Hargreaves: We'd hate to have people's personal lives put into the media.

Ms Lambert: But we can talk to you about the general processes.

DR FOSKEY: Okay, thank you.

Ms Lambert: Long Gully has had six people living there long term. As we transition that service into the new intensive treatment and support service, we are looking at having no permanent residents there. People would go to that for a period of intense treatment and support but would then move back into community accommodation. To start that transitional process, we wanted to make the group of people smaller that would need to go through being relocated and found appropriate accommodation. We are looking to relocate two of those people in the first instance, before the program actually starts, and that process has commenced.

DR FOSKEY: Okay.

Mr Hargreaves: If you could let my office know when you would like that, Dr Foskey, we will sort it out.

DR FOSKEY: Yes. I might have a whole collection by the end of the day.

Mr Hargreaves: We can have a whole day then; that would be lovely.

DR FOSKEY: The intensive care and treatment program was funded in the last budget and I understand that a feasibility study was undertaken last year and that the development of a facility is going ahead. We have already talked about this to some extent, but I have got a couple of questions that were not answered. Was the development of a facility the only support option canvassed in the feasibility study? Could we possibly see the report from the study?

Ms Ford: As I said before the break, the feasibility study recognised that a very small number of clients are at risk, or within the criminal justice system, particularly where that offending was related to sexual offending, and that, from time to time, they would need an intensive treatment and support arrangement to enable them to move back into the community—again, with support in the community. The feasibility study identified the accommodation options, one of which was a step-up type facility that would enable a small number of clients to get the type of safe and secure treatment and support for the period of time that they required. It identified an enhanced work force and it also identified a very strong focus on best practice, which is where people with high and complex needs, dual disability, who are at risk of offending do get their services in situ in the community. The enhanced work force was to be able to deliver in situ in the community. That may be in a family home, it may be in a non-government organisation service or it may be in one of the government provided group homes. So there was a range of outcomes. The feasibility study is not available as yet but we will have that ready for discussion on selected base discussion, when we have done a bit more work around the model of service.

DR FOSKEY: It says that the facility will have a homelike environment. Did I hear you say this morning that you are looking at housing 26?

Ms Ford: No. What you heard this morning was that when we looked at the target population, which we were basing the study on, the premise was that a very small number of people in the ACT fitted the profile of dual disability, high and complex needs and offending. Across the ACT, we identified approximately 26 people who fitted that profile and who, at any one time, may require the type of intensity and support that that environment would provide them on a short-term basis to enable them to live as independently as possible in the community.

DR FOSKEY: So how many people would you envisage housing at any one time?

Ms Ford: Between 4 and 6.

DR FOSKEY: Okay, so it is possible to have a homelike environment.

Ms Ford: I would reiterate that “at any one time” might mean that people could be in the facility from two to three weeks or possibly longer, depending on their need and depending on the restrictions from corrective services. We are looking at preventing people from going into the corrective services and being able to support them within the community as much as we possibly can, which is consistent with national and international best practice.

DR FOSKEY: I have a question regarding children with high and complex needs. In budget paper No 3, page 186, there is an initiative to assist families with children who have high and intensive support needs, including autism. Could you give me some more information about this initiative? Who will provide the support, and how many families do you think will benefit from the additional funding?

Ms Hayes: I cannot actually give you a great deal of detail about that because we intend to spend the next six months doing developmental work on this program. This has arisen

from the small number of people that come to the attention across our department in both Disability ACT and Therapy ACT and through the Office for Children, Youth and Family Support. Each year we would be in contact with two or three families who are at the point where they really feel they can no longer cope with the child or young person with a disability. Usually the disability is intellectual disability plus either autism or sometimes an acquired brain injury, and associated with challenging behaviours that the family no longer feel that they can manage. They often come to us in desperate situations saying that they can no longer have the child in the family home.

We need to work across all the parts of our department to develop the best model to work with those families, and then to consult with families themselves and the broader community about how that might work. But we would envisage that it would be a very flexible service that would respond to the needs of each individual family, and that it may include additional in-home support. For example, where our professional services are developing a behaviour management plan for a family, the difficulty often comes for the family in implementing that in the home. Being able to provide them with in-home workers who can help them, can model that, can reinforce that with the family over a long period of time is the best way to get that to happen.

It may include additional out-of-home respite because families just need more of a break, and sometimes for these children existing respite services cannot cope with them because you cannot actually have them in a group. You have to provide individual respite solutions for them. So there will be the capacity for that. Very occasionally we would see that. You might like to look at out-of-home options, where the child really does have to go somewhere other than the family home. So there is quite a bit of design work to be done around how it will actually operate, and we'll do that across the three parts of the department that are involved, and then with the community.

DR FOSKEY: My final questions relate to respite care. Budget paper No 3, page 187, contains an initiative to match commonwealth funding for respite for older carers aged over 65 years. I think that respite care is a poor solution to the stress on older carers resulting from a lack of support services for their relative, including social and recreational supports as well as personal care and accommodation support. I would like to know what the government is doing to better support older carers when this funding runs out in 2008, and to help them plan longer-term accommodation support arrangements for the people that they care for.

Mr Hargreaves: You have got to understand with this one, Dr Foskey, that it is a commonwealth-state initiative; it is a shared initiative.

DR FOSKEY: Yes.

Mr Hargreaves: We have a choice of doing a couple of things. We can fold this sort of stuff into our overall policy of looking at services for carers, whether they are older carers, younger carers and the rest of it—the department's record for younger carers is at par excellence at the moment—or we can just opt out of it and say, "No". If people wanted to follow the policy you've just articulated we'd say, "No, don't agree with it", and we would just forget the money. I do not think so, when we are going to have a national approach to this, which is what you see here. We are going to join in at a national level and support older carers. I can tell you from my experience dealing with

people who are older carers, and it is reasonably extensive, that they rely heavily on this respite for their refreshment to look after the people. If they did not, they would be going down and we would have two people in the business.

DR FOSKEY: I think I should modify that statement. I think respite care is part of a broader range of initiatives and I guess you'd probably recognise that as well. We're talking about initiatives that are outside disability and working with other areas, other service providers.

Ms Lambert: Particularly with the expanded department we'll have the opportunity to do that more for the younger children, because of the services that are part of the Office for Children, Youth and Family Support. But the minister is quite correct in saying that this is obviously about matching something which is a commonwealth initiative so it has particular parameters around it. We have some room for negotiation within those but not a lot and of course the reason it stops in 2008-09 is that we've gone to the length of the commonwealth budget. It could well be that that continues but at this point we don't know so we can't make that assumption in terms of their input to it. They have before, I understand, rolled some things into the base. We'll just see if that happens with this one.

DR FOSKEY: On page 21 of the statement of intent with the Department of Disability, Housing and Community Services, under the explanation for increased spending in 2005-06, there's a bullet point that says that an appropriation of \$205,000 for respite care has been transferred from ACT Health. Could you explain what respite services have been transferred and let me know whether this is different funding to the respite care initiative listed on page 187 of budget paper No 3?

Ms Ford: Dr Foskey the 200,000 that was transferred from health was specifically to Baptist Community Services to provide respite services for people from culturally and linguistically diverse populations. That service is being delivered to that population under the Baptist Community Services. That is not part of the commonwealth funding for respite for older adults and it doesn't have boundaries around it in relation to age.

DR FOSKEY: Over the page there's an appropriation transfer of \$680,000 for the cost of disability clients with high medical dependency, again from this department. It's the second last indented dot point on page 22. Could you clarify what program this appropriation is for and, again, whether this is different funding from the budget initiative for Caring for Kids on page 194 of budget paper No 3?

Ms Ford: Dr Foskey that is different to the appropriation for families and children. That was funding that was transferred over generally from ACT Health to Disability ACT in the establishment of the department. It was specifically for a group of children who had high dependency on medical technology. When we did the review of all of our contracts in 2003-2004, it was seen that, because they had such high medical and clinical needs, it was inappropriate for that contract to be managed through Disability ACT. Therefore, it was transferred back to health where it probably should never have been transferred from in the first place.

DR FOSKEY: Okay, thanks for that explanation. That completes my questioning on 1.1.

THE CHAIR: Mrs Burke, did you have a question?

MRS BURKE: Probably just a point of clarification on page 63 of the appendix to budget paper No 4. I am looking at government payment for outputs. There is a \$1.060 million difference and the note says:

The higher Government Payment for Outputs reflects funding brought forward from 2003-04.

Can somebody explain why that was brought forward?

Mr Hargreaves: I'll ask Ian Hubbard to come up and explain the intricacies of high finance for you Mrs Burke.

MRS BURKE: Thank you Minister, leave no stone unturned, you know me.

Mr Hargreaves: Absolutely none, you never know what you can find under a rock if you turn it over.

MRS BURKE: Just taxpayers' money we're talking about.

Mr Hargreaves: Yes, I know, and we're spending it well. Mr Hubbard will explain to you just how.

Mr Hubbard: Would you be kind enough to repeat the question?

MRS BURKE: Yes. In the appendix to budget paper 4, page 63, it talks about higher government payment for outputs reflecting funding brought forward from 2003-04.

Mr Hubbard: Yes, it's a rollover of funds. One thing I need to say about these numbers down the bottom is that they're closely related to the accounts. If you have a look at the accounts, you'll see that the total cost between when the budget was first set up in 2004 05 and the estimated outcome, it's probably about \$10 million higher. So quite often when you see the numbers going across from the 2004-05 year to the estimated year that reflects that increase in cost. Quite a few of the answers to some of your questions, especially the one I think you made about the management of the area before is not a reflection of poor management, it's just increasing funding going into the area from various avenues.

MRS BURKE: I was only trying to unravel what's happening, that's all.

Mr Hubbard: And I think that's fair enough, but you need to be aware it is usually greater resources being put into the area, and you'll see that in the notes to the accounts as well. You can actually see in detail what those increases are.

MRS BURKE: It wasn't that there was an underspend? I mean, you talked about it rolling over—"rolling over funds" were your words.

Mr Hubbard: Yes, it's a rollover. Quite often the other thing that happens in these accounts, because they are for a financial year—as CFO I'd like everything to occur

within the 12 months of the financial year, it would make the job a lot easier—you find that some of the programs actually drift into the following year.

MRS BURKE: Isn't that bad management, though?

Mr Hargreaves: No, it's not bad management at all.

MRS BURKE: I am meaning that in a sensible way, minister.

Mr Hargreaves: You can use another terminology, Mrs Burke, if you like. But bad management is not it when you've got a program that is responsive to need and that need rolls over a period of a financial year. What is bad management is for us to say to somebody, "Well, you can stop needing now because it's 30 June."

MRS BURKE: No, but why aren't they getting the money in a more timely way?

Mr Hargreaves: If we are going to talk about bad management we'll get into this argument and be here all afternoon. I won't put up with it.

Dr Adrian: It could be, for example, where there's an additional appropriation during the course of the year so that there is additional money provided that then would follow through in the following year or in the outyears. The original target was identified. During the financial year there might be additional appropriation and so that would flow through in both the total costs and in an increase in the government payment for outputs. So, as Mr Hubbard indicated, it reflects the increased levels of funding that have gone into the disability sector over a number of years—not all of which have been in the budget, some have been in second and third appropriations.

THE CHAIR: Mr Hubbard, with regard to your statement that it would be more convenient for it to happen, I take note of the comment that the minister made. I'm sure this is where the divergence of financial officers and others and the real world comes into play. We don't all necessarily stop needing the services on 30 June.

Mr Hargreaves: I just indicate, Madam Chair, that the department does everything it can to make sure that everything is resolved by 30 June, and Ian Hubbard leads the charge on that one!

Ms Lambert: I also think to be very serious about this that we deal with human beings in vulnerable circumstances and services that deal with them. Sometimes they don't get their invoices in on time. It's not just departmental funds; it's others.

MRS BURKE: Right, that's what I wanted to know, thank you.

Ms Lambert: And we have to remember the circumstances that people work in who deliver our services.

THE CHAIR: I appreciate that and I'm sure Mrs Burke does as well. I know that the department does do everything it can in order to assist those community groups out there to fulfil the financial requirements, even though they are just mere human beings.

Mr Hargreaves: We'll see how many "bad management" statements pop up in the press!

THE CHAIR: Okay. We'll not move to output class 1.2, community development services and policy.

MR MULCAHY: Minister, I have a few questions in relation to budget paper No 4, page 280, the budget technical adjustments. There is a series of figures across the page there, you will see, that relate to the transfer of the multicultural and community affairs group from CMD. Could you inform the committee what the funding transferred from Chief Minister's to DDHCS for each of the years covers exactly?

Mr Hargreaves: Yes. The detail can come from either Mr Hubbard or Mr Manikis. You need to understand, Mr Mulcahy, that the services, if you like, or the connection, the engagement between the government and the multicultural community was an administrative unit with the Chief Minister's Department. When we won, so convincingly, government in 2004, we changed some portfolios, as is the Chief Minister's prerogative. He actually acceded to my wish that I assume responsibility for multicultural affairs.

It required an administrative order change. It needed to come out from within his group of portfolios into ours. The units that you see there, the community engagement unit and the multicultural and community affairs group, were functioning units within the Chief Minister's Department. Now they are functioning units within the Department of Disability, Housing and Community Services. Do you want to find out the intricacies of those?

MR MULCAHY: Yes. I will take the 2005-06 year, the \$2.128 million. What does that cover, basically? Is that salaries or other services or grants? Maybe Mr Manikis will be able to detail it, if that is your wish.

Mr Manikis: Yes, that is program costs and services that we deliver and also the salaries. That reflects the new initiative on refugee settlement of \$104,000 as well. That was in the 2005-06 budget.

MR MULCAHY: And is the OMA included in those figures? I assume it is, therefore?

Mr Manikis: Yes.

MR MULCAHY: What is the budget for you for the OMA itself?

Mr Manikis: The OMA is around about \$2 million.

MR MULCAHY: Of \$2.128 million?

Mr Manikis: No. What you will find is that the community engagement unit above it, together with the Office of Multicultural Affairs—

MR MULCAHY: Is \$5.1 million?

Mr Manikis: Yes.

MR MULCAHY: So \$2 million of the \$5.1 million covers the OMA?

Mr Manikis: Around about \$2 million, yes.

Mr Hargreaves: One of the reasons, Mr Mulcahy, it is very difficult for us to answer your question is that when we try to split the costs down at that particular level, as you appreciate, we are saying to you, “Well, this is the cost for that unit, because there are intricacies of the overheads.” For example, if you want to truly cost the costs of the unit, you need to take a slice of, for example, Ms Lambert’s salary and Dr Adrian’s salary. So it is difficult. What we tend to do is take the approach of dividing it into the administrative support and consider that as part of the homogenous department and then have those amounts of money that we will spend specifically on community activities, for example, the amount of money we would provide to the multicultural council.

MR MULCAHY: That was one of my questions, actually. So the multicultural council, you are saying, is within those figures?

Ms Lambert: No, it is not. The multicultural council comes out of the community services program, which is Mr Hehir’s responsibility.

MR MULCAHY: Okay. You alluded to it in a general way, minister, but just so I am clear, the decision to transfer this unit or these units from Chief Minister’s to your ministry, you said you wanted it. Is that the end of the story or was there another reason that it was seen as best for government?

Mr Hargreaves: I can go back in history a little bit more. In 1998, when Jon Stanhope and I were both elected to this place, he, being the leader of the Labor party opposition at the time, had the responsibility of distributing shadow portfolios—as you know; as you will find out when you become leader. What happened, in fact, was that he and I had a robust debate about which one of us would assume responsibility for multicultural affairs. He decided that he wanted to elevate it to a certain status, and he did so. He has achieved that status and when I joined him in the ministry I said to him, “Now is a good time, mate. You’ve had it for long enough. I want it for a while.”

MR MULCAHY: So you had another robust debate and you won?

Mr Hargreaves: No, there was no robust debate. It was a good, constructive debate. He said to me; “We need to move multiculturalism forward. Can you do it?” I said, “Absolutely. Let’s go. Sit back and enjoy the show.”

MR MULCAHY: The OMA, will that operate basically as before with the transfer?

Mr Hargreaves: Absolutely.

MR MULCAHY: Mr Manikis is saying that. You are running that area, Mr Manikis?

Mr Manikis: I am responsible for the area.

MR MULCAHY: The cost of construction and the ongoing running of the multicultural centre, where do we find that within the budget figures?

Mr Hargreaves: It is within CMAG, is it not? They have got project management for it?

Mr Manikis: No, we have project management. OMA is responsible for the process of getting it up and running and also managing it once it is up and running. In the recurrent money have within this budget that you have just pointed to, there is an amount for a manager for the centre, who will be recruited in the next little while.

Mr Hargreaves: It is capital funding, though.

MR MULCAHY: Including the ongoing, recurrent costs, though?

Mr Manikis: There is recurrent budget and there is capital budget.

MR MULCAHY: Right. Is the recurrent cost, though, within your—

Mr Manikis: It is in that base. It is in there.

MR MULCAHY: I think that covers that area for now.

Mr Hargreaves: Just before we get away from that centre, can I just indicate, Mr Mulcahy, that that project is on line, on time and budget so far. There was some suggestion out there in the ether for a while that there were delays. The delays that were experienced, which have been picked up, were in fact due to the department of health having to move from their premises in the North Building into other ones. That put us back a couple of weeks, but we are fine; we are on target.

MR MULCAHY: I think that was subject to a question in the Assembly. You mentioned that.

Mr Hargreaves: Yes.

MR MULCAHY: The cost escalation—I am not sure if you had addressed that previously—went from \$2.59 million up to \$3.24 million in this fiscal. What have been all the problems that have caused that, some of the problems, the main problem?

Mr Hargreaves: It was \$600,000, was it not?

Mr Manikis: They are not problems. What has happened is that the initial estimates for that work were based on a lot of the area being used with existing materials and what have you. Also we had an indication of lower rates for refurbishment work as well in our initial estimation that we went to appropriate the first lot of funds for. An accurate estimation was not possible before we did a building condition audit as well in the design development stage.

We also did some more comprehensive community consultations. The community itself wanted some extra things in that centre, and that cost reflects both those things. The additional items that the community called for, and they were very strong, included

a function room and a commercial kitchen, and these things cost a lot of money. But we were toying with the idea in the first instance when we did the estimation. That was certainly confirmed by the community through about 150 people who turned up in three community forums that we did across Canberra. The thing that came out was a commercial kitchen at every one of those forums and a function room.

MR MULCAHY: So you recast it, rather than that it was not managed properly, essentially?

Mr Manikis: Yes.

MR MULCAHY: When are you expecting this to be completed exactly?

Mr Manikis: We have called for tenders. Tenders have come in and a decision is pending on which group will do the refurbishing. We hope, and we are quite confident, that it will be around November this year that the thing will be finished and we will have groups moving in before Christmas, hopefully.

THE CHAIR: Something to look forward to.

Mr Manikis: Certainly. It is a great thing for Canberra, the first in the country.

DR FOSKEY: In relation to the concessions program on page 187 of budget paper No 3, at the top, I am very happy to see that there is increased funding for the program. I assume that this is based on a review of the concessions program that I believe has been conducted. You could tell me that, but also you could let me know whether that review is public and, if not, will it become so? Failing having seen the review, you could tell me the basis on which it was decided to increase the amount allocated to this concessions program.

Ms Sheehan: The main reason for the increase in the concessions program is the increasing number of Canberrans eligible for concessions in the ACT. There was an increase in concessions under the third appropriation, which has flowed through into this budget. The government introduced an amount for gas concession and, instead of having a separate electricity and gas concession, there is a combined energy concession and that is reflected in the amount. In addition to that, it is simply the increasing eligibility of Canberrans for concessions.

DR FOSKEY: Does the government agree with me that there are inequities in providing concessions only to pension cardholders? There are quite a few people on comparable levels of income who perhaps are engaged in the work force, on superannuation or living on savings. Is there any potential to extend the concessions to that group?

Mr Hargreaves: The government will consider all of those sorts of things as we go down the track, Dr Foskey. I do not think this is the appropriate time for me to agree or disagree with you. Government policy is pretty explicit and the concessions have been funded in accordance with that policy.

DR FOSKEY: I notice in the accountability indicators on page 276 in budget paper No 4 that community development services are planning to conduct 10 training sessions for

community organisations in the next financial year. Could you tell me a bit about the nature of that training, how it will be provided and the process that will be used to determine community sector needs?

Mr Hargreaves: There is an explanation underneath it. Is that not sufficient?

DR FOSKEY: Then how will it be decided what the training is about?

Mr Manikis: It is about governance and financial training for community organisations. With the governance part of it, we will be looking at a community organisation to assist us to deliver that. Similarly with the financial training, what we are looking at is to do a pilot in the first instance. We have identified through direct experience and also through considerable feedback from our registrar-general's area that there are a lot of community groups struggling to keep up with their obligations around financial reporting and what have you under the incorporations act. We are really keen to get out there and try to help them. In the first instance, as I say, with the finance training we are conducting a pilot to see how it goes with a service provider. After that we will do an evaluation and then go into full swing once we get an idea of what the demand is out there in a more concrete way.

Ms Lambert: We do have an immediate frame of reference, of course. I think the minister mentioned earlier that the joint community government reference group meets approximately every six weeks. That has broad representation, including the regional community service organisations, and they provide us with regular input into the sorts of needs that the community sector has. We do rely, frankly, a lot as well on ACTCOSS and the relationship with them as the peak to point out areas of need in their communities. They also do work in partnership with us in the training as well.

THE CHAIR: Just on that area, that issue of governance and financial training, Mr Manikis, it is an issue that has been raised while I have been in this place, but even before I was in this place, when I worked in the vocational education and training sector. That is a few years ago now, but there was a training package being developed in the area of governance in particular. There was already, of course, the financial services training package, which had a whole lot of different areas. I am not sure what the development was, but I suppose my question to you is: are you looking at providing accredited training, so that people can actually take that experience with them if they do end up leaving the community organisations that they are involved with? As we know, Canberra is a small town and people have their fingers in a lot of different pies—metaphorically speaking, we hope. So it would be good for them to actually have that, I suppose, filter around the town in terms of experience, governance and financial acuity.

Ms Lambert: I have a very strong commitment, as head of this organisation, to making sure that the training we have is accredited and that that training is often delivered in concert with our own staff and with the community sector. I am not entirely aware of the programs that will emerge this year, but my preference and my intention would be to make sure that they are indeed programs that deliver qualifications as part of the national training framework and, as you say, that those then enable people to work in a particular structured framework and to pass the information on.

THE CHAIR: I am sure you do, Ms Lambert, having actually worked in that sector

yourself in the past.

MS PORTER: I refer to page 276 of budget paper No 4, under the heading accountability indicators, the work experience and support program for migrants. I am wondering what the program entails. I am not quite sure how that works and how many migrants might have participated in this program. You could take that one on notice, I suppose. How does it work?

Mr Manikis: This program, the work experience and support program for migrants, we created several years ago. It was in direct response to the database that the Migrant Resource Centre in Canberra had of people who had migrated to Australia, usually very well qualified people, who were having great difficulties in getting interviews, let alone jobs.

We decided to put together a program of four weeks of official training in administration, use of computers, working in an Australian workplace, and then a period of up to three months after that for each individual in an ACT government placement. This has been going on for several years. The program has been duplicated by other states and territories and we have advanced now to getting a partnership with the Australian government Department of Employment and Workplace Relations, which contributes funds to our program as well. There is about a 70 per cent success rate in full-time employment from the program.

MS PORTER: Fantastic. That was my next question.

Mr Manikis: These people usually get picked up in the workplace that they are doing their workplace time in, because they are so motivated to work and do the right thing and all the rest of it. So they are very good quality employees.

THE CHAIR: It is my intention to go to the afternoon tea break at 3.30, but I have not forgotten you, Mr Pratt. Mr Seselja has some questions on output 1.2 in the area of multicultural affairs. We will go to him and we will see if we get started on Mr Pratt's questions or not.

MR SESELJA: Minister, Auditor-General's Report No 1 of 2005, *Management of government grants to the ACT Multicultural Council*—

THE CHAIR: Just before you go onto that, that report is, of course, the subject of an inquiry. It is before the public accounts committee.

MR SESELJA: We as an estimates process are not restricted in asking questions on that.

THE CHAIR: No, and I am not attempting to restrict you, Mr Seselja. I am just—

MR SESELJA: I am not planning on going into too much of the detail, but really just for—

THE CHAIR: All I am saying is just be aware of that. I would hate to pre-empt anything that the PAC might investigate.

MR SESELJA: The report highlighted the fact that DHCS did not in some case adequately monitor grants funding given to the ACT Multicultural Council. It also was noted by the Auditor-General that the OMA had been involved in undue intervention with respect to the ACT Multicultural Council. You would be pretty concerned about that. What is your response?

Mr Hargreaves: My response is to invite you, Mr Seselja, to read the rest of the Auditor-General's report out to us. It indicates what a fantastic job the Office of Multicultural Affairs and the department are actually doing in providing services, liaison and engagement with the multicultural community. I have to point out to you that the Auditor-General, in looking at practices with regard to the multicultural council, is limited, of course, to those practices undertaken by the department. It is not empowered to look at the practices of the council itself.

MR SESELJA: Are you saying there is something wrong with the council?

Mr Hargreaves: It is not appropriate, Mr Seselja, and I say this as strongly as I can for the benefit of your colleague Mr Pratt, for this government to interfere in the democratic processes of a community organisation. This government provides the funding to that community organisation under certain agreements. We do not, never have and never will involve ourselves in the democratic process of electing members to that council. In the last year, at the last AGM, I believe, there was some concern expressed by the members of that council about the legitimacy or otherwise of the elections. They were therefore reconvened under the auspices of the electoral commission. The electoral commission is totally independent of this government, I hasten to add.

Am I concerned about it? We will have to wait and see how the community actually conducts itself at the AGM in August or September. I understand that the AGM is called in either of those two months at the whim of the president. I have said to the department, "We shall put our plans in place for our engagement for the next 12 months," as we would do anyway. But it would be quite inappropriate of me to undertake global multicultural decisions in isolation from that council. Further, it would seem to me to be somewhat administratively appropriate to wait until the new executive is elected. If it is the same executive, fine. If it is a different executive, fine. We need those people to engage with the government to further the interests of multiculturalism in this town.

Some of the things that this will include are the things that we have been planning since I became minister, and I give credit to the department for their forethought and their vision about these things. We propose, Mr Seselja, to engage with the community at large, as we have done over the years through the multicultural festival and through a range of activities. I have just jotted down in a very short space of time, just anticipating your question, some of the groups with which I have had connection and I am going to list them for you now. I have to say that I have not seen Mr Pratt at any of them.

They include: the Lao community; the Philippine community; the Sri Lankan community; the Chinese community; the Russian community; the Greek community; the Italian community; the Thai community; the Maltese community; the Korean community; the Indian community; the Fijian community; the Samoan community; the Tongan community; the Vietnamese community; the Cambodian community; the Welsh

community and the Scottish community, to name some of those that I have actually had one-on-one engagement with. To anybody who suggests that I do not engage with the multicultural community, I suggest: have another look at *Hansard* of this meeting.

MR SESELJA: We are very happy to hear that you are doing your job.

Mr Hargreaves: Now, Mr Seselja, you asked me was I concerned about it? No, I am not concerned about it because I am confident in the multicultural community looking after itself with some help from the OMA.

MR SESELJA: So you are not concerned about the undue intervention?

Mr Hargreaves: We are going to have, Mr Seselja, in addition to that normal engagement, cultural and issue-specific fora, six of them, in the next 12 months. We have set planning in train and it has been in train now for at least two, maybe three, months now, to engage in a multicultural summit, not a mere forum, but a full-on summit towards the end of the year, probably around December, I would imagine.

The object of the exercise is to refresh and rejuvenate the multicultural community in this town. This is something that has emerged from the heart of the OMA. I have to tell you that one of the things that happen within the multicultural community, and I am sure you would appreciate this, having wandered about it in part of your youth, is that there is always a tendency to expand and contract in these sorts of things. With organisations such as the council, their politics are played out occasionally, and have been over the last few years. I was involved in this council when it was the ECC, the Ethnic Community Council, some years ago. I can remember, in fact in about 1998-99, there was politics played out in it. It is my intention to facilitate discussions that will remove the politics from that particular organisation, with the help of the community at large, such that the smaller organisations, the really small ones, have an equal voice to some of the larger ones.

The way in which we will achieve that is by making sure that those people are engaged in issue and cultural-specific fora and in our multicultural forum towards the end of the year. In the process, of course, we will talk to leaders and ordinary people in those communities. I now challenge the shadow minister to put his list of committees of the table.

THE CHAIR: That will not be necessary, minister. Everybody just settle down.

Mr Hargreaves: Sorry, Andrew.

THE CHAIR: Mr Pratt, I urge you not to take the bait.

MR SESELJA: Could I finish?

THE CHAIR: Yes, you may finish your question, Mr Seselja.

MR SESELJA: I am not quite sure what you meant about me wandering about the area in my youth. You might want to explain that further. You spoke about the importance of the independence of the multicultural council, yet one of the very findings of the

Auditor-General was that there has been undue intervention with respect to the ACT Multicultural Council. I ask you again: are you concerned about the undue intervention with respect to the ACT Multicultural Council? What will you be doing to address this issue?

Mr Hargreaves: I do not believe there has been undue intervention on the part of the OMA—

MR SESELJA: So the Auditor-General is wrong?

THE CHAIR: Mr Seselja, let the minister finish the answer.

MR SESELJA: I thought I would help him along because he could not come to the point last time.

THE CHAIR: Let him finish the answer, please.

Mr Hargreaves: I do not believe there has been undue influence on the part of the OMA into the running of the multicultural council. In fact, I have to say, and it is with some regret, that the powers of the Auditor-General did not extend to being able to look at both sides of the arguments that were placed out there in the public arena. I actually believe, in fact, that the engagement of the OMA with the multicultural community has been almost without peer.

MR SESELJA: So you think some of the multicultural groups themselves are doing the wrong thing?

Mr Hargreaves: Mr Seselja, the multicultural groups in this town are not responsible to me, or I to them as institutions.

MR SESELJA: But you seem to be suggesting that if the Auditor-General looked into them—

Mr Hargreaves: I am responsible to the citizenry of this town. I am responsible to the constituents in this town, to the people of this town, and I do not pass any judgements on any groups at all. What we will be doing, I have to tell you, and not as a result of this report, because our activities preceded this report, is to try to create mechanisms of engagement for some of those smaller communities that have felt over the years—and I can mention a couple that I remember speaking to 1998—as though their voice, through the council, through their representatives within the Assembly, was not being heard. We need, in fact, to come up with those mechanisms and I have articulated to you today two of those mechanisms. The third one, of course, is my presence around the community groups. I take it very seriously.

MR SESELJA: So, just to summarize then, you are not concerned about these two important issues and at this stage you have no plans to do anything about it? Is that right? Is that a fair summary?

Mr Hargreaves: Mr Seselja, I will just have a look at your press release when it comes out and we will deal with it in the public arena.

MR SESELJA: I will not be putting out a press release at all.

Mr Hargreaves: Very simple. Bring it on. I will deal with you in the public arena.

THE CHAIR: We are all getting too excitable again. Before we go to afternoon tea—

Mr Hargreaves: Madam Chair, by way of clarification, we have referred to the Auditor-General's report. This is not part of the debate about the issue, but I think it is important that I ask Ms Lambert to advise the committee, particularly for the benefit of those members who have not seen the report, of her entry I think on page 4, is it not?

Ms Lambert: Page 4.

Ms Lambert: I deal with the issues that you raised earlier. We sought this audit as a response to the public accounts committee. Any audit report is an important report for me in terms of managing the way we go about business. The Auditor-General makes the comment that there were some issues for us and actually says, I think, towards the end of the report, "... could have monitored more closely. Audit recognises, however, that it is difficult at times to achieve the right level of monitoring and assisting the activities of a diverse peak body, such as the ACT Multicultural Council, without being seen as intervening in the internal affairs of the organisation".

That is a balance that we have to manage all the time with our grants process, so I regard this report, as I have said in my comments, as a way of helping us improve the way in which we do business. Indeed, we have made, and the Auditor-General acknowledges that, improvements to the process in relation to this particular grants program. Whenever that happens, we look at our entire grants program to see if that applies to other areas as well. But it is quite difficult when it is an independent organisation, as acknowledged by the auditor, to do that active monitoring.

THE CHAIR: On that note, we will go to afternoon tea. Could people be back before 10 to four, just after quarter to four, thank you.

Meeting adjourned from 3.32 to 3.52 pm.

THE CHAIR: Welcome back.

MR SESELJA: Minister, you might have already covered it but, aside from what's in the Auditor-General's report, you don't have any concerns. You're not aware of any issues in relation to those two issues I raised—the monitoring of grants and intervention in respect of the ACT Multicultural Council?

Mr Hargreaves: I have been concerned about this for bordering on 15 years. Community organisations are all the same. They tend to be able to represent the most articulate people, or those who have the most resources. By the nature of the beast, they sometimes unintentionally disenfranchise some of the smaller people. I've had a bee in my bonnet about redressing this for some years. The reason for having these smaller forums as well as the summit is to get them to come up with a way to solve these issues.

MR SESELJA: There is some intervention but, in your opinion, it's not undue intervention.

Mr Hargreaves: No, it's not intervention. To clarify it, firstly, the multicultural council is a democratically elected community organisation. In other words, the community has to look after itself. I want to make sure that this government engages with that community as well. So it's an addition thing, not a substitute thing.

Secondly, with community grants funding over the years, we have had recurrent funding. Then we've got these reports. We have thought, "Oh yes, but we don't know for sure whether or not they're responsive to the needs of every single group." You would appreciate, particularly, that there is an enormous number of them. There are something like 86 different groups with 150 different subsets around town.

I don't have a full grip on it yet; hence the summit. I've been the minister for only six months. It concerns me that some of the funding we give out to the council may or may not be directed in the way in which the community at large would like to see. The voices heard within the council are usually those of the people who have been there for some time and, for a variety of reasons, the other people have not engaged. I hope to be able to encourage them to engage. We need to look at the funding of that organisation over the next six months or so. I will tell you now—I will give a guarantee to the multicultural council through this committee now—that the recurrent funding will continue at least until December of this year.

MR SESELJA: After that time you might be looking at some sort of restructure or reordering—

Mr Hargreaves: Not of the council, the council is its own beast.

MR SESELJA—in the way it is funded, or in general funding of the multicultural council?

Mr Hargreaves: In that six months I will be talking to the council. This is why no decision should be taken until after their AGM and the summit. There are two methods of funding that come to my mind instantly. There may be more, and I would like them to be explored. Members of the opposition are more than welcome to take part in this and come up with some new concepts. I would honestly love to see it. One method is to continue the recurrence and to have very strict outcomes agreed between us of what we want to see in the engagement. I say that with no value judgments at all on things past; I am talking about a new era.

The other way is to do things on a project funding basis, where we agree on certain projects aimed at certain issues. Refugee settlement is one that comes to mind—and childcare facilities for refugee families that have come into town. Maybe we can do some research on that; maybe we will do some supplementation on that. We have put a lot of money into ethnic schools. Perhaps we will do a project to test their efficacy.

I am throwing a couple of things wildly into the wind. I want to have the community engage in that conversation with the government and say, "This is the best way in which you can use the money you are throwing out there at the multicultural community." Mine

is a process of empowerment of the smaller groups to bring them into the family of the multicultural community so we can all talk together around, as it were, a collective dinner table called the summit and ask, “How are we now going to further the interests of multiculturalism in this town?”

I would hope there would be a bipartisan approach and a totally inclusive part to it but, understanding that it is not the role of government to interfere in the democratic processes of a community organisation, I will not do that. I would, however, be very encouraged if the council were to have Elections ACT conduct their elections for them because that would provide the sort of veneer of process that was there last time. It is up to them; it is not up to me to insist on that.

MR SESELJA: Can I say, in response to what you said earlier, that I personally would be very happy to be involved in such a process. I will be waiting for the invitation.

Mr Hargreaves: It is coming; it is in the mail.

MR PRATT: Apart from the Auditor-General’s report, I know that the OMA has had difficulties in its dealings with the ACTMC for a fair whack of time. The AG’s report points out some of those issues, but there are still four significant criticisms in that report about perceived interference. Why don’t you support the Auditor-General’s observations about that? What have you done, and what will you do, to see what can be done to clarify the link between the OMA and the ACTMC?

Mr Hargreaves: Let’s get these this thing a little clearer. You have said, and you say quite frequently, that there is a perceived something or other. I do not perceive it in the same way as you do. It says in paragraph 2.53 of the report:

The Audit Office noted some correspondence, which may be interpreted as undue intervention with respect to the ACTMC.

I repeat, “which may be interpreted.” You may interpret it as undue influence, but I don’t. Further, as I say, there have been difficulties with the ACTMC and its predecessor organisation, the ethnic communities council, because of personalities that float around those elected bodies. If you have a look back over the *Hansard*, you will see speeches made by Mrs Cross on this issue.

There are personality issues within the council, and have been for years. Most of the time the personality differences between those people have positive outcomes because conflict is not always negative. I have to tell you that I have absolutely unqualified confidence in the OMA and its dealings with the ACT Multicultural Council.

MR PRATT: Do you agree that the ACTMC is dysfunctional?

Mr Hargreaves: It’s not my job to cast judgment on a duly and democratically elected community organisation.

THE CHAIR: Mr Pratt, I endorse what the minister has said. I suggest that, in answer to Mr Seselja’s questions, the minister has outlined that he believes that it’s neither his nor the department’s role to interfere. I request that, while we look at the budget

deliberations—and they are wide ranging—they not encompass everything that goes on in town that is not within the purview of government.

Mr Hargreaves: Could I ask you this as part of the issue you have spoken to. Mr Pratt has just asked me if I agree that the multicultural council is dysfunctional and I've made my response. I take from that an implication on the part of Mr Pratt that that council is dysfunctional, and I'd like you to ask him to withdraw that implication. It is unparliamentary for us in this organisation here, without facts, to imply that something is dysfunctional

THE CHAIR: Let me deal with it.

MR PRATT: Chair, I won't be withdrawing that, in any case.

MR MULCAHY: He may well have facts.

MR PRATT: I have a basis for asking the question. That is the process of this committee.

Mr Hargreaves: Let's put the facts on the table.

THE CHAIR: Hang on a second.

Mr Hargreaves: Under parliamentary privilege: how cowardly is that?

MR PRATT: It's not cowardly at all.

Mr Hargreaves: It's cowardly.

MR PRATT: It's an inquiry.

Mr Hargreaves: Put it in the media and see how far you get! Give them a good look at your house!

THE CHAIR: I ask that the two of you desist, while I confer with the secretary. I won't ask Mr Pratt to withdraw it but I will remind him, as I reminded Mr Seselja, that this matter is the subject of the Auditor-General's report. It is before the public accounts committee and it will be dealt with by that committee. Mr Pratt, I would ask you to keep that in mind. I would also remind you of what is read out from the card.

MR PRATT: I am well aware of what the card says.

THE CHAIR: No. Let me finish, please. You've heard the card being read several times in your career in this place. I would remind you that that gives you certain protections, because you are protected by privilege. That is a responsibility. With privilege comes responsibility, and it is asked that you do not abuse that.

MR PRATT: May I make two points, please, in response to your finding?

THE CHAIR: Certainly.

MR PRATT: Firstly, the question was based on community feedback. Secondly, the question I've raised about functionality has to do with much more than the management of the grants issue. It is the broader functioning of that council, which is a very important concern in terms of governance, given that government funds the council.

THE CHAIR: The government provides some funding to the council, yes.

MR PRATT: The other point is in respect of your first point to me before Mr Hargreaves asked me to withdraw that comment. Surely we're also here to look at those peak body groups, which get some funding and have to work within the guidance of government, and we review their performance.

THE CHAIR: We don't review their performance. It's not the role of the estimates committee to scrutinise the performance of the peak bodies.

MR SESELJA: It goes to the value of the spending.

THE CHAIR: We have no authority to do that, but I agree with you that there are grants made by government to community organisations—

MR PRATT: Which have to be spent wisely.

THE CHAIR: Let me finish. I agree that we have a right to ask questions, but I ask that you keep them in reference to the budget. I agree that there is a matter of wisdom involved with regard to allocation of funds. Having said all of that, I remind you again that, while that is the case, you should tread carefully.

MR PRATT: That's no problem, chair. I'm asking questions about efficacy; I'm not talking about sensitive personality issues. The questions have to be asked.

THE CHAIR: You must keep in mind that these hearings are covered by privilege.

MR PRATT: Yes, I know that.

THE CHAIR: You might raise an issue and make comment on the running of a community group that will, no doubt, come up as an issue within the public context which, if it goes outside of this room, is not covered by privilege. I suppose what I'm trying to say to you is that it can raise issues where you're skating on thin ice. Do you understand my point?

MR MULCAHY: I think the point's been made a number of times.

MR PRATT: I understand what you're driving at, but I think you can trust me to raise broad points of principle rather than sensitive individual issues which might border on contempt.

MR MULCAHY: We can probably get on with it.

THE CHAIR: I'm happy to move on. I've made the ruling on that. I'm happy for

Mr Pratt to ask further questions, keeping in mind what I have said.

MR PRATT: Thank you, chair. Minister, you say that the government has no business running, or interfering in the running of, the ACTMC. Given the size and importance of this community peak body, why would it be in your interests, or in the interests of the broader community, to see the council disintegrate or get to the point where it can't function at all? That is the concern expressed by the broader multicultural community.

Mr Hargreaves: I must have said this five times, and I'll say it again.

MR PRATT: You can say it seven times, if you like.

Mr Hargreaves: I'll say it for the deaf and retarded. It is not the role of government to interfere in the democratic elections and processes of a community organisation. Mr Pratt, I am not like you. I will not march in there with a storm-trooper's attitude and say to those people, "A couple of people have said to me that things are a bit dysfunctional. Fix it up; otherwise you're gone!"

Are you honestly sitting there asking me to march into this community group and interfere politically in its operations? If that is what you're asking me to do, I will certainly reject it. Like any other organisation, whether it be ACTCOSS, ACROD or the down syndrome association, the member organisations of those groups have the responsibility to get their houses in order. I have neither the authority nor the desire to go there.

I will, however—I have said this previously and I say it yet again—embrace the council as a representative body when it has had its AGM in August or September, and trust that the community can look after itself. If you want to go in there and politically interfere with its management, feel free. I suggest that you should be very careful about what you say or, otherwise, publish a picture of your house in the *Canberra Times*. That's how much you'll be paying if you keep going down this track.

MR PRATT: Thank you, minister.

MR MULCAHY: I don't quite understand that last remark.

MRS BURKE: No. What was that supposed to mean?

MR PRATT: It doesn't matter; it's small beer, Mr Mulcahy.

Mr Hargreaves: He will be sued for slander, Mrs Burke.

MR PRATT: Don't worry about it.

THE CHAIR: All right, okay.

MRS BURKE: I just wanted that to be on the record.

Mr Hargreaves: What part of "libel" don't you understand?

MR MULCAHY: I wish to raise a point of order. The proceedings today are Legislative Assembly proceedings that are protected by privilege. It appears to me—and I'd welcome clarification—

THE CHAIR: What's your point of order, Mr Mulcahy?

MR MULCAHY:—that the minister is threatening Mr Pratt with potential litigation in an environment where, in fact—

THE CHAIR: Your point of order is?

MR PRATT: It's conduct.

MR MULCAHY: My point of order is that he's threatening a member of the committee in relation to defamation.

MR PRATT: It's a case of conduct.

THE CHAIR: Okay.

MR MULCAHY: Conduct, disorderly behaviours.

MR PRATT: It's a case of conduct, chair.

MR MULCAHY: Rule 208, if you want a standing order.

THE CHAIR: I'll have a look at that, Mr Mulcahy.

Mr Hargreaves: I'd be interested in how that transpired.

THE CHAIR: Minister—

Mr Hargreaves: To deal with it, I'd like to hear it said.

THE CHAIR: Mr Hargreaves!

Mr Hargreaves: You ain't seen me threaten anything yet!

THE CHAIR: Enough!

MR MULCAHY: It is 202, not 208.

Mr Hargreaves: Check *Hansard*.

THE CHAIR: I will review *Hansard*, Mr Mulcahy, but I was listening to Mr Hargreaves. I didn't hear a threat within that.

Mr Hargreaves: Get some advice.

THE CHAIR: I would ask that everybody calm down. That would be a good start.

MR SESELJA: It's only Mr Hargreaves who's firing up.

Mr Hargreaves: I'm happy to defend the multicultural community against Mr Pratt at any time or on any day. It was in response to Mr Seselja.

THE CHAIR: Mr Hargreaves, that won't be necessary.

MR PRATT: Thank you, chair. I have never asked before today, or today, about your marching in like a storm-trooper and interfering in the multicultural council, but why can't you pull together? This matter is urgent. Judging from all the correspondence and the feedback from a wide range of members of the community, it's a fairly urgent matter. I'm not sure that you can wait until September. Why can't you pull all the groups together and run, with the existing council and the full spectrum of members of the broader ACT community, a discussion about what needs to be done to make that council more communicative with the broader community and get it back on track? Why can't you do this? Why won't you do this?

Mr Hargreaves: Because I have greater faith in the multicultural community and their ability to fix their own affairs than you do. The council is a democratically elected organisation and I will not be accused of interfering in their political processes. I plainly won't do it. What I will do, which you haven't done, is engage thoroughly with the multicultural community out there in the electorate. As I have already articulated today, inclusive plans have been developed. Those plans are on the table and they are about empowerment. As I indicated earlier, I would like to have a bipartisan approach.

Mr Seselja has indicated his preparedness to be involved, and I sincerely welcome that. Instead of people casting aspersions on the efficacy of the multicultural council perhaps there is, in fact, a method of engagement. I don't propose to interfere at all. I'm sorry Mr Pratt. I have no power to call everybody into my office, smack them on the bottom and send them home. I won't do it.

MR PRATT: So you and your government don't even have the leadership to be able to influence, encourage and pull together the various groupings to resolve the issue.

THE CHAIR: Mr Pratt, I'd ask you not to use incendiary words.

MR PRATT: Incendiary?

THE CHAIR: Inflammatory.

MR PRATT: Could I have an answer please, minister?

Mr Hargreaves: Yes, certainly Mr Pratt. I don't propose to dignify your response to anything I've said with any kind of response of mine. With your straw man tactics, trying to build up something so you can tear it down, go for your life. Do yourself the best harm you can. All I can say is good luck to you. I look forward in multicultural affairs to working with the shadow minister for multicultural affairs, Mr Seselja.

THE CHAIR: Okay, I believe that you've asked your questions now Mr Pratt.

Mr Hargreaves: And got your answer too.

THE CHAIR: Earlier Mr Mulcahy raised a point of order under Standing Order 202. Can you tell me which particular part of Standing Order 202?

MR MULCAHY: It's either (a) or (b), disrupting the work of the Assembly, and this is part of the Assembly.

THE CHAIR: Well (a) is persistently and wilfully obstructing the business of the Assembly. Is that the one that you are referring to? And (b) is being guilty of disorderly conduct. I think we've all been guilty of that today, Mr Mulcahy. I will refer to *Hansard* when I get it, and seek advice of the Clerk on that issue, and I will come back to the committee as soon as I am aware of it. If there is a problem, I will ask that the minister withdraw it.

MR MULCAHY: I much appreciate itch air.

THE CHAIR: Let's move on shall we.

MR MULCAHY: I have a small question on multicultural affairs, and it's a very straightforward one. It's related to the multicultural festival and through that the fringe festival, which I believe you opened this year.

Mr Hargreaves: I did.

MR MULCAHY: I missed that occasion. I got there late. Is funding provided for the multicultural group or is it contemplated that you will continue the funding for the fringe festival? Can you indicate what amount is likely to be made available to support that activity?

Mr Hargreaves: Mr Mulcahy, the answer to the first part of your question is yes. It was, I think, a bit trial blazing within the context of a multicultural festival, as indeed was the Contact Canberra part of it. I think that was brilliant and we will be doing that. I don't want to indicate to you a particular level of funding on each of the components because it will depend upon the construction of the program. Once Domenic Mico has recovered, we hope he will be back on deck and involved in the construction of the program. That will drive the amount of money that we provide, and the amount of private sponsorship that we get around those particular events. I wouldn't want to try to guess that because that will give people some indication of some sort of size and I don't want to limit anybody's imagination or even attempt to limit Domenic's.

MR MULCAHY: I would like to put on the record that we hope Mr Mico makes a rapid recovery.

Mr Hargreaves: Thank you. Madam Chair, Dominic had a stroke last Thursday and he is not very well.

THE CHAIR: I'm very sorry to hear that and I can concur with the comments of all.

MR PRATT: He is an extremely hard working member of the community.

THE CHAIR: We have no further questions on this area so let us move to output class 2.1, therapy services.

DR FOSKEY: I would like to ask a number of questions about the accountability measures, reported in budget paper No. 4 on page 277. The target number of hours in therapy services to be provided in 2004-05 was 55,472 but the estimated outcome is 44,148. The target has been reduced—and that could be something to do with the end of the financial year—to 50,273 in 2005-2006. Can you please explain why there's been a 20 per cent reduction in hours of therapy service?

Dr Adrian: I can understand why you might ask the question, given the variation in the figures. Let us look at the figures for 2004-05 and put it in context. At that stage, we were amalgamating two components that had originally come from different departments, one from the health department and the other from the education department. We were looking at bringing those two areas together in Therapy ACT. That figure you see there was an estimate done at the time of the hours of service for those two components—the disability component and the old CHAD Service.

What we found during the year was that that data was being put on two different databases and was being collected in slightly different ways and with different recording methodologies. As you can see, it indicates that the hours of service provided to an individual may include hours related to assessments, intervention, consultations with families and other providers of service to the client. Obviously staff are also involved in other activities such as liaising with community groups, within government and outside government, and we found that slightly different recording approaches were taking place. In fact, that figure was on the high side, if you like, and an overestimation of the direct hours that therapy services provided. So that is one factor involved.

The other significant one and of concern to us was the issue of staff vacancies. I think that the difficulty in recruiting therapy staff, particularly in some of the professional areas, and it is a problem right across Australia, has come up at earlier estimates. We have had periods where the vacancy rate in staffing was at a peak of 30 per cent and other periods where it has been down to 15 per cent. Currently, we have that running between six per cent and 10 per cent, which is a more normal level of vacancy. But it did impact in this period on the level of therapy services hours that could be provided.

The third factor relates to requirements for all the staff in new Therapy ACT to undertake child protection performance management training, and that amounted to two days for all staff, both full time and part time during the course of the year. So it has had an impact on those figures that you can see in front of you. If you look at the figure for 2005-06, we believe that it is a better estimate of the actual hours of client contact for the full areas of therapy services. We are certainly hopeful that we can achieve that level with staffing vacancy rates operating between six and 10 per cent. But Ms Hardy might be able to provide some of the details about what we did in that period, and continue to do to try to ensure that, despite those staff shortages in some periods, the impact on clients is minimal.

Ms Hardy: I think one of the big things about recruitment was that we have had

a reclassification of positions and salaries so that we now have equity with New South Wales. In the last few years, for the first time, we lost staff over the border when, in the past, the ACT had attracted staff. So having equitable salaries really has made a difference. During this time, although we have had some shortages of staff, we have implemented some different service models, and we feel we have been able to tackle the waiting lists, especially in the areas of speech pathology, which is one of our problem areas with waiting lists. In 2004-05, we have had an increase with the budget initiative for the autism assessment and family support program, and we are starting to bring down the waiting lists for autism assessment. They were our two main areas of concern. The other thing is this new model of services called the Maroonda approach to clinical Services. We are looking at implementing it for some of the other disciplines. So we are hoping that that will have an effect.

DR FOSKEY: One of the other indicators is client satisfaction, and I note that it has fallen short of the target of 90 per cent for 2004-05. Has Therapy ACT investigated this drop and can you provide an explanation?

Ms Hardy: We have done it for a number of years now, and I think once again we are finding that 80 per cent is a more realistic target. The feedback we have had from the surveys is that people are very happy with the quality of service. It is the quantity and the waiting times that bring the negative comments, and that especially relates to autism assessment. We are certainly addressing those issues now. We have put 80 because we think that that is a much more realistic approach, and we get a very small number back. We need to question how viable and valid the response is and we are looking at a number of different methodologies at the moment that may help us get a better response rate with the next one.

MR MULCAHY: I note the number of therapy services has dropped from the targeted number of hours of 55,400 plus to 44,100-plus for 2004-05. To assist you I'm referencing the appendix to BP4, page 65. With that revised target of 55,000-odd hours, set at a cost of \$10.2 million, with a below target level of staffing and only 44,000 therapy service hours delivered, why was there a higher cost in \$10.267 million? I note in the footnote that the reasoning was that there was difficulty in recruiting appropriately qualified staff. Staff levels were 15 per cent below the level budgeted for, but in 2003-04 the same problem was evident, but at that point the department was 30 per cent below the level budgeted for. There are two aspects there. Could you explain the hours issue versus the cost and also the situation with staffing and how that is being addressed?

Dr Adrian: In terms of the calculation, that is simply the hours of service vis-a-vis the total cost for Therapy ACT. So in the estimated outcome, with lower hours of service, that pushes up the apparent cost, if you like, per hour. So that is the reason for the increase from the 161.58 to the 197.45. It simply reflects the decline in the hours.

MR MULCAHY: I do not think that was the question. The aggregate cost is higher. I mean, effectively, less service is being delivered but the cost is higher, as I read those figures.

Dr Adrian: With output 1.3 in the appendix to budget paper 4—and it is something that can be confusing—the total cost represents the actual level of expenditure. During the course of that year there were additional funds going into Therapy ACT's budget. There

was an appropriation during that year and some additional money went into the base budget for Therapy ACT, which explains why the total cost or the total level of expenditure is in fact higher.

Mr Hargreaves: I also draw your attention, Mr Mulcahy, to the last note on that page. If you look at note 4 that applies equally to the total cost in thousands, the same note could apply. There is a more accurate allocation of the fiscals. That is what Dr Adrian was talking about with the total cost of Therapy ACT.

MRS BURKE: Fewer hours, more money.

Mr Hargreaves: No, it is an apportionment of the costs.

Ms Lambert: Dr Adrian has already alluded to the fact that during this financial year there was a significant change in salaries, and that was also mentioned by Ms Hardy. That was to enable us to have a salaried position for those services comparable with New South Wales. The increase in salary costs went into the base during the year.

MR MULCAHY: What is the percentage increase?

Ms Lambert: It varies, I think, depending on the levels. We could take that on notice, if you like, and provide you with that, because it varies according to the levels.

MR MULCAHY: And the second question was the longer term issue of tackling your staffing shortfall.

Ms Hardy: The reclassification has certainly made a difference. We are a very highly female dominated organisation. We have a lot of maternity leave so we are offering a lot of flexible work arrangements to encourage people to come back into the system, even on a part-time basis, because therapists are very hard to come by. If they are living in Canberra, we really want to encourage them to stay with us. So things such as purchased leave has been a big advantage for staff coming into the system. We are also advertising nationally but I think the part-time flexibility has really made a difference in the system.

MR MULCAHY: So just getting qualified people is really central to your challenge?

Ms Hardy: Yes. The other thing is the University of Canberra is having a post-graduate physiotherapy school, and physiotherapists are very rare on the ground, so we are getting involved in training and presenting tutorials. We will also do clinical placements, hoping that will encourage people to come back into our service.

MR MULCAHY: Do you have a projection of when you might achieve optimum levels of staffing of, say, a 90-plus rate or something?

Mr Hargreaves: That's the problem.

MR MULCAHY: Yes, I know it is.

Ms Hardy: It is a national problem and I think we are no better or no worse than many other jurisdictions. We are probably better off now, especially with the reclassification.

Ms Lambert: If you'll recall, Mr Mulcahy, earlier this morning we also talked about our capacity to enable as much part-time work as we can, because our work force is young, predominantly, and female. So it is about enabling flexible work practice as well, so we're working as hard as we can on those things too.

MR SESELJA: My question has probably been covered to an extent. It's a similar one to Mr Mulcahy's there on the table, and just goes to the drop in quality effectiveness based on the survey. The target was 80 and 58 per cent was the estimated outcome. The note says that it is due to the staffing and it is a problem across a range of areas. Are you telling us that that's unlikely to change in the next few years just because of the national shortage of qualified staff or is there some light at the end of the tunnel in recruiting sufficient quality staff?

Ms Hardy: I think we have made great inroads into it because in 2003-04 it was as high as 30 per cent. The other thing coming on board is a joint program with CIT and ACT Health looking at the qualifications course for allied health assistants. They may be able to subsidise, assist and implement programs that have been prepared and directed by the therapists. So we are looking at a work force restructure.

MR SESELJA: As a follow on from that, and this may well be somewhere else in the papers, are you able to tell me what the target will be for 2005-06? Will that stay the same at 80 per cent in terms of quality effectiveness or will you reduce the target?

Ms Hardy: No, we'll leave it at 80 per cent. I think that's a very realistic number.

MRS BURKE: I have a question relating to assessments for autism. I noticed in budget paper No 3, page 186, that there was some good funding there. I still maintain, and I'm sure that you would agree, that assessments are excellent, and that's one thing, but all we are doing is compounding the problem. It's exponential and I think we'd all agree with that.

Mr Hargreaves: How would we be compounding the problem, Mrs Burke?

MRS BURKE: Because we're actually not meeting the actual need that's there.

Mr Hargreaves: How does that compound the problem, Mrs Burke?

MRS BURKE: Because doing assessments is not actually delivering a service to the people who need it.

Mr Hargreaves: That does not affect the people, though, does it?

MRS BURKE: Minister, I was asking Ms Hardy.

Mr Hargreaves: Yes, I know, and you know the protocol that questions will go through me.

MRS BURKE: Thank you, minister. You can answer the question, then. What about the level of unmet need that still exists? How much of the money is apportioned in these

initiatives here? You've said it includes autism but what's the actual dollar figure that will go to assisting people with autism?

Mr Hargreaves: The first thing you need to understand is that autism and the way in which we attack it have been around for an awfully long time. It is only recently that we identified how we can go about addressing this. To suggest, in fact, that identifying people is compounding autism is ridiculous. However, in order to answer your question properly, I think you need a professional's perspective on it. So, I will ask Rosalie Hardy to give you that one.

MRS BURKE: Okay. Ms Hardy—

Mr Hargreaves: I will do it, Mrs Burke, not you.

MRS BURKE: Thank you, minister.

Ms Hardy: I am unable to give you the dollar amount.

MRS BURKE: I'm happy for you to take it on notice.

Ms Hardy: As it is a new program, and this is the one you are referring to?

MRS BURKE: There are two—children with high and complex needs including autism, and additional therapies for children with high and complex needs including autism. I want to know if we are able to ascertain the apportionment of funding for both those programs for children with autism or Asperger syndrome.

Ms Hardy: I think that Ms Hayes, in answering this question earlier, talked about the fact that the program for children with high and complex needs was going to be driven by the needs of the person. That is a very person-centred program. So separating out autism costs would be almost impossible because we don't know how many children with autism will present—

MRS BURKE: So you haven't identified those through the assessment?

THE CHAIR: Mrs Burke, let the question be answered and then you can ask a supplementary. I have got no issue with you—

Ms Lambert: We have done a lot of identification of young people with autism, whether they fit under this program or not will be another matter because these people often have a variety of needs, including autism. But there are other ways to deal with this, which Ms Hardy can talk to you about. We are restructuring the way we deal with children with autism, including a very strong focus on early intervention.

MRS BURKE: Ms Lambert, thank you for that. As Ms Hardy very eloquently said, the assessments are being done, and they're moving through, and that's good to hear. You have identified children with Asperger or autism. Are you able to tell me what proportion of the funding for these new, good initiatives is going to be aligned to children with Asperger or autism?

Ms Hardy: I don't think I can.

MRS BURKE: Okay.

Ms Hardy: Can I just say that the first one, the high complex need that Ms Hayes referred to, is going to be for clients with extremely complex and challenging needs and it's going to be an across the whole department process.

MRS BURKE: Yes.

Ms Hardy: This will involve Disability ACT, the child and family support office, and us looking at a very good case coordination and management of those clients. They are not generally the children we are assessing at the moment for autism. They are people who are in the system who do have challenging behaviours and we will need to intervene at a different level from what we are now. Something may exacerbate the behaviour and we may be called to intervene or it could be a breakdown in the family system that will require funds.

MRS BURKE: So you're not able to give me a dollar figure?

Ms Hardy: I'm not able to give you a dollar figure, because we don't really have all the clients identified.

MRS BURKE: All right that's fine.

Ms Hardy: The second one there relates to the equipment. What will happen there is that we will be able to provide communication assessments for children with autism who need some form of electronic or voice output device. I really cannot say the dollar amount because we don't know what the needs are.

MRS BURKE: Even though you've done assessments, you're still not sure?

Ms Hardy: We've purchased the equipment, but we don't know how many children will need that service through the year. But we will keep good statistics for you.

Dr Adrian: Both of those new programs need to be set within the context of the new funding for autism. Rosalie might like to outline how we're rolling out that programming, which was allocated in the previous budget and has come on stream this financial year. That was specifically to address the question of autism assessments and improve the waiting times that we have seen difficulties with in the past.

MRS BURKE: Thank you, Dr Adrian. I am aware of that, and perhaps this may not be the forum. I can talk to Ms Hardy about that in due course.

DR FOSKEY: On page 277 of budget paper No 4; item d refers to "new referrals actioned within five working days". I see that the note under there indicates what "actioned" might mean, but I would really like a little bit more explanation. There are some pedants who absolutely hate nouns being turned into verbs, but it is not for that reason that I require more explanation.

THE CHAIR: I would remind you, Dr Foskey, that of course the budget papers are prepared by people in Treasury and I do not think they actually distinguish between nouns and verbs.

MRS BURKE: And our Treasurer did remind us there might be some typographical errors.

DR FOSKEY: Given that a lot of these people might remain, I gather, on the waiting list for some time after they are actioned, I just want to know what “actioned” means.

Ms Hardy: We have two ways that people can come into our system. One is through a formal intake system, where they ring or a letter is sent in by a doctor. There, an intake officer who is a health professional asks them about their needs and gathers all the demographic data. Then that information is transferred to the appropriate team.

At the intake stage, a letter is sent out to parents to say that they have met the eligibility criteria for Therapy ACT and the referral is transferred to the team. Once it arrives at the team, the team leader will look at that referral to see if further documentation is required. If further information is required, they may contact the parent. They may contact the teacher, childcare or whoever, look at what is needed and then talk to the parents and say, “This will be our action from here. We may be able to make an appointment straight away if it is a very high priority or we will put you on the waiting list.”

We are implementing a process whereby parents who stay on a waiting list for any more than six months are once again sent a letter saying, “You’re still on a waiting list; have things changed?” so that we know if we need to see them sooner. The only other way that families come in is via a drop-in service. We have a physiotherapy and speech pathology drop-in service where anybody can come in off the street and talk to a therapist and discuss their concerns. If the therapist feels that the concerns are such that intervention or an assessment is required, they are then sent back through our intake service.

DR FOSKEY: That is slight progress. Moving on to the future of Therapy ACT—you blend so well into the background, I actually thought you had gone there for a moment, minister.

Mr Hargreaves: I can soon let you know I am still here, Dr Foskey.

DR FOSKEY: Yes, that is right.

THE CHAIR: I am aware that you are still here, minister. Proceed with your questions, Dr Foskey.

DR FOSKEY: In April of this year, minister, I asked you whether you considered it acceptable to have an autism diagnosis waiting list of 92 children, effective 2 March 2005, resulting in children less than five years of age waiting for over a year for an assessment and older children waiting for two years. You replied that you did not believe it was acceptable and that the government was working to reduce this. I would like to suggest that this be made an accountability indicator for Therapy ACT and that the government might like to set clear targets in this regard.

Mr Hargreaves: Dr Foskey, on that basis, without wishing to pre-empt what you are doing, can I just suggest that if the committee wishes to make those sorts of recommendations, the government will consider them. But I would like to suggest that, in the context of the report, if you are reasonably clear about how you would like to see it worded, because if it is pretty straightforward, we are happy to pick it up. We are happy to pick it up if it is fairly straightforward.

Ms Lambert: Minister, I would like to ask Ms Hardy to just talk about the progress we have made with that.

Ms Hardy: As you know, we had our budget initiative in 2004-05. We have been able to extend our autism service. We extended the number of people who have been doing the assessment. We have also extended into a multidisciplinary assessment for most clients, where it is relevant.

An assessment of a child with autism can take a minimum of about 25 to 30 hours. That is one of the reasons why it is a very long-term thing and why we have waiting lists. Before somebody can actually get on to the autism waiting list, we need to ensure that they have a cognitive assessment. We need to ensure that they have had a full medical assessment so that we are ruling out any medical issues, because autism is a behavioural problem and not able to be found in any medical genetic testing, and also a hearing assessment. So we really want to know that the behaviours that we are looking at are related to autism, not to any other process.

Since we have started our new program, we have been able to reduce our waiting list. We currently have four children under five on our waiting list. We are waiting for paperwork for all of them and we will be able to give them an appointment immediately once that paperwork is in. We then have vacancies for assessments at the end of June, June-July. So we feel that we have moved the under-five ones.

We have 66 children over five currently on the waiting list. Of those who have been there for less than two years, those who have been there for that period of time, we are actually having difficulty contacting some of them. So there is a group there that has been sitting there for just under two years, but once we have managed to find and contact those, we will certainly have brought our waiting time down.

I think one of the important things with this new program is that we are able to provide information and training for parents at the time of diagnosis so that parents have a good understanding of issues of behaviour management, issues of play, what autism is and all the information that they require at that very early stage. They can understand whom they need to talk to and what other aspects are available in their intervention program.

DR FOSKEY: One final question on this output. On page 186 of budget paper No 3, there is an initiative to provide additional therapy support for children with high and complex needs, including autism. Minister, what is the current level of therapy applied to children with autism? How will this measure impact on the amount of therapy provided? Is there a minimum or an average number of hours per child?

Mr Hargreaves: I will get Ms Hardy to address your basic question. But, clearly, if we

are going to be starting additional therapy support for children and putting in \$200,000, then it is an enhancement of the program, is it not, by definition? I will get Ms Hardy to tell what we are enhancing.

Ms Hardy: We actually do not have a minimal number of hours that a child should have for any diagnosis. We base our intervention and assessment on a needs basis, of the child and the family and the environments that the child is in.

The budget initiative that has been set out of \$200,000 is to look at equipment assessment and trial. We find that in the ACT there is no paediatric equipment loan service. This is allowing us to assess equipment very accurately and appropriately because there have been some cases where equipment has been prescribed as perhaps not relevant, because the person has been unable to trial it to see if it suits the environment and the child and family. As part of this initiative for children with autism, we will be looking at electronic voice output devices for children who have specific communication difficulties.

THE CHAIR: Does anybody else have any questions on output class 2.1? I have one. I was waiting to see how we went with time. Minister, my question you might wish to ask Ms Lambert or Ms Hardy, or both, to answer. I am curious. I know that the child and family centres come under Minister Gallagher's jurisdiction, but can you or your officials explain if, and how, Therapy ACT will actually be working in with the child and family centres?

Mr Hargreaves: Yes, I will actually get my colleagues to respond to that one, Madam Chair.

Ms Hardy: In February 2004 there was a consultancy from Westwood Spice as to the structure of our new single therapy services. Part of that was a recommendation for the north and south hubs, which have been described earlier, but with a number of outreach or spoke areas. Therapy ACT has been negotiating with the child and family centres to use the Gungahlin area as a spoke. Currently we run speech pathology drop-in services out there. We are negotiating with them to run a number of groups, one being a group for Gungahlin parents who have children who attend Malkara special school. The other one is that we are negotiating with them to run some of our autism support groups on the north side from that location.

We certainly participated in the early invention workshops that have been run by child and family centres. Currently they have a speech pathologist on their staff. We provide professional supervision for them. They also attend our professional development and discipline meetings. So we feel that we are really developing a very good partnership with them and we certainly hope to extend that to the Tuggeranong area.

THE CHAIR: I look forward to it. Thank you for your response, Ms Hardy. If there are no other questions on output class 2.1, we will move to Housing ACT. I actually made the comment before that we were dealing with the general overview for Housing ACT when we dealt with overview generally. So I am assuming that we will be going to output class 1, social housing services.

DR FOSKEY: May I just remind the chair that when others were asking questions about

housing, I said that I was going to defer all my questions until we got to the output class. So it is very likely, in fact, it is absolutely true, that I have questions here that refer to overview statements in capital works. May I please have permission to ask them?

THE CHAIR: I am reminded, and I have no issues with that, Dr Foskey. How about you start?

DR FOSKEY: One of the points made in community group submissions for the budget was to ask the government to review the ACT home loans portfolio annually, rather than biannually, and that available funds be released for public housing. Has the government considered this proposal, and what was the result of this consideration?

Mr Hargreaves: Dr Foskey, we struggle all the time with ways in which we can address affordable housing and homelessness and the whole thing, and that is why we developed the strategy. With respect to the home loan portfolio, I will receive advice from the department in due course, but at the end of the day it is my understanding that it is the Commissioner for Housing's responsibility as commissioner to determine whether this will or will not be the case. I shall receive advice from the good commissioner in the fullness of time. That is the answer, yes.

DR FOSKEY: How is Housing ACT planning to make \$708,000 savings in this budget year?

Mr Hehir: Approximately \$500,000 of that relates to our IT services. We undertook a benchmarking study earlier in 2004-05, which identified that for system support we were probably running four or five staff too high. We have been working through this year to reduce the number of staff we have in the area through natural attrition. I think we are now running with maybe one more than the identified benchmark, and that is where that approximately \$500,000 saving is coming from. The rest is just through admin areas within the department.

MR MULCAHY: This is just a general question asked on a general basis, minister. I do not want to deal with the micro of recent days' discussions, but on a macro basis there obviously has been lately—but there also was before the campaign in areas I was in—a deal of discussion about this issue of market rents and 13 per cent of clients that you have that are paying market rent to occupy public housing. I am dealing on a macro basis. I am not referring to particular individual situations that are currently being talked about.

Can you help me understand, and I guess other members of the committee may also want to know, what your thinking is this regard, particularly about a review of people in these circumstances? Is there a review annually after you reach market rent levels of income and asset base? That is the first part of it, if I could ask.

Mr Hargreaves: Do you want to ask the second bit?

MR MULCAHY: The second bit, then, is: is there a figure at which you think it may no longer be appropriate for people to continue to enjoy that benefit or do you presently hold the position that, basically, once you are there, you are there for life, even if you are earning \$50,000, \$80,000, \$100,000 or more?

Mr Hargreaves: Security of tenure, which is what Mr Mulcahy is talking about, was removed by the previous Liberal government in January 2001 as part of a major new policy package for public housing in the ACT. ACT Labor vigorously opposed that particular policy and when we came to government, in fact, in December 2002, the government approved and tabled in the ACT Legislative Assembly an amendment to the public rental housing assistance program restoring security of tenure to all public tenants.

I need to address this issue from a number of perspectives. Firstly, supporters of time-limited tenancies might say that, once the financial situation of a public tenant reaches a point where they can afford housing on the private market, they should be required to move out to make way for the many people in need on the public housing waiting list. On the other hand, the threat of losing their homes is likely to be a strong disincentive to tenants to actively seek work or improve their financial situation generally. Secure housing, in my view, is fundamental to combating poverty and giving people a sense of belonging and self-worth, and I shall not remove their sense of self-worth.

This government does not seek to force people out of their family homes. Some people have lived in these homes for 20-odd years and have raised their families there. This government is not about giving people property; it about giving people a home. Let me underscore that—we are about giving people a home, a springboard to a better life. A more balanced, humane and acceptable approach would be to encourage people who are financially capable of buying or renting on the private market to do so by developing and providing a range of alternative assistance measures. It is interesting, is it not, that the mean, the median, whatever the number is, average private rental is \$320 per week.

We have, within the public housing tenancy listing, 66 out of 1,600 tenants who are paying market rents. They represent the 13 per cent that we are talking about. Those 13 per cent are the people paying market rents. Only 66 of those people are paying more than \$300 a week. The rest are paying less than \$300 a week. The rest of those people cannot afford the average rental out there in the community. That is, in fact, 0.6 per cent of all public housing tenancies, less than one per cent of all of our tenancies.

Furthermore, I can advise you that there are 384 people paying between \$250 and \$299 a week. They are market renters. If they leave their homes, they have got to go and pay \$300 a week. That is just not on. Out of that 1,600, 942 people are paying between \$200 and \$249. The vast bulk of the people in that 13 per cent, the people that this Liberal opposition would have put out on the street, are paying less than \$250 a week. You cannot find anything in the market place for \$250 a week.

The committee must remember that people who are in these homes have been there, as I said, for many years. They are not earning a fortune. We do not have any millionaires in public housing. We, in fact, have a number of people who have come on to the list when their situation was such that they needed assistance from the territory. Now, I say to these people: good on you if you have made it past that point. If they are in the less than one per cent of the success stories, I say: congratulations to you.

We need to understand also that 13 per cent of our public housing stocks do not get a rebate. So if every single person left that system, they would be replaced by someone

who does get a rebate. They are, in fact, assisting us by paying that amount of money, the market rent, assisting us, in fact, to keep the public housing system going. The 13 per cent is a shrinking figure. There will not be too many years go by before we are down to single digit percentage figures. I predict that for you. Then we would need to do other things. It is interesting that people criticise the government for not having enough stock and all that sort of thing. I notice a distinct lack of criticism from the opposition about the fact that perhaps private sector market rents are, in fact, too high for people. There is a considerable lack of noise about that.

To answer Mr Mulcahy's question a bit more specifically, I suppose: is there a figure, a salary figure, perhaps, beyond which people should be asked to move on? The answer is no, and I do not intend to have one. What we intend to do is to try to come up with processes for people to have choice. It is all about choice. It is about esteem and it is about choice. It is not about victimisation. It is not about telling people, "Good for you. Now you've done that, we'll send you down the pole." This is not a case of snakes and ladders with people's lives. This is about giving people a home. That is the difference.

There is also the furphy out there about the number of people paying market rents. The picture painted by the opposition in the media is that we have got hundreds of people out there in three-bedroom homes in wealthy suburbs doing all of these things. They forget about the 25 people who are paying less than \$150 a week. They are paying market rent. They are in bedsits. The Liberal opposition says, "We'll toss them out on the street." That is their policy. They say, "We'll throw them out on the street." Show me the bedsit you can get for less than \$100 a week. You cannot get one. They do not exist.

What about those people, 191 of them, paying market rent? They are paying less than \$200 a week. These are people whose incomes have reached the level, but the accommodation that they enjoy as their family home has been that way for many years. Its market value for rent is less than \$200 a week. These homes do not have marble bench tops, spas and triple-car garages. We do not have that. We do not have back-to-base security systems. We do not have all these things added in. These are quite old stock.

The ACT has the oldest stock in the country. We are talking about people who may be living perhaps in Ainslie, which has the greatest proportion of public housing stock in any suburb in town, and these people are living in a weatherboard house. I think what we are seeing here is a surreptitious bit of pressure by the opposition on the government, saying, "Why don't you flog this housing stock off and then you can buy two other places for it?"

MRS BURKE: You said that yourself.

THE CHAIR: Order, Mrs Burke!

Mr Hargreaves: We can do that. We can say to you that in fact the policy is that when people actually do move out, we examine each of those places to see whether or not they are young enough and in good enough condition to take somebody instantly off the housing list and give them a home—a home; not a house, a home. Or, if it is a really old suburb and people have moved off through their circumstances, we will say, "Yes, it is a good idea. We can flog that one and move it on."

We have a number of houses out there that people will observe are vacant. Those vacancies, those vacant premises are those being prepared for sale or auction, those that are being refurbished for allocation to somebody or those that are awaiting allocation, because people are given two choices. Some of those older places, for example, the ones in Ainslie, which are actually left, need to be checked out for asbestos. They need to have significant repairs and maintenance done on them because the infrastructure of those homes is quite ancient, and so there will be quite a lot of that. Occasionally we have homes that are abandoned by their tenants and we do not know that they have been abandoned by their tenants.

MR MULCAHY: He has been going 10 minutes now. I am still waiting for an answer to the question.

Mr Hargreaves: I have given you your answer.

MR MULCAHY: No, the first question.

MR HARGREAVES: What I am actually giving you is a complete answer to your question, Mr Mulcahy.

MR MULCAHY: No. The first question I think you might have forgotten. I am happy to repeat it, chair.

Mr Hargreaves: Let us go for it, then.

MR MULCAHY: The first question was: do you have a system where you assess incomes annually for people who are market renters? That is all I need to know.

Mr Hargreaves: No.

MR MULCAHY: You do not. Terrific. Okay.

Mr Hargreaves: Am I going to introduce one? No. Do we have a system for checking the income of people who are receiving a rebate? Yes, twice a year. Why? Because we need to make sure that the level of rebate they are getting is appropriate to their circumstances.

MR MULCAHY: Could I ask the questions?

THE CHAIR: He is finishing answering the question, Mr Mulcahy.

MR MULCAHY: I am happy with that information, but I am just trying to get to the point.

Mr Hargreaves: Andrew, did you get that? Mr Mulcahy is happy with that information. Put a press release out, please.

THE CHAIR: Order, minister!

MR MULCAHY: Chair, we could get through this a lot quicker if we could just get to the point. Minister, thank you for the dissertation, which has cleared your position.

Mr Hargreaves: My pleasure. A bit of education never hurt anybody.

MR MULCAHY: It has been terrific, minister. You might educate me further. In the light of what you have said today, could you tell me about the view you expressed just three weeks ago on 4 May on 2CC, wherein you said: “We should be encouraging these people who pay market rents, if their income is of such a level that they do not get a subsidy, to move on and release those properties for people who need assistance. There’s a bit of sense in that, I suppose.” Is that a position you no longer support, minister?

Mr Hargreaves: No, not at all, Mr Mulcahy. Thank you for putting words in my mouth and giving me a chance to correct you. We actually advise people who are living in these houses and who do not receive a rebate that they can, if they wish to, choose to purchase their home, that sort of thing.

MRS BURKE: It is not what you said—

THE CHAIR: Order, Mrs Burke! I ask you not to interject.

MR MULCAHY: So to move on is not—

THE CHAIR: Mr Mulcahy, I would ask you not to interrupt. Mr Hargreaves is still answering the question, I believe, Mr Mulcahy.

Mr Hargreaves: Mr Mulcahy, encouraging people to have a look at their circumstance is one thing. Insisting that they move on is another, and I will not do that. We will not do that. Security of tenure is a guarantee under Labor. But we are also exploring options on how it is that we can assist people if they so choose. For example, Mr Mulcahy, let us canvass with you the case of a person has been in a house for 20 years and raised three children. The kids are now gone and hubby has shuffled off and we are living in a three-bedroom house in Ainslie and there is much more modern accommodation available. What we do is advise these folks of that opportunity. If they choose it, fine. If they do not choose it, fine.

MR MULCAHY: So getting them to move on—

Mr Hargreaves: I do not get anybody to move on, Mr Mulcahy. That was your January 2001 policy. It is not ours.

MR MULCAHY: No, no. That is your statement.

THE CHAIR: Order! Ms Porter, I believe you have a question.

MR MULCAHY: I have not finished. I have got one other, chair, related to this topic.

THE CHAIR: Okay.

MR MULCAHY: To conclude, I heard all those figures you quoted. Does that indicate, then, minister, that you are indicating that market rents are not really reflective of the market because you were indicating people would be massively disadvantaged if they went into the private sector for comparable accommodation? Is that a reasonable assessment?

Mr Hargreaves: No, that is not even close, Mr Mulcahy, not even close. The market rent, in fact, is the rental value placed on that property by an independent valuer according to the age of the stock, the condition of the stock and all that sort of stuff. What it does not take into account, Mr Mulcahy, is the insidious profit margin that is placed on it in the private market place. They totally ignore the low-income earners in this town and abrogate their responsibilities. They hand it over to the government and say, "You look after it."

Instead, you get this scenario: a person buys a house 10 or 15 years ago at a mortgage rate people can only dream about. They have made their capital gain. There is no need for them to have the profit that is coming in to them from the rental of this home, just because the market can bear it. Well, it cannot bear it. Those people in this town who are earning buckets of money can afford it, but those people who cannot, cannot go into the private market—

MRS BURKE: That is the point.

THE CHAIR: Mrs Burke, I have asked you not to interject. Please do not interject.

Mr Hargreaves: because the private market place will not let them. But, no, you abrogate this to the government sector. We give folks homes. That is why we give rebates. We are carrying the private sector rental market on our shoulders and, quite frankly, Madam Chair, I am sick of it.

THE CHAIR: Dr Foskey has a supplementary question.

DR FOSKEY: Mr Hargreaves, I think everybody here knows that I am a government housing tenant. I just want to get that on the record. It is on the record, but I do not think it was I who put it there and I like to be in charge of what is said about me, really. But I just wanted—

MR MULCAHY: We are starting to get into politics.

THE CHAIR: Order, Mr Mulcahy!

DR FOSKEY: I am declaring my interest here, Mr Mulcahy, thank you.

THE CHAIR: Just a moment, Dr Foskey. Mr Mulcahy, if you are going to have audible conversations, I suggest that you take them outside the committee room. Otherwise I suggest you speak in a voice that is not audible to the rest of the people sitting in the committee room.

Mr Hargreaves: And on the tape, Madam Chair.

DR FOSKEY: I live in a house that at various times I have been going to be kicked out of because it was going to be sold. It is an old house in Yarralumla and it is probably true that most people would not live in it. It is of that standard. It is in Canberra and it is a little idiosyncratic little house.

Mr Hargreaves: I am not surprised to hear that.

DR FOSKEY: And I have probably made it more idiosyncratic, indeed. But what I want to know is if that house was sold, what happens to the money? If that house was sold, would it go back into housing or would it go back into consolidated revenue and be used elsewhere?

Mr Hargreaves: No, no.

DR FOSKEY: But at other times in the past it would have gone into consolidated revenue?

Mr Hargreaves: No. In recent times, very recent times, Housing ACT is now in a sense a trading enterprise. Okay? We are responsible for maintaining and increasing our housing stock. What would happen in fact in the unlikely event that those particular premises became available? When we say to people, “Look, we would really like you to think about having us give you alternative accommodation because we could flog it,” that is just telling you what we would like, not what is going to happen. What you need to understand is that let us suggest that we got \$300,000 for that place—

MR MULCAHY: Where?

THE CHAIR: Order!

Mr Hargreaves: It’s a hypothetical house, Mr Mulcahy.

DR FOSKEY: It’s true and that is why I can never buy it.

THE CHAIR: Order!

Mr Hargreaves: We will have Mr Mulcahy’s house valued and we will use that as an example instead then. What we do with the money? Firstly, we actually look at the place to see whether or not, as is, with a lick of paint, it can be allocated straight out to somebody else. In an older suburb, of course, that is unlikely because of the likely value of the land.

We have experts sitting up in Housing ACT who look at the market and say to us whether or not properties are selling at all in that particular suburb, and sometimes various suburbs look attractive on their face but they are not necessarily selling, they are not shifting. For example, in say Forest, Red Hill, Yarralumla, those sorts of suburbs, you might consider that someone would knock a house down, put up something else, or put up a couple of town houses, on the block. But the developers have to be out there to do this if they want to do that.

Our real estate experts know that so they decide whether or not to put something on the

auction block, realise the money and then put that into Housing ACT's bank so they can purchase more stock. Okay? If, for example, we got \$700,000 for a place, we could buy 1½ houses somewhere else; you could buy a couple of units in a multi-unit complex. There are all manner of ways to respond to our waiting list.

The other thing they can decide is whether to refurbish. Also, if we felt so inclined, if Martin's crew felt that there was value in this, we could knock it down and stick a couple of units in ourselves. We could actually engage a builder to build, and we have done this. Where we have had a couple of houses in a row, we have knocked them down and we have put up some small-scale town housing and multi-unit complexes in that sort of perspective. So those are the opportunities we have.

What does not happen is that the money, once returned if a property is sold, just disappears into the ether. It doesn't. And when we talk about that \$52.5 million we were talking about earlier on today, that is where the flow of those funds comes from. Does that explain it?

MR SESELJA: Mr Hargreaves, I am just not quite sure. When you were talking before about market rent you seemed to be suggesting that there is an independent valuer or an independent market expert who comes and tells you what the market rent is. But you said it is not the same as what is out in the market. So I am not quite sure—

Mr Hargreaves: The private rental market.

MR SESELJA: Which market is he valuing it against if it is not the private rental market?

THE CHAIR: It might be a female, Mr Seselja

MR SESELJA: Sorry, he or she. Which market is she valuing it against?

Mr Hargreaves: I will get Martin Hehir to give you more precise detail. He is much more an expert than I am.

Mr Hehir: The independent valuation process goes out and examines 5 per cent of the housing stock each year. So in doing that they actually look at the house, they look at the area. When I say the house, it means they look at the inclusions; they look at whether it has a garage; they have a look at a whole heap of factors.

MR MULCAHY: Marble bench top and spa.

Mr Hehir: Yes, it does look at that. It then has a look at the rental market in general around that area and compares the properties to the private rental market in the area. So what it does is actually make a direct comparison with the private rental market but in doing so it actually has to have a look at the standards, the size and the general amenity of the property in determining the actual market rent for that. So the distinction between our rents and the median rental and the market from the private sector generally relates to the size and quality and the level of inclusions that go with public housing property.

MR SESELJA: Okay. That seems to be a little bit contradictory to what the minister was

saying because, minister, you seemed to be suggesting that was because of the insidious private profit margins. But what Mr Hehir seems to be suggesting is that it is comparable properties, so if you have got the exact same house in the market you would pay \$280.

Mr Hargreaves: We don't have the exact same houses. That's the point.

MR SESELJA: But what he is saying is there is a higher quality out there so they might pay \$340 for a three bedroom with more inclusions and you might have \$280. That is quite reasonable. But you were saying that it was because of different profit margins, that that was actually the difference between what people were paying in the private rental market and what market renters were paying to Housing ACT.

Mr Hargreaves: You misunderstand, Mr Seselja. What I am saying to you is that the element of choice for people paying market rent for older stock within the ACT Housing stock is not available to them in the private marketplace. It is not available to them. The private marketplace does not have the aged stock that we do. It does not have things that have Formica bench tops on them. They have marble tops on them nowadays because they are attracting the higher renters, the people paying higher rent. That is what they are doing. They have investment properties and that is what they are putting out in the marketplace.

If you have a look at the real estate pages you will see that people will buy an ex-guvvie for, let us suggest, \$300,000, \$330,000, \$340,000, then sink another \$50,000 into it to lift it up and then put it into the marketplace for \$360-\$400 a week. Now, we don't have that kind of stock. We have no opportunity for them. If people are paying what we consider to be market rent, they cannot go out of the public tenancy system and into the private marketplace because the particular properties of that quality are not there. People do not do that. They don't consider that.

But I can tell you that there are sometimes obscene rents being charged in this town. They are obscene. There is no need for this level of profit. There is no reason. We keep talking about making a certain percentage of these multi-unit properties into affordable housing. I have not seen one approach to the community by any in the private marketplace saying, "Well, we've got an idea on how we can have a certain proportion of our stock at market rent, at less than the rents that are currently being charged." They don't. The government and Housing ACT are the only people who are attempting to do that through a range of strategies.

It is a sad indictment, I believe, on people who own private properties that they just try and get the greatest amount of rent that they can for their properties. I am not pointing to individuals here; it is a systemic issue. I have not had any invitation from, for example, the real estate institute in this town to enjoin in conversation on how we as a community can tackle affordable housing on the rental market in this town. All I see is people criticising this government for not doing enough. They don't give credit for what we are actually doing but they just criticise us for not doing enough. And I have not seen those people so as to have those conversations.

DR FOSKEY: Could I move on from where you have just taken this conversation, Mr Hargreaves?

Mr Hargreaves: Did I take it somewhere, Dr Foskey?

THE CHAIR: Dr Foskey, are you seeking to ask a question in a related area?

DR FOSKEY: Yes, a related area. Mr Hargreaves has talked about involving the private sector in the supply of affordable housing.

Mr Hargreaves: Indeed.

DR FOSKEY: There has been a range of strategies suggested by the affordable housing taskforce to stimulate private sector investment in affordable housing. I won't go into the list here. There are a lot and I believe there are more out there now—the work of people like Mike Berry and some of the work that is happening in places like Ireland. Cities around the world are dealing—

Mr Hargreaves: Yes, Glasgow is good.

DR FOSKEY: Yes. They are dealing with this issue. Some are further along than we are. I am just interested to know how we are going to work on this. For instance, there has been interest expressed to me—a tentative interest, let me say—from the private sector in having discussions. I guess having discussions about it is at least a place to start. What mechanism would the government suggest for actually starting those discussions?

Mr Hargreaves: There are two things, Dr Foskey, on this one. Firstly the government has given an undertaking to report back to the Assembly on this thing I think in June of this year. And so we will do that. We will canvass the detail then so I won't go into detail now. Secondly, I am encouraged to hear that the private sector has been talking to you about how they can become involved in this problem.

DR FOSKEY: An organisation.

Mr Hargreaves: An organisation in the private sector and not, I presume, in the non-government organisational sector. We are talking about a profit-making organisation out there. I am very encouraged by that and I would dearly love to have dialogue with that sector. However, in the absence of that dialogue I shall continue to criticise them.

THE CHAIR: Ms Porter has been waiting to ask a question for a while now.

MS PORTER: It is fine, chair. No problem.

THE CHAIR: She is very patient.

Mr Hargreaves: She is lovely.

THE CHAIR: Let us move on. We are getting there.

MS PORTER: Minister, recently in the media there were some reports that Housing ACT was undertaking a review of waiting lists. What is the outcome of that review?

Mr Hargreaves: I will get Mr Hehir to explain that one. You keep throwing numbers

around the place. We need to understand that the waiting list should apply to people who are waiting for allocation, not when they are already sitting in public housing waiting for a transfer. They are already housed; their critical issue is over. The ones that we need to worry about are the people who are waiting for an allocation to a public housing property.

We did, in fact, take the opportunity, as you should do from time to time, to check out whether people are still in Canberra; whether or not their circumstances have changed; whether, in fact, their need for housing is more acute than it was when they first put down their name and we are unaware of it. So what has happened is that, quite responsively, housing has done just that and contacted all the people on the waiting list. I will ask Mr Hehir to give you the details on it.

Mr Hehir: In undertaking the review, Housing ACT sent out 1,542 letters to applicants whom we had not had contact with in a 12-month period. We sent a follow-up letter advising that they needed to respond. Following that, the timeframe for response has come. So far we have received 540 responses indicating that they would like to remain on the waiting list. That leaves approximately 1,000 people so far who have not responded saying they would like to stay on the waiting list. By far the majority of these people—approximately 900—have come from our standard allocation category 3 list, which is people who are currently housed within the private sector but who meet our general means test for being eligible for public housing.

We will follow up with people. Where we get a not returned or a “not known at this address”, we will follow up with their contact details if they have provided phone numbers or alternative contacts. We will follow that up to make sure that we are not missing people or not providing people with the full opportunity to respond.

At this stage my officers are preparing a report. Following the receipt of that report, I will determine how many people we will remove from the waiting list. Those people who are to be removed from the waiting list will have approximately six months to appeal and if they appeal and are successful they can be placed on the waiting list in exactly the same position as before they were removed.

MS PORTER: Can I ask a supplementary? Minister, how does the ACT compare in its timeframes and percentages in allocating housing to priority applicants against other jurisdictions in the national average?

Mr Hargreaves: My understanding, Ms Porter, is that we do particularly well, given the per capita amount of public housing we have in this town. I will get Mr Hehir to give you actual numbers, though, to prove the point.

Mr Hehir: The performance indicator from this area is actually from the Productivity Commission report on government services. For the 03-04 financial year, which is the latest available report, the ACT is recorded as allocating 86.1 per cent of all ACT allocations to applicants in greatest need. The national average was 36.2 per cent.

In particular timeframes underneath this category we have even better results. Under three months we have approximately 95 per cent against the national total of 57.8 per cent. That is the highest result in Australia. From three months to under six months we have 92 per cent. Again, that is the highest result in Australia against the national average

of 57 per cent. Six months to one year, approximately 84 per cent, with a national total of 42.7 per cent.

Mr Hargreaves: Double the national.

DR FOSKEY: There have been calls from community groups to provide free or subsidised land through the land release program to ACT Housing and community housing providers to enable them to develop low-cost housing options. Minister, I would just like to know if that was considered in the budget process and are we likely to see any such arrangements between Housing ACT and the Land and Development Agency in the next financial year?

Mr Hargreaves: You might want to address that question to Mr Corbell, Dr Foskey. That is a planning issue and I have no control over the allocation of land.

DR FOSKEY: I have also had—and perhaps you will not be able to answer this, too—representations from families considering building or purchasing housing for relatives with a disability, mental health issues or elderly parents who suggested that they would be more able to provide housing solutions if there were some sort of assistance with costs such as concessions or reductions on stamp duty. That is probably a Corbell one, too.

Mr Hargreaves: Dr Foskey, that is a question for the Treasurer and also perhaps the Minister for Health about the equipment and loan scheme and housing modification program that they have got.

DR FOSKEY: You said Minister for Health? Okay.

Mr Hargreaves: There is a program within the health portfolio that talks about housing modifications—sorry, home and community care.

DR FOSKEY: I understand the department has been exploring public-private partnerships for the redevelopment of public housing multi-unit complexes but as yet no such partnerships have been established. I would like to know if there is any basis for negotiations in such partnerships with regard to the level of replacement of properties and the value of capital investment retained by ACT Housing.

Mr Hargreaves: Dr Foskey, the issue of public-private partnerships is a policy issue that the Treasurer and I have not finished discussing yet.

DR FOSKEY: I understand that there is an inter-departmental affordable housing working group. I am curious to know who is on this group, how often it meets and is there any report of the group's work in public documents?

Ms Lambert: I chair that group. It has representation across a range of agencies at senior level. Dr Adrian will be able to tell you all of those. We have reported twice through Assembly processes and we will, of course, be reporting again within the timeframe that was established for us within the Assembly. But I will hand over to Dr Adrian to talk about the membership in more specific detail.

Dr Adrian: We have representation from across government from all those who would

have an interest in affordable housing issues. Our department is represented by Mr Hehir in relation to both supported accommodation homelessness issues and public and community housing. We have representation from Treasury, representation from the Land Development Agency, from health, from Chief Minister's Department and lastly there is a representation from the planning authority, ACTPLA.

DR FOSKEY: How long has that group been in existence?

Dr Adrian: The group was essentially established after the government's response to the affordable housing taskforce report and it has operated since that.

Ms Lambert: It was established in June 2003.

DR FOSKEY: And it has not reported since I have been a member of the Assembly, I take it?

Dr Adrian: It is not so much a group that reports in the formal sense that you are indicating. The group has been responsible for providing advice to government. The report that it tabled in the last Assembly provided a further response against all the recommendations of the affordable housing taskforce report.

Since then we have met and discussed a variety of issues around affordable housing. But it doesn't officially report or provide an official report to the Assembly. It provides advice to the government.

DR FOSKEY: The 2004-05 budget contained an injection of \$5 million last year and each of the next four years for affordable housing. Could you provide a breakdown of how this money has been spent in the 2004-05 year and what is planned for the 2005-06 year?

Mr Hehir: It has just been used to purchase housing properties.

DR FOSKEY: I have a question regarding the energy and water efficiency measures—the heat program. I have heard a presentation from one of the people who work on the energy aspects of it. Is there money there to help home owners implement the recommendations that—

Mr Hargreaves: With respect to that particular initiative, Dr Foskey, I am having discussions with my department—meaningful discussions, indeed—on the application of those funds towards energy and the water saving initiatives. Those discussions are not concluded just yet. I might just let you know. We have got six weeks before we need to do something.

DR FOSKEY: Winter is coming.

Mr Hargreaves: Yes, but there is not much water in it.

THE CHAIR: Dr Foskey, I understand Mrs Burke has one question and I have one question, so we might give your voice a break for the moment.

MRS BURKE: I am sure that you are going to be able to answer this one. That is why I am so confident in asking you. I refer to the appendix to 2005-06 budget paper No 4, page 73. In this appendix the estimated outcome of total cost is \$103.18 million.

Mr Hargreaves: Hang on a tick, I am still getting the page. Which bit?

MRS BURKE: Page 73, total cost of the 2004-05 estimated outcome—a total cost of \$103.018 million for public housing. It is noted that the government payment for the output is \$25.792 million.

Mr Hargreaves: Yes.

MRS BURKE: Are you able to tell me how much revenue raised from full market renters is directed to cover the remaining \$77.226 million total cost for the 2004-05 year?

Mr Hargreaves: No.

MRS BURKE: Are you able to take it on notice? Would you have a figure for full market renters and what they contribute?

Mr Hargreaves: The answer to your question, Mrs Burke, is no I can't. But Mr Hehir can, so I will get him to do so.

MRS BURKE: Thank you, minister.

Mr Hehir: Full market renters contribute approximately \$19 million towards our total rental figure, which is approximately 30 per cent of our rental collections.

MRS BURKE: Thank you. And that has contributed to that figure?

Mr Hehir: With the collection of the rentals, we don't distinguish from where we collected. It just goes into our general revenue base and then we use that to provide our services and to purchase properties.

MRS BURKE: I realise that that is the total.

Mr Hehir: Market renters.

MRS BURKE: Market renters. What about full market rental?

Mr Hehir: Sorry?

MRS BURKE: You are saying that you don't have figures on that?

Mr Hehir: Sorry, full market renters pay—

MRS BURKE: Payment. Revenue raised from the full market rent payers.

Mr Hehir: That is \$19 million out of a total revenue base of just over \$60 million from rent.

MRS BURKE: Thank you.

Mr Hargreaves: It is interesting that 13 per cent of our people are paying just under 30 per cent of our rent.

MRS BURKE: As a quick supplementary—

Mr Hargreaves: So if you want to reduce the 13 per cent by tossing people onto the street and bringing more rebaters in, what happens is—

MRS BURKE: As a quick—

THE CHAIR: Let's not do this again.

Mr Hargreaves: I make the point, Madam Chair, that it will have an effect on the revenue, which will have an effect on whether or not we can replenish and buy extra stock.

MR SESELJA: So why are you encouraging them to move on then?

THE CHAIR: All right, okay. Come on.

MRS BURKE: I have a supplementary.

MR SESELJA: You said you were encouraging them to move on.

MRS BURKE: It is a supplementary in regard to Mr Hargreaves' comment about the 13 per cent. It really is in conflict with the Chief Minister who on 13 May was happy with the 13 per cent figure. I know you yourself—and I have acknowledged this, minister—are grappling with the fact that you would like to see it reduced to three to four per cent. You have said that publicly.

Mr Hargreaves: No I didn't say that at all.

MRS BURKE: How are you going—

Mr Hargreaves: Under parliamentary privilege you have maligned me again.

MRS BURKE: I beg your pardon?

Mr Hargreaves: You have maligned me again under parliamentary privilege. I said that I could predict that in a number of years it would go down to three or four.

MRS BURKE: No, not today, minister. I am talking about a previous occasion publicly.

Mr Hargreaves: You quote me the statement, Mrs Burke. You quote it for me.

MRS BURKE: I have just done that. You have said publicly that you would like to see it down to three to four—

Mr Hargreaves: You quote it for me or you retract it. Quote it for me. When did I say that?

THE CHAIR: All right, okay, both of you stop arguing across the table. Mrs Burke, if you have a supplementary question to ask, put it in simple terms. Minister, answer the question as well as you can and if you need to correct Mrs Burke's quoting of you, do it in a calm fashion. Everybody be calm.

Mr Hargreaves: Why would I change the habit of a lifetime, Madam Chair?

THE CHAIR: Because I am asking you to and I would ask—

Mr Hargreaves: The habit of a lifetime, Madam Chair. Surely you are asking a lot.

THE CHAIR: I know I ask of you something that is unreasonable.

MRS BURKE: Thank you, chair. I know others have got questions. The question was: are you not at variance with the Chief Minister on how you are going to sort that in regard to what you perceive and see as happening as to what the Chief Minister has publicly stated as keeping the status quo?

Mr Hargreaves: Madam Chair, to Mrs Burke through you: I have made my public statements on my views on this sort of thing and I don't have, nor does the Chief Minister have, the record for having backflips on housing policy in the media of recent days, so the short answer is no.

MRS BURKE: I wonder why he commented instead of you?

THE CHAIR: All right, let's move on. Dr Foskey.

DR FOSKEY: Under "Changes to appropriation" in budget paper 4, page 322, there appears to be a decrease in commonwealth funding of \$201,000. Is that right, and could you please explain that decrease?

Mr Hehir: There has been a decrease in the commonwealth funding under the CSHA. That relates to revision following population estimates. Part of the CSHA is done on a population allocation process.

Mr Hargreaves: The people of the ACT have ignored the federal Treasurer's imploring them to have one for their country.

THE CHAIR: Order!

MR MULCAHY: People aren't moving into your territory.

MR SESELJA: Your planning minister is forcing them out. They are going to Queanbeyan.

MR MULCAHY: Zero growth under this government.

THE CHAIR: Order! Come on.

DR FOSKEY: Okay, so it is based on population estimates, not areas of need. So it is just the whole demographic 300 and growth.

Mr Hargreaves: The relativity across the nation.

DR FOSKEY: Yes, I see.

THE CHAIR: May I just clarify, Mr Hehir: CSHA stands for?

Mr Hehir: Commonwealth-state housing agreement.

THE CHAIR: Thank you.

DR FOSKEY: Two lines below this there is the termination of the social housing subsidy program. Could you tell me more about what all this means? What it is?

Ms Sheehan: Currently we have a jointly funded program with the Australian government that is called the private rental leasing scheme. It was a scheme that began 10 years ago where both the commonwealth and the ACT contributed dollar for dollar to a scheme where, in order to increase housing choice for people who would be able to come into public housing and without having to invest capital, we were able to rent some properties from the private market.

Those properties have been headleased by Havelock Housing Association who administer the private rental leasing scheme. Tenants go into that scheme from the public housing waiting list, but they do become tenants of Havelock Housing Association. However, the 10-year scheme ends with funding from the commonwealth this year and that is what the reduction is.

DR FOSKEY: So is that effectively the end of community housing contributions from the commonwealth?

Ms Sheehan: Not at all. It is a completely separate scheme—

Mr Hargreaves: That particular program, yes.

Ms Sheehan: and we continue to have specific funding under the commonwealth-state housing agreement for community housing. I might add there, it is not that the properties have disappeared at the moment, it is that the 10-year arrangement is ending this year.

THE CHAIR: While we are on that subject of community housing—I wasn't going to ask my question but it does relate to community housing, so I might ask it. Minister, could you identify how many properties are under the control of community housing providers, both assets that have been transferred and those through a head leasing arrangement? Also, could you identify the growth in each of these areas for this financial year if there has been one, and I think there has?

Mr Hargreaves: It's the Maureen Sheehan half hour.

THE CHAIR: We will give her five minutes.

Ms Sheehan: If you give me one moment to return to my figures. The figures in budget paper No 4 give the total number of community housing properties. I refer to community housing properties that are directly held by community housing providers. That does not include the private rental leasing scheme properties that I just referred to and it does not include the social landlords scheme, which is a small number of 15 properties as well, which are headleased from the private sector.

MR MULCAHY: They are private landlords, are they?

Ms Sheehan: They are private landlords, yes. If I can go on to list the properties that we have—

THE CHAIR: No. I am interested in what you were going to say about the private landlords.

Ms Sheehan: The social landlords scheme is a small scheme that we have added in with Havelock Housing Association, with the private rental-leasing scheme, where, with the assistance of the Real Estate Institute of the ACT, private landlords have been encouraged to headlease their properties to the Havelock Housing Association. They do so on extremely good terms, which is that full market rent is paid.

Mr Hargreaves: That is right, full market rent.

MRS BURKE: Working with the private sector?

THE CHAIR: Order! Could we allow Ms Sheehan to answer the question?

Ms Sheehan: And there is a guarantee of make-good on the property at the end. The tenants pay the same rebated rent as they would pay in public housing, and the difference is made up by funding from the department.

THE CHAIR: And you said there were 15 properties under that scheme.

Ms Sheehan: Fifteen properties under that scheme, yes.

THE CHAIR: Which wouldn't be considered to be a hell of a lot. Ms Sheehan, going back to the original question—

Ms Sheehan: The question was: how many properties do we have through community housing? Currently there are 469 headleased properties under the community organisations rental housing systems program. That includes the 122 properties at Currong, which we have been able to make available for students, and 58 properties that we provide to Disability ACT.

In addition to the headleased properties, we have 279 properties held directly by the community housing sector. This includes 12 properties that have been acquired by the

community housing sector over the last two years through the capital grants program. That also includes three yurts that are owned by Poachling, one property that is being purchased by Billabong—

Mr Hargreaves: We don't have enough yurts, Madam Chair.

THE CHAIR: Let us not digress.

Ms Sheehan:—five properties that have been purchased by Centacare for a disability housing project called the link project, three properties which have been purchased by the Havelock Housing Association to administer jointly with the AIDS Action Council, and Anglicare provides supported accommodation for homeless people and people who are clients of the AIDS Action Council.

So the total number of properties to be held by the community sector, as of 30 June 2006, is 288, which they hold in their own right. Then there are the 469 headleased properties, the scheme that has enabled private rental leasing to occur.

DR FOSKEY: There are some issues about the expansion in community housing. I am not sure that we will go into those. I will get through my script first. Back to that list on page 322: the final item in that table is the transfer of community linkages to the department. The community linkages program, I would have to say, has been a very good program, in my opinion. Could you please explain why it is being transferred and where it will now be administered?

Ms Lambert: Can I just say that relates to the fact that housing is a public trading enterprise; so whenever we, as we have said earlier, transfer funds within the portfolio, we need to do it from the public trading arm, which are the figures we are looking at at the moment, into the department. Ms Sheehan can explain why we are doing that.

Ms Sheehan: The community linkages program directly funds a range of community organisations to provide community development workers and services to prevent eviction. What we found was that we were directly funding the same community organisations under the linkages program as we were funding to do other community development work more generally in the community. It just seemed a matter of efficiency, comfort and ease with those community organisations if we could move the funding for linkages into the same program that was providing their other funding. So we have achieved some considerable efficiencies by doing that, and the community organisations much prefer the arrangement.

DR FOSKEY: Yes, I can understand that. The strategic indicators factor that topic.

Mr Hargreaves: Whereabouts is that?

DR FOSKEY: Page 319 of 4, strategic indicator 1. If we turn this around a bit, which is provision of housing to people experiencing homelessness, if we are working to reduce homelessness, then perhaps in future we would hope there would be a decrease in demand from people who are homeless. Consequently this indicator might be better reviewed to look at timeliness and appropriateness of placements. Furthermore, if this is the agency responsible for housing policy, why aren't there any indicators regarding

housing affordability, across the public and the private housing markets?

Mr Hargreaves: Dr Foskey, I cannot answer your question “Why is it so, master?” at the moment. But I can say to you that we will take the comments that you have put forward and we will give them some consideration in preparation for the next time we come at this sort of exercise. What we need to understand, with respect to the change in the format that you see before you, is that this is the first pass at the change and we are quite agreeable to having suggested enhancements to it in future years. We will look at *Hansard*, Dr Foskey, take your comments on board and see how we can fold those sorts of things in or whether it is a difficulty. If it is a difficulty, then we will explain it to you.

DR FOSKEY: The next page is 320, accountability indicators. It looks very much as though the number of public housing properties is predicted to drop quite substantially. Could you explain why this is so?

Mr Hehir: The reduction in properties from 11,565 to 11,179 is primarily a result of three major redevelopments that are about to occur. Two hundred and twelve properties that are currently in commission at Currong but not occupied by public housing tenants will be decommissioned next financial year; so that is 212 of the reduction. A further 104 properties at Fraser Court, the majority of which are not currently occupied by public housing tenants, are also intended to be decommissioned this coming financial year. A smaller group of properties at Hartigan Gardens is planned to be decommissioned in the next financial year as well. That makes up approximately 340-odd of the reduction. There is a small reduction of 40 following that.

DR FOSKEY: In relation to some of the places you mentioned, what is the current status of planned redevelopments of Burnie, Currong and Fraser courts?

Mr Hargreaves: I will ask Mr Collett to travel you through that one because each of them is at a different stage of the contractual arrangements.

Mr Collett: Following our call for expressions of interest at the end of last year, we had a good response from the private sector. A range of firms indicated their interest in the projects and asked to be considered to submit tenders. We prepared a shortlist and sent out the documentation and the formal request for tenders.

A number of those firms responding—and there was a mixture of local and national firms that responded—have asked for some additional time to prepare plans. The request for tenders was due to close at the end of May, but we have allowed an extra two weeks for people to provide more detailed plans. They will now close at the end of the second week in June. We will go through an assessment of those tenders.

It is likely that there will be some planning suggestions coming from the tenderers as well as financial evaluations; so we will be evaluating them. It is interesting that a number of the tenderers have indicated, in their request for information and their response to the tenders to date, that they will be looking at the alternatives of reusing part of the developments as well as rebuilding.

The minister has referred to the different responses on the different sites. It is likely that we will see a staged development proposal for each of the three sites, involving

a mixture of greenfields development but also refurbishment and reuse of existing housing stock.

DR FOSKEY: What percentage of those redevelopments will be community, or at least public sector, housing for clients that will take people off waiting lists, et cetera?

Mr Collett: That will depend on, again, the location of the development, as the minister indicated. For the redevelopment of the old Burnie Court site, the site on Melrose Drive in Lyons, we have required that 5 per cent of the total number redeveloped be provided for community housing or for social housing, either community or public housing. But obviously that is an area that will be a point of difference amongst the submissions that we get back from the private sector.

In the case of Fraser Court, an undertaking has been given that any tenants at Fraser Court who want to remain on the site will be provided with either an opportunity to stay as part of the redevelopment or to return to the development if they have moved off site in the lead-up to and through the redevelopment itself. At the time that that undertaking was given there were approximately 50 tenants out of 104 units at Fraser Court. That undertaking, which was given by the previous Labor government, has been reiterated to the tenants. It will depend on their take-up of that, but up to 50 units potentially will be public housing in the redeveloped site.

Finally, at Currong we will wait until we see the proposals that come in from the private sector in their tenders. All the public housing tenants who were there in Currong have been reallocated housing—a lot of them in new, purpose-built developments in north Canberra, which provided them with the same access to services and family and support as they enjoyed in the Currong development.

DR FOSKEY: Does that mean that Currong won't have any—

Mr Collett: Sorry, I just need to be clear. We will wait to see what proposals we get back from the tenderers on those sites.

Mr Hargreaves: Dr Foskey, can I just add a little bit to Mr Collett's response. I am just advised that, on the Burnie site, very nearly completed, there are 24 older persons units that will be available fairly soon for public housing stock. This is adaptable housing.

MRS BURKE: They are APUs, aren't they, minister?

Mr Hargreaves: Yes.

MRS BURKE: But very nice too, I have to say. We just need the rest of the site for them.

Mr Hargreaves: Yes, but I am really pleased to see that that is an extra 24 which will come on line in the very near future, which is just fabulous.

DR FOSKEY: So they are part of the government stock?

Mr Hargreaves: Yes.

THE CHAIR: Mr Seselja had a question of clarification about market rent. Mrs Burke tells me she has got a very quick question.

MRS BURKE: It is very similar and it will take two seconds.

THE CHAIR: I think Dr Foskey has a couple more questions. I will just go to Mr Seselja.

MR SESELJA: It goes to a couple of your answers before. You said that you are encouraging people who are on good incomes or who can afford it to move out, but you are not going to force anyone.

Mr Hargreaves: Yes.

MR SESELJA: You also said that market renters subsidise everyone else and that the loss of revenue from them is a loss to the system and—

Mr Hargreaves: It hampers us.

MR SESELJA: It hampers you. I guess the question is: why are you encouraging them to move out?

Mr Hargreaves: Mr Seselja, as people move through their lives they, if my own example is anything to go by, get greater opportunities and greater choices; they get through their lives. People don't start renting public housing from choice; they start renting public housing through circumstance. As they go through their lives, if they get to that stage where their economic circumstance is such that they can actually buy a home, I think it would be irresponsible of us all to try to discourage people from being homeowners.

If people are in a position where they can actually purchase the government home that they are living in or are in a position where their income is such that they can purchase a home in the private market—remembering that what we are talking about is an increase in the quality of people's lives—I would suggest to you that, if we can encourage people to further increase their quality of life, then I am going to grab it.

MR SESELJA: So you are suggesting there is some sort of moral imperative rather than a legal imperative?

Mr Hargreaves: There is no moral imperative at all. One of the things that this government is all about—and it threads all the way through disability, through housing, through community services and our multicultural approach—is quality of life for the people of Canberra. Where we see people's quality of life deteriorating, it is up to us to arrest that deterioration, stabilise it and then, hopefully, increase it in partnership with them. I see that as the role of public housing. That is why, in fact, we have got the transition from emergency housing, like backpackers and emergency accommodation schemes, through to community housing, which is transitional, into public housing. Hopefully, people will then be in a position where their quality of life is such that they can do whatever they feel like.

THE CHAIR: I am mindful of the time; so I would like to move on to Mrs Burke and then conclude with Dr Foskey's final questions.

MRS BURKE: Thank you, chair. It is probably in a similar vein to Dr Foskey's. I want to say one brief thing. The cost of administering housing services is spiralling beyond budgeted expectations, which the figures show—

Mr Hargreaves: Can you show me where that is, please, Mrs Burke?

MRS BURKE: Yes, I can, minister. Budget paper 4, page 321.

Mr Hargreaves: Can you show me where it says it is out spiralling out of whatever?

MRS BURKE: I am saying that the figures will show that to you. Anyway, the point I am pointing to—

Mr Hargreaves: Can you show them to me, please?

MRS BURKE:—constraints of time. Property management is most concerned as this is delaying existing properties from being re-tenanted, which is what you said.

Mr Hargreaves: Where have you got that?

MRS BURKE: I am saying this is what you have been discussing today.

Mr Hargreaves: I can't find it. Can you show me?

MRS BURKE: What I want to know is: the total facilities, management contract, where are we up to with that?

Mr Hargreaves: Yes, I can address it, but I would like you to show me that other stuff you were just talking about.

MRS BURKE: Answer the question.

Mr Hargreaves: No. I will wait until you show me that stuff, because I have got to address it.

THE CHAIR: Order!

MRS BURKE: Budget paper 4, page 321.

Mr Hargreaves: Yes, I have got that. Now show me where the—

MRS BURKE: The loss in 2004-05 was \$19.329 million. The expected loss was \$13.610 million. \$19.686 million was the actual loss. What I am saying is that there is a blow-out of \$6,076,000. I am saying: why is that happening, firstly? I guess my main question is, has the maintenance cost to housing blown out? It may not have done; I may have that wrong. But I want to know, as a result of maintenance—

Mr Hargreaves: Yes, that is a fair call.

MRS BURKE: Can you tell me where the contract is up to at this stage? You have said that you were going to give us some information.

Mr Hargreaves: Yes, I can.

MRS BURKE: Has it been decided on?

Mr Hargreaves: Obviously, you didn't listen to 2CC when they put it on there. I wonder why that was. Madam Chair, firstly, an examination of *Hansard* will reveal Mrs Burke's throwaway line that this is an administrative blow-out. It is not. I will ask Mr Hehir to, in fact, dissect the \$19.686 million for you.

MRS BURKE: I await the explanation. Thank you.

Mr Hargreaves: Then I would hope that you would have the good grace to withdraw the imputation that the management response has contributed to that. With respect to the TFM contract, there will be one contract let, Mrs Burke.

THE CHAIR: What does TFM stand for?

Mr Hargreaves: Total facilities management. Predominately, that is about maintaining the asset, making sure people's maintenance has been provided. You must remember that the previous contract was in two parts, with two people doing it—north side, south side—and it was let some considerable time ago. There has been some expression of dissatisfaction from some tenants. We have all received constituent representations on that basis. We have to consider that in the context, though, of 11,500 properties. Let's not blow this out of proportion. It was time for the conclusion of that contract and to examine our service. We put this out to tender, through Procurement Solutions. We undertook due probity. There were two independent probity auditors. The Auditor-General had a role in it too somewhere, didn't she?

Mr Hehir: No. We had a probity adviser and we had an independent probity auditor.

Mr Hargreaves: That is right. That was done. It was all done at arms length. I had, I have to say, no involvement at all until advised of the success of the tender process. It is a contract administered by the department. This is not something approved by me; it is approved by the tender committee and, I think, the commissioner.

Ms Lambert: The delegate.

Mr Hargreaves: The delegate, sorry, right; the delegate does that. All I merely do is authorise an expenditure over \$1.5 million or thereabouts. In examining the tenders from the people who did respond, and I don't propose to go into the details of those people, there has been one company—I will just get the name of that company.

Mr Hehir: Spotless.

Mr Hargreaves: That is right. Spotless are the people who are awarded the contract. We have expressed appreciation to the people who had the contract before; so I don't want people racing out there and saying we have a lack of confidence in those two companies, because we don't. It was a competitive tender process. They will do the whole of Canberra.

What we believe will be the case, in accepting that particular tender, is that we will be able to have probably a better response to our tenants. Because what will happen, in fact, is that the administrative cost of that contract will now be halved, in a sense—this is metaphorically speaking—because we only have the one contract to administer.

Also, there are the administration costs of the company itself. Having two companies, they have their own administrative costs and we were paying for that in our \$30 million contract. So we are now paying for the maintenance on the ground. It has gone to the sharp end. I am hoping that the tender will, in fact, result in a timelier and more efficacious response to people's maintenance problems. Does that answer your question?

MRS BURKE: Thank you. I don't notice the CIC, commercial in-confidence, value of that tender.

Mr Hargreaves: I can't give you the exact figure. It is around the \$30 million mark.

MRS BURKE: It is a substantial saving. Hopefully, we are not going to see—

Mr Hargreaves: No, it is not a saving. What it is—

MRS BURKE: On what we were paying before that.

Mr Hargreaves: No. It means the opportunity, with a contract of that size, where we have less overhead component within the contract, to give a greater service delivery, if you like. The actual amount of cost to the taxpayer of the ACT—

MRS BURKE: Yes, but I felt that was considerably less, wasn't it, than the two TFMs that you had before?

Mr Hargreaves: No.

Mr Hehir: No. The \$30 million that is referred to is the amount within Housing ACT's budget that is put aside for repairs and maintenance overall. Their fee is a component of that. The rest is actually done through the provision of work by subcontractors. They manage that \$30 million for us. Out of that their fee is undertaken. And that fee is commercial-in-confidence; you are correct.

Mr Hargreaves: So what we are not doing is handing over \$30 million to one company.

Mr Hehir: I may have misheard you, Mrs Burke, but I thought you—

MRS BURKE: Page 324.

Mr Hehir: Yes. I thought that you said that the operating result for 2004-05 had

worsened from the original budget. I think what page 324 indicates is that it has actually improved by about \$4 million.

MRS BURKE: I apologise. My figures show that the expected loss back in 2004-05 was—I am getting myself confused now. I am very sorry. If I need to know, I will put this on notice because there is an issue.

Mr Hargreaves: Mr Hehir has just answered your question for you. It has actually improved by \$4 million. We have got page references if you would like them.

MRS BURKE: No, that is fine. I can take that up. My apologies for that.

THE CHAIR: Let us move on. We have got five minutes left.

DR FOSKEY: Just adding to this indicators conversation that you don't think we should be having now: I reckon that the accountability indicators could include measures of vacancies and timely turnover of properties. That could be yet another criterion by which—

Mr Hargreaves: We will take your comments on board, Dr Foskey.

DR FOSKEY: It will all be in a fabulous report.

Mr Hargreaves: Madam Chair, earlier on, Mr Mulcahy asked a question that we didn't give him an answer to. I don't know whether we actually took it on notice. Did we take it on notice?

MR MULCAHY: Which question?

Ms Lambert: Yes, we did. It was the allied health increase. You asked for the percentage increase in their salaries, remember?

Mr Hargreaves: We have that information now.

Ms Lambert: It was with Therapy ACT, and you were—

MR MULCAHY: Therapy ACT, right.

Ms Lambert: Sorry, I should have been clearer. My apologies. The percentage increase, as I said, varies. I have now got the exact numbers for that. For staff at the bottom end of the scale, that is, professional officer 1, it was a 25 per cent increase, from \$41,358 to \$51,900. For PO 2, at the top end of the scale, the percentage was 8.7 per cent, from \$56,467 to \$61,379.

MR MULCAHY: Thank you.

DR FOSKEY: My final question relates to the new headleasing agreement. I would like to know when it will be completed. Will it include a payment for management services to enable individual community housing providers to become more financially viable, thus improving sector sustainability?

Ms Sheehan: Dr Foskey, are you referring to a review of the headleasing scheme inside community housing?

DR FOSKEY: Yes.

Ms Sheehan: A number of reviews have been conducted in conjunction with the community housing sector, precisely to look at viability issues for them, to assist them to become more viable. What the sector has identified for us is the concerns that there are a large number of organisations with a small number of houses that they manage and they find it very difficult to cover the work that they need to do. While that review has been undertaken, it is not complete yet. But we are working with the sector to look at it.

The aim of the government and the sector is to make sure that you have viable, sustainable organisations that can provide community housing. The sector is looking towards working in partnership—different housing associations working with each other.

The other thing is that we are very pleased to see carried on in the budget this year \$450,000 for community housing to build sector viability. That is the second year that this has come up. That money is being used to provide training and development for the sector itself so that it can gain the sorts of skills that it needs to be efficient in the way that it administers housing. We are very pleased to see that that has gone into the base, and that means going into the future. We have the ability to work with the sector to make sure that it is viable.

THE CHAIR: I think that brings us to the end of proceedings. Before you all disappear, I would like to call on the minister and then I will say what I was going to say.

Mr Hargreaves: Thank you very much, Madam Chair. I thank members for today's entertainment. Can I also, for the record, express my appreciation to the CEO of the Department of Disability, Housing and Community Services, Sandra Lambert, and her executives for all of the work they have done in preparing these documents. In particular, Ian Hubbard, I think, deserves a big tick. It is not often that dour accountants actually get this sort of tick, and Ian deserves it.

Can I just say that this has been a change of format. I think that we have an easier to read document. I am pleased to advise, in fact, that when Sandra Lambert took over as disability chief she actually started to lead the way in the quality of annual reports and all that stuff. I think it has become infectious. I would like to record my appreciation to those officers.

THE CHAIR: Thank you, minister. I would like to thank you and your officials for making yourselves available today. I would also like to congratulate the committee on having made it through to the end of the first week without killing each other. We have come close this week. Hopefully we will manage to achieve the same next week. Have a good weekend, everybody.

Mr Hargreaves: I look forward to seeing you all next week.

The committee adjourned at 6.15 pm.