



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

MONDAY, 30 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:

Ms Katy Gallagher, Minister for Education and Training, Minister for Children, Youth and Family Support, Minister for Women and Minister for Industrial Relations

Chief Minister's Department

Mr Mike Harris, Chief Executive

Ms Pam Davoren, Executive Director, Public Sector Management and Industrial Relations

Mr Glen Gaskill, Director, Corporate Management

Ms Margaret Cotton, Director, Office of Industrial Relations

Mr Warren Foster, Senior Manager, Employment Policy and Workplace Relations, Public Sector Management and Industrial Relations

Mr Lincoln Hawkins, Chief Executive, Asbestos Assessment Project Team

Ms Chris Healy, Director, Asbestos Assessment Project Team

Ms Catherine Cross, Policy Officer, Asbestos Assessment Project Team

Ms Sue Hall, Director, Cabinet and Policy Group, Community Affairs

Department of Treasury

Mr Phil Hextell, Director, Accounting Branch

Mr Karl Phillips, Financial Controller, Corporate Finance

ACT WorkCover

Mr Erich Janssen, Commissioner and CEO, Office of the Commissioner

Mr Ian York, Chief Finance Officer, Corporate Services

THE CHAIR: Good morning, everybody. I will read the card that must be read. 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 actions 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.

I will also add: can each witness, on coming to the table, state their name and the capacity in which they are appearing. If you could also bring your name plaque with you, which is on the side table, it would assist the secretary greatly.

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.

Proceedings are being broadcast to specified government offices and the media may be recording proceedings and taking visual footage. Can all witnesses and members please ensure that mobile phones are not used in this room.

We will follow the order set out in the detailed daily program. As chair, I will try to

ensure that we adhere to time frames. Can I remind members and witnesses that we have limited time; so please refrain from entering into argument and debate.

Good morning, minister. Did you wish to make an opening statement, as Minister for Women, firstly?

Ms Gallagher: Thank you, chair, no. I am happy to proceed straight to questions. I didn't bring the detailed outline with me. Perhaps you could give us an indication of the procedure.

THE CHAIR: I have to confess that I haven't looked at it yet this morning. We are doing women's policy first, under strategic policy. Then we will go to industrial relations, then the asbestos task force. Then we have got ACT WorkCover and workplace regulation. After that, the workers compensation supplementation fund is listed separately as well.

Ms Gallagher: Thank you.

DR FOSKEY: Could you please advise how much funding is provided to the Office for Women and its related programs in 2005-06? How much was provided in the last financial year and what were the reasons behind any change in funding?

Ms Hall: In terms of the budget for the Office for Women, the Office for Women is part of the community affairs group within the Chief Minister's Department. It is part of a larger group, the policy and cabinet group, so the budget allocation is at the cabinet and policy group level in the first instance. The final budget details for 2005-06 for that group, I don't have with me. But I can obtain those for the committee, if that is wanted.

DR FOSKEY: The Office for Women's funding is not a discrete amount?

Ms Hall: It is discrete in that, once the final budget allocation has been determined, we will be able to determine staffing levels, which would be the same, and the moneys for particular programs such as the women's grants, the scholarships program, et cetera. But the other discretionary funding for administration—for instance, for IT, for photocopying, for publications—because of the level, it is usually determined at that community affairs group level, with the Office for Ageing, the Office for Aboriginal and Torres Straight Islander Affairs and the Office for Women.

Mr Harris: I might be able to add to that. As Ms Hall has said, the general budget, as we discussed a couple of weeks ago within the policy and cabinet group, has been cut by a touch over the 5 per cent. In terms of the women's grants program, that program has not had any reduction to its funding. However, the group sits within the policy and cabinet group, as Ms Hall has indicated, and there will be some cuts as far as administrative support, potentially staffing as well, as I discussed in some detail two weeks ago.

DR FOSKEY: In other words, it is not possible to advise of any cuts that might be made to staffing at this point? How many staff are there?

Mr Harris: I am not aware of any staff cuts potentially in the women's policy group.

Ms Gallagher: There is not much to cut.

DR FOSKEY: How many staff do you have?

Ms Hall: There are 4.6 staff.

DR FOSKEY: I hope there are no cuts. Someone else might have a question on this line. My next questions are quite different.

THE CHAIR: Go ahead.

DR FOSKEY: I would like to talk about accountability indicators. The only indicators that I can see relating to women in budget paper 4 are that the grants are rolled out and support is provided to the ministerial advisory council. It is on page 36. I was wondering, because the women's action plan has a whole lot of indicators, whether it might have been possible to have used those as the indicators by which the budget's impact on women was measured.

Ms Hall: In terms of the women's plan: it has two major mechanisms for reporting. It was only launched in September last year. Part of the monitoring is an ongoing interdepartmental committee, with membership from the Ministerial Advisory Council on Women, to monitor progress and to develop a new annual action plan. The actual measures within the plan, the indicators, are set to be measured on a two-yearly basis. That is another one that would not be within this financial year.

The other accountability indicator is that agencies are required to report in their annual reports on progress against each of the six objectives. That accountability is taking place through annual reporting and through that measurement against the indicators on a biannual basis.

DR FOSKEY: Would you be interested in looking at the indicators and hearing some feedback about ways that can—

Ms Gallagher: Yes.

Ms Hall: Yes.

THE CHAIR: You are always interested in feedback, are you not, Ms Hall?

Ms Hall: That is right. As I say, there is an interdepartmental committee, with membership from the ministerial advisory council, that works to develop the indicators. They will be monitoring them; so any feedback that can be provided through that committee would be really useful.

MS PORTER: On page 279 of budget paper 3—it is the start of the women's budget statement as part of the budget highlights section—the statement makes the claim that the government has strong and ongoing commitment to advancing the status of women and girls in the ACT. Can you tell us, minister, how this budget improves that commitment?

Ms Gallagher: I think you can read what is outlined in the women's budget statement as an indication of some of the priorities that have been taken in relation to women's policy. You can see that they are being reported against the components of the women's plan. Last year there was some criticism of the women's budget statement, including from myself, around how we were reporting priorities within women's policy.

What we have tried to do this year is show all the work that is being done within the government, not just budget-funded initiatives, and how that impacts on women. We tried to do a broader analysis and information for members and the community about the areas that we have prioritised. As I say, they have reflected against the women's plan, which was a very consultative process.

I think we will continue to refine this statement as we go on and get feedback. Certainly women's policy is in an area where you get quite a lot of feedback. We will be taking that on board. But I think it is a bit more successful in showing that it is not just about individual budget initiatives; it is looking a bit broader at the way the government works. That is certainly the way the Office for Women has been working over the last few years. We have got ongoing initiatives there that we funded last year.

There is also the initiative in this year's budget for the family violence intervention project as well. This year was a tight budget; there was not a great deal of money. But certainly that initiative getting through was very important. The levels of domestic and family violence within the community are still unacceptable. This money will go to supporting those agencies that provide support to families who are experiencing violence, as a way of trying to address some of the issues we are seeing. There will be early intervention as well, but there is certainly more to be done there.

MS PORTER: Minister, is it possible for us to have a little bit more detail about that family violence intervention project?

Ms Gallagher: The family violence intervention project is an initiative that was already funded, but this was in recognition of some lobbying from community providers in this area that there had not been increases in this area of funding for some time. The numbers that they were seeing in relation to providing service were increasing and they needed some extra capacity to meet that demand.

It is a sad reality that this is still an issue in 2005, but if you look at women's policy across the country, and even across the world, dealing with domestic violence, the impact of domestic violence on women and children particularly, it is still probably the single biggest issue facing women.

It is \$114,000 to employ two full-time caseworkers to provide extra services to the community. At this stage it is envisaged that that money will go to the Domestic Violence Crisis Service, who are already providing that service and are the ones experiencing the increase.

DR FOSKEY: Can I say something on the women's statement?

THE CHAIR: Yes.

DR FOSKEY: I suppose you have heard this before, but it would be good to see a gender analysis of the budget. I found the women's statement perhaps useful in giving an overview of the work that the government would like to do. But it read like a policy overview. It would be very interesting to see that work done. I know the commonwealth and the CPA have been advocating for a long time to see the impact of various amounts of spending and who benefits.

When I say gender here, I feel that it is not just women; it is which women and which men? That is what gender is about. I was wondering whether there has ever been any thought, even if it was for just one year, given to doing that. It would provide a benchmark that we could look at with budgets from that point on.

Ms Gallagher: I know this has come up certainly at the last few estimates I have appeared before. One, it is not an Office for Women issue, if that work is to be done. Secondly, there is the resourcing. I can speak for the Office for Women, as Minister for Women. As I said, there are 4.6 women working in the Office for Women. There isn't the capacity to do that work. If government did decide to do that work, I would question whether it is the Office for Women's area to do that work.

DR FOSKEY: It would probably be quite good if they could be involved in it, though.

Ms Gallagher: Absolutely. But if we were looking at reporting against gender analysis more broadly, particularly men and what men are we targeting, et cetera, then you might be looking at a different area of policy work to do that work and not just calling on the Office for Women. But of course, if we were to do it, then the Office for Women would be very much involved.

MR SESELJA: I just wanted to clarify Ms Hall's answer before. Then I will ask you a more general question. When Dr Foskey asked you about the budgetary position of the office, were you suggesting that you, at this point, don't know what the budgetary position will be for 2005-06 for the Office for Women or that you just don't have those figures with you?

Ms Hall: As Mr Harris said, we know the budgetary position for the cabinet and policy group. I don't have the figures with me. How we allocate that on an office-by-office basis, and whether we do that, has not been finalised.

MR SESELJA: Even at this stage in the budgetary process, do we know when that is likely to happen, Mr Harris?

Mr Harris: As I said two weeks ago, we are in the process of exploring a range of issues to reduce our expenditures, including voluntary redundancies. Until I know the impact and the location of any potential voluntary redundancies within this particular division—we haven't devolved right down to group budget level—there are broad budgets available. But we haven't, at this point in time, broken it down. Again, as I said two weeks ago and I think I might have said it last week as well, it is not beyond the realms of possibility that we will recut our budget completely, depending upon where within the broad organisation voluntary redundancies, if they occur, actually occur.

MR SESELJA: Sorry, this is taking me a little bit off the point. I have this quick one; then I will ask a more general one. You said you were looking at means to reduce expenditure, other than obviously cutting staff. Are you talking about efficiency savings, or what sort—

Mr Harris: Yes, broadly. Every efficiency saving that we can squeeze, we will squeeze. I think I said that.

MR MULCAHY: Squeeze them until they bleed?

MR SESELJA: That is a different portfolio.

Mr Harris: It is more to do with pips, I think, than blood.

MR SESELJA: Getting to a more general question, minister: page 279 of budget paper 3 has a number of statistics about the status of women, I guess in the ACT, particularly against national standards. The percentage of ACT men's wages is 84.5. I think, from memory, that is higher than the national. Are you concerned about that or do you see that as reasonable? Do you expect that to get up to 100 per cent at some stage?

Ms Gallagher: That is what we are after, equality in wage outcomes. It is higher than the national average. That is my memory of that figure. Yes, it is still not acceptable. There are a variety of reasons for that, but I think it is something that women have campaigned for many, many years. I think the campaign will keep going until it is 100 per cent.

MR SESELJA: What kinds of strategies are being put in place in this next financial year to try to assist with that?

Ms Gallagher: There are a whole range of strategies in place to encourage and support women, particularly in areas that we have control of. The public service areas are the areas that we do have control of. But it is no secret to anyone that there is more part-time work for women, for a variety of reasons. Women are out of the work force for a number of years. When they come in, there are a number of women that seek part-time working arrangements.

There is also fairly good evidence to show that career choices and career progression choices are made based on your home situation. We know they are all very much a reality for working women and working parents. Of course, under the certified agreement, there are a number of measures to support those choices to facilitate women's ability to have a say about how they return to work, even down to support there to pay for vacation care for their kids during school holidays.

I don't know whether Mike wants to talk any more about other measures. I have had a discussion with the Public Service Commissioner around this matter as well. Keeping an eye on promotions, making sure that women are having access to promotions and getting treated fairly through merit selection processes, all of those measures are in place but they are in place every year.

MR SESELJA: You said the public service is one area where greater influence can be

had. Do you know what the figures are in the ACT public service in terms of full-time wage equivalence between men and women?

Ms Gallagher: I couldn't give you that answer. I am not the minister for the public service. I don't know whether that figure is available.

Mr Harris: I think the Public Service Commissioner, in her state of service report, reports on those sorts of issues. I would be happy to extract them if we can, if they are available.

MR SESELJA: That would be great. Thank you. Just one more question in general: the women's budget statement says that 65 per cent of ACT women report experiencing some personal stressors, compared with 59 per cent of women nationally. What is different in Canberra that accounts for this disparity between the ACT figures and the national figures?

Ms Hall: We don't actually know. It might be something that ACT Health may be able to give more information on. That is a national survey. As usual with the ACT, they haven't broken it down to the ACT experience with a lot of data to back that up. But ACT Health, in terms of developing indicators across health for men and women, are beginning to include in their surveys figures and reporting on stress and factors such as that. I would imagine that, in the next couple of years, we will be able to get more information around that. It is a newer area that people have been measuring in terms of health. There is limited information.

MRS BURKE: A supplementary: minister, I was interested in your comments around part-time work. I am not sure that this doesn't contradict some of the things that you have said before. I think we have had this debate in the chamber before regarding full-time work. It has always been my understanding that you have been a full advocate for full-time work. I think that my comments have always been that work is a matter of choice, whether it be part time, permanent, casual or otherwise. Does this not now contradict the comments that you made before? You seem to be agreeing now and saying that part-time work is indeed a choice for women. And so it should be. I wondered about your comments on that.

Ms Gallagher: I can't recall one time that I would have taken the view that full-time work is more important for women than part-time work. I don't know whether you can draw my attention to where I would have said that in the chamber. I think I have always stood by the view that employment opportunities for anyone, men or women, should be fitted around what their personal needs are.

I was a part-time worker for many years. I have nothing against part-time work. I think it is an entirely legitimate choice and, in fact, one that we promote heavily through our certified agreement negotiations which I was the minister responsible for. We have some very good return-to-work conditions, part-time working arrangements and working-from-home arrangements in those agreements which we are very proud of here. But I can't recall the argument.

MRS BURKE: I thought at some stage somebody said they were forced to work part time. I would always argue that it was choice. If you have not, that is fine.

Ms Gallagher: I cannot think of a situation where I would have said that. As long as women have a choice—and there is a choice around part time—and they are not forced into part-time employment because that is the only option! That is a different matter altogether. But part-time work is heavily promoted in the public service.

THE CHAIR: I will not ask my normal question—I have already asked it in several other areas—in relation to offering part-time provisions because I know that you already do it in the Office for Women.

Ms Gallagher: It says it all.

DR FOSKEY: In terms of women's earnings not being equal to men, that would seem to me to be largely because of where women are concentrated in the work force, that is, the caring professions—childcare, nursing, other kinds of caring—and the community sector. Have you considered—and I will follow this up later under IR—ways of achieving parity in women's earnings? It is really about making sure that community sector employees, for instance, are well paid. You cannot do much about childcare, I don't think. Nursing, I guess, is something that comes under your bailiwick. There are ways that you can improve wages for women.

Ms Gallagher: In the community sector, I think we have talked before. We have got the community sector task force now meeting. We have got a project officer in place. That work is to advise the government for the first time that work is being done on ways to better meet the employment conditions of community sector workers through a range of conditions, be it options for certified agreements, options for portability of entitlements.

Of course reflected through the budget is a new funding model, coming into effect next year, to increase the funding going to community organisations. It is certainly one that we are strongly committed to. This work will be done this year so that it can inform future budgets and agreements about how we deal with the community sector in a whole range of employment conditions. The idea of that work is to improve them.

MR MULCAHY: At page 283 of BP3 there is a reference to professional learning for schools around flexible arrangements for young carers and that reports will be delivered in partnership with carer groups. Can you indicate which carer groups the government will be working with to deliver these programs?

Ms Gallagher: This is in education. The difficulty of this women's budget statement is it crosses a number of ministers' portfolios. I could speak on this one. In fact, it is in education. The Canberra college carers program was funded through the community inclusion board. It is operating at Canberra College, Weston Campus, for young women who have children or are about to have children, to make sure they stay and finish their schooling. Is that what the question was?

MR MULCAHY: I was wanting the specific groups that you are working with. If you want to get back to us.

Ms Gallagher: I can get back to you on that.

MR MULCAHY: That would be a good idea.

Ms Gallagher: I am reading it. I can't see where the groups—

MR MULCAHY: It is on page 283, third paragraph, last sentence.

Ms Gallagher: Carers groups, yes. I will get back to you. It was an application but, because it is in community inclusion, there would be a partnership there. It is between the department of education and maybe Cyclops, but I will check that for you.

MR MULCAHY: Thank you. In the same area, the ACT safe schools framework: you have got a program there to provide leadership development opportunities to female indigenous students. Would it not make sense on this occasion to have opportunities also for the male indigenous students to try to provide them with the same—

Ms Gallagher: It is.

MR MULCAHY: The descriptor leaves them out.

Ms Gallagher: It is at the senior college. It is for year 9, year 10 and year 11 students. It has been in operation for about a year, but it is for both, yes.

MR MULCAHY: A last one: throughout these programs often we see in these areas of budgetary expenditure focus on women who are working, women who are part time, those that are in crisis and so forth; all of which are important areas. In terms of women who are in that group that choose to stay at home and look after kids, what sort of attention do you give to that particular segment of our community?

Ms Gallagher: You are right. When you are looking at policy initiatives, it is targeting particular groups and those groups that may have the greatest need. Of course we see that in the women's area as much as anywhere—areas such as shelters, women's refuges, programs for girls who are not engaging in their schooling and all of that area. But one that springs to mind straight away is the Majura Women's Group, which we provide a fair bit of support to. It does fantastic work. They have branched out to Tuggeranong now. There is a group operating down there. I would say things like support of the Playgroups Association to make sure those options are there for women who stay at home.

MR MULCAHY: What is the extent of your support for the playgroups?

Ms Gallagher: Again, this is in a different area. It would be in children and youth now. We provide them with organisational funding to run their organisation, the Playgroups Association, and they then manage playgroups around Canberra. I would say all the programs being run out of the Gungahlin child and family centre are targeting stay-at-home families, both men and women out there in Gungahlin. I would point to the preschool initiative, which is providing an extra couple of hours. Preschool, we know, is very well received by people who stay at home. Because of the hours that are offered, it is easy for parents who are at home with their children to access that program.

There are a whole range of areas, but not specifically within the Office for Women. It is

across government, this work. I have just spoken on areas that come under my portfolios. If you had the Health Minister here, I am sure he could give you a range of programs as well.

MR MULCAHY: There is nothing really that is broadly accessible and on offer?

Ms Gallagher: Nothing!

MR MULCAHY: There are no specific programs where you have looked at that group as a collective, women in that grouping?

Ms Gallagher: I would argue that it would be looked at by each agency that delivers services.

MR MULCAHY: Or maybe there is.

Ms Gallagher: I would say disability, housing and community services have a whole range of programs that are delivered to women who might not be in the work force. It is difficult. I think it is people's understanding of what the role of the Office for Women is, which is essentially a policy group; it is not a service delivery group. The things that happen on the ground happen in consultation with the Office for Women but are delivered via the service delivery agencies.

MR MULCAHY: But you are preoccupied with the status of women, are you not, as part of that function?

Ms Gallagher: I am very preoccupied with it.

MR MULCAHY: Why I raised it is that there is certainly a perception, by a lot of women that I have spoken to, that those who elect to stay at home and raise children are often looked at not necessarily in a complimentary light, as opposed to those who go into the work force, whereas, in fact, there are those, such as myself, who think it is a major sacrifice that they are undertaking. I wonder whether you have ever addressed that from a status point of view or a perception.

Ms Gallagher: I disagree with that statement.

MR MULCAHY: You disagree?

Ms Gallagher: I would disagree with the view that there—

MR MULCAHY: No, I didn't say you didn't. I said, "Have you looked at that issue?" That was the point of my question.

Ms Gallagher: The whole women's plan looks at issues affecting women. We don't say, "This women's plan is only looking at women who are in the work force." That whole policy did look at women across the ACT and took in a whole range of consultation across that. We haven't had a specific plan saying, "I want to look at issues affecting women who stay at home." Nor have we had a specific plan that says, "We're only going to have a look at women who are at work and what we can do around that."

MR MULCAHY: The last question, minister, relates to your project regarding internet use.

Ms Gallagher: Can you just give me the page?

MR MULCAHY: Yes, BP3, page 282. Can you tell us the cost of that program and the particular items that are involved in that?

Ms Gallagher: That is under Minister Hargreaves's area. It is run by the Department of Urban Services.

MR MULCAHY: You have referenced it in here as another agency activity, really?

Ms Gallagher: This is what I am trying to say: this budget statement talks about programs across government. We are trying to pull together information that is useful to people about what is operating across the ACT government service.

MR MULCAHY: You don't know what the cost of all that is?

Ms Gallagher: I couldn't tell you here what the cost of that program is. I am sure the committee has got the ability to ask Mr Hargreaves a question on notice.

MR MULCAHY: He has been and gone.

THE CHAIR: You can always put it on notice.

MR MULCAHY: I know that.

MRS BURKE: Minister, page 279 of BP3 states that ACT women have a life expectancy of 83.3 years, noticeably higher than the national average of 82.6. I am going to jump back, but my question is in relation to that. I realise the inherent difficulties that we have discovered this morning about being across government. The Select Committee on the Status of Women in the ACT, in recommendation 14 of its 2002 report, recommended that the government monitor and review the adequacy of the convalescence facility. It has been raised with me as a big issue by three or four community groups for older persons. I would like you to comment on whether it is still part of, and would relate back to, the women's plan, how you see it going and whether there is any money in the budget this year to make moves on that facility.

Ms Gallagher: It is part of the women's plan because responsive housing and safe, inclusive communities are among the areas within the women's plan; so it is reflected there. I should say that, three years on from the Select Committee on the Status of Women, we have been providing updates on the recommendations and how they are going. They have been on line. I have taken the decision now that we are going to report against the women's plan. The women's plan has come out of the select committee's report and is now the framework that we are going to report against. The provision of adequate housing for our ageing community is extremely important. As a government, we look at those issues all the time. We have discussions about them all the time.

MRS BURKE: Are they current at the moment regarding a specific standalone facility, as such, in the ACT?

Ms Gallagher: I am not here to speak about the portfolio responsibilities of other ministers.

MRS BURKE: I am just wondering about what you are doing as Minister for Women.

Ms Gallagher: I represent the interests of women in those discussions but, as I said, the question probably would be better put to the minister for ageing, who either has appeared or is going to appear before you.

THE CHAIR: I do not think he has appeared in that area.

Mr Harris: It sits within the policy and cabinet division of the Chief Minister's Department, which was done on 16 May.

MS BURKE: I have one more question. On page 280 of budget paper 3, good health and wellbeing of ACT women is listed as a high priority. Minister, I made representations to you recently in this regard. I appreciate that the women's plan overrides the status of women report, but recommendation 21 of that report was that the government should ensure that sport and recreation funding be allocated equitably between men's and women's sport in the ACT at all levels. We appear to have a bit of inequity at Gungahlin. I am wondering whether there is anything that you will be able to move on in regard to that, particularly women's netball in light of the number of women and young children playing that sport out there.

Ms Gallagher: Again, Mrs Burke, it is not my area of responsibility—it is an urban services issue—but you can be sure that I represent the interests of women in those discussions. I have had some discussions with women's organisations about that issue and, as we roll out infrastructure in Gungahlin, the needs of women in sport will be addressed. The women's budget statement is to give you an idea of what is happening across government.

I am happy to sit here and take questions but, where they fall against other portfolio areas, my answer will be the same, that is, that every time something like that comes up in cabinet my position is to make sure that the interests of women are being met. There is a responsibility to report against that on the front of cabinet submissions. The Office for Women sees cabinet submissions before they come in and all of that work is very much analysed from the point of view of its impact on women. That work is done in relation to all of those discussions.

MRS BURKE: I add to Dr Foskey's comments by saying that it is very difficult in this regard—and I appreciate your position—that we have not been able to extrapolate across government the moneys that have been applied to this area. That makes it very difficult for us all to try to home in and make sure that needs are being met.

Ms Gallagher: It is easy to report on programs that are specifically for women. Take Mr Mulcahy's question on the indigenous mentoring program. Whilst there is within that a focus on women, it is a broader program. As to breaking down exactly how much

money went to women, we were criticised last year for trying to break down the impact of budget initiatives on women when we said that 87.3 per cent of the initiatives enhanced or impacted on women in a positive way. It is very difficult to break that down when you are a looking at it across government.

MRS BURKE: You have identified some very good initiatives, with no funding allocated against them.

THE CHAIR: Mrs Burke, we should not be having discussions across the table.

MRS BURKE: I realise that, chair, but it is important that taxpayers know where their money is going and on this one we cannot see that.

Ms Gallagher: We do report. We can look at this. The matter that has come up is about how to relate the budget statement back to agencies.

MRS BURKE: That is exactly my point.

Ms Gallagher: Perhaps a way to do it would be to indicate which part of the budget outputs the programs we are talking about relate to so that those questions can be asked.

MRS BURKE: That would be helpful, thank you.

MS PORTER: Page 279 of budget paper 3 mentions in the third last paragraph that women also make up 48 per cent of ACT government board members and 42 per cent of ACT government remunerated board members. I note that on the following page there is reference in the second paragraph to the women's grants program and two categories which exist under the scheme, capacity building and special projects. I note that the program aims to develop the knowledge and skills of women in the ACT who are undertaking or aspire to undertake senior decision-making roles by assisting them to take up those senior roles. It talks about taking up positions as directors, which I presume to mean directors of boards. I am wondering whether you think that the fairly satisfactory numbers there are as a result of the fact that the government is assisting women to become more involved in boards. Obviously, the figure is not 50 per cent yet, but it is certainly getting up there at 48 per cent and 42 per cent. Do you think that that program is the reason we are getting more women joining boards and becoming a part of boards sooner?

Ms Gallagher: I think there is a range of reasons. I would not say that it is just because of the company director program, although that program has been extremely well received, judging by the number of women who want to participate in it. Those numbers are okay. My understanding is that the latest advice shows that we have got it up to 49 per cent on ACT government boards where ministers have a say on them. We are still trying to crack the 50. I am confident that we will make that.

The ministers understand that, in bringing appointments to cabinet, they have to report through the cabinet process on whether they have consulted the Office for Women and whether there is 50 per cent representation on the board. So it is very proactively managed. That certainly has helped, because ministers are very aware of it. Where there is not 50 per cent, you go back to your agency and say, "Come on, there must be

a woman who is as well qualified to sit on this board as a man.”

I think the promotion of the women’s register has helped, and the expansion of the women’s register to being one for business and community organisations as well so that women can put their details down. It is also an area where ministers and government can go if they are looking for particular women or skills. There are 122 women on the database for that at the moment, and that is growing, which is fantastic. We need to get more women on there. That company director program is extremely popular. It would be great to fund some more women through that program because it is in demand.

DR FOSKEY: I am a little uncertain about what questions I can ask now. For instance, I have a series of questions on housing that come out of the women’s action plan, but I assume that I will be referred to the minister for housing. Is that right?

Ms Gallagher: Have a go.

DR FOSKEY: One of the things promised in the women’s action plan and mentioned in the women’s statement is that there will be a women’s housing policy.

Ms Gallagher: Yes.

DR FOSKEY: Can I ask about that?

Ms Gallagher: Yes, there is going to be a women’s housing policy.

DR FOSKEY: When?

Ms Hall: I cannot say when, but I can say that the development of the policy has begun and the Office for Women is part of the group developing the policy. But the policy itself and the timelines are set by ACT Housing and I do not have those details.

DR FOSKEY: So there is a group in train?

Ms Hall: It is well under way and I know that it is conscious of the need to put a policy in place as soon as it can.

DR FOSKEY: Can I ask about the review of Dyirmal Migay, the supported accommodation service for Aboriginal and Torres Strait Islander girls? I want to know how much funding has been allocated to it. Again, it might not be a question for the minister.

Ms Gallagher: Yes, it is. Again, the women’s plan reports across government. The finding related to that review would be undertaken by housing.

DR FOSKEY: I am very interested in the efforts at the moment to increase the amount of affordable housing. It is often women who are least able to afford housing. Do you have any knowledge of the number of women-headed households in the ACT, or women who are trying to purchase land through, say, the moderate income land ballot?

Ms Hall: I do not know whether ACT Housing has those. The needs analysis that

informed the original affordable housing task force had some of that information, but you would need to ask housing specifically.

DR FOSKEY: I seek clarification on the role of your office. For instance, if you asked the Land Development Agency, which is the body that looks after moderate income land ballots, for figures about the number of women and men looking for these moderate income pieces of land who were successful, would you be able to get that information? Is that the kind of role you have?

Ms Hall: We have two roles. We can ask for that information. We can also talk to agencies about the sorts of information that they gather and try to help them improve it. That is one of the key roles we are playing at the moment. Often we find that agencies do not always have the information and they are starting, as part of, I think, the first objective area of the action plan, to develop better information, data sources.

DR FOSKEY: Disaggregated data.

Ms Hall: That is right, and we are working to support agencies with that.

DR FOSKEY: That would make it a lot more comprehensible.

MR SESELJA: Minister, it was suggested by a member of this place some time ago that there has been a government response to the significant issues affecting women through the Office for Women and the Minister for Women. There is also a growing analysis of particular issues that affect men. In particular, I point to youth suicide and education outcomes. That member suggested that having an office for men or a minister for men might be appropriate. Do you support such a move? If not, why not?

Ms Gallagher: You are asking me for a personal opinion. No, I do not think there needs to be a minister for men. Issues in boys' education are dealt with within education. Male suicide is dealt with in health and other youth organisations. I think that women's policy has evolved because, on a number of fronts, women are disadvantaged in relation to men—this is a historical look at it. There need to be in place proactive measures to ensure that we are monitoring and ensuring that policy and service delivery are aimed at achieving equality for women in comparison with men. It is my personal opinion that I do not think so.

MR SESELJA: But we have seen through this statement that most of it is handled by various portfolios. So, as to the first part of your answer that it could be handled by education or it could be handled by health, the same could be said about programs to assist women. Is there a reason that the issues that particularly affect men—as I said, youth suicide is particularly prevalent among young men—should not be the subject of an integrated response in the same way?

Ms Gallagher: I think we are talking about different issues. Issues affecting women are different; historically they are different. You could not argue that men face the same disadvantages as women face in the community; there is simply no evidence to support that. You could point me to isolated cases, no doubt. Look at women in employment, women at work, women at home, women as care givers for both the young and the old. We have some statistics there around equal pay. We have domestic violence. We have

things such as sexual assault and issues affecting young women. There simply is not the evidence to say you can treat them in the same way as some of those issues that you have nominated in talking about males.

I note that the ACT has been the only jurisdiction to have this desire or request for a minister for men or to say that there is this dilemma in the world of men that requires a minister for men and men's policy. There is a minister for women in every jurisdiction, including the commonwealth. This is recognised internationally and nationally as a legitimate area of government policy requiring attention. If men found themselves in the same position as women, and I am talking in general here, maybe there would be a case for having a minister for men but, as of 2005, I would say that the evidence and the need just do not add up.

MR SESELJA: Are the issues, in your opinion, just isolated cases?

Ms Gallagher: You cannot put words into my mouth.

MR SESELJA: I believe that was exactly what you said.

Ms Gallagher: I was using it as an example. We can sit here, you and I, and have an argument about gender politics 101. I am happy to do that.

THE CHAIR: But I, as chair, would place a limited amount of time on that.

Ms Gallagher: I am not discounting that there are issues affecting men in our community, but I certainly would not support the idea that those issues are of the magnitude of those affecting women, or that they need a coordinated and strategic response from government.

MRS BURKE: Just picking up on that issue, minister, I think Mr Seselja made a salient point.

Ms Gallagher: He was quoting you, was he not?

MRS BURKE: I do not know. I did not know that he was going to ask that question.

Ms Gallagher: What a surprise!

MRS BURKE: The reason I brought up that issue, and as it has come out now, is that I suggest the roles of men need to be addressed to meet the needs of women. All that Mr Seselja and I are saying is that we seem to be addressing women's policy in isolation to men. I agree with you: clearly, as a result of the raft of areas you have identified women are still lagging behind. Because of the increase in youth suicide and suicides in the older age bracket, I believe we need to address the needs of men, or we must help them to better identify their roles. As Minister for Women you cannot isolate women but you need to take into account the ideas and suggestions of men. The ACT is pushing hard, but nationally we are also working hard on that front.

THE CHAIR: Mrs Burke is there a question in that?

MRS BURKE: There is. I want the minister to comment on that issue now that I have broadened my comment. Do you see the value in that or not?

Ms Gallagher: Mrs Burke, I challenge you to refer to an area where men's needs, men's input and the issues affecting them are not taken into consideration in women's policy. A classic example is the domestic violence crisis service, or the family violence intervention project. That project deals with a lot of men who are violent, or children who have witnessed violence against their mothers. Women's policy is not dealt with in isolation to men. Men are not excluded. The needs of men, the impact that men have, or the causes of issues that affect women cannot be seen in isolation from men. Many of the issues affecting women are because of men.

MRS BURKE: Exactly.

Ms Gallagher: So it would be ridiculous if we ignored those issues or we did not address them. I cannot think of an area where the needs of men are not taken into consideration and appropriate measures are not looked at. Even in the school curriculum we address issues such as how to deal with boys who are violent or who have witnessed violence in their lives. Those issues have to be dealt with if we are to achieve some positive changes for women at the end of the day. I am Minister for Women; that does not mean I am minister for the exclusion of men.

MRS BURKE: We always talk about women. We never refer to men and women.

THE CHAIR: Order!

Ms Gallagher: I am Minister for Women and I deal with women's policy.

MRS BURKE: Yes, I realise that.

Ms Gallagher: I address women's issues. However, I cannot think of a situation where we would exclude men from policy analysis, evidence-based research or any other responses. That is just not the case.

MRS BURKE: I will place a question on notice about what groups you consult with. I think that might be the way to go.

MS PORTER: Page 36 in budget paper 4 refers to the women's grants program. What kinds of things are funded under that program?

Ms Gallagher: I am happy to provide that information to the committee. A number of programs are funded—they were dealt with in the annual reports—from Vietnam veterans, to motorbike awareness, to women's magazines. The criteria were pretty broad to enable a number of organisations to apply for that money. This is the first time it has been implemented. It is a great program. Demand for that money exceeded supply. I am happy to provide the list to the committee.

MS PORTER: Will that program be running again?

Ms Gallagher: Yes. It was funded in last year's budget at \$100,000 a year.

DR FOSKEY: Would you tell me whether or not I am directing this question to the right person? Would you report on progress in the establishment of medium-term accommodation options for older women escaping domestic violence? Would you also give me details about that program?

Ms Gallagher: Again, Dr Foskey, that issue comes under housing. Issues involving housing need to be addressed by the housing minister, regardless of whether they involve men or women. We are here to deal with an output class that has an office of four. That office deals with women's policy.

DR FOSKEY: That is quite understandable. I am new to this process this year but next year I will ask a lot of gender-related questions dealing with housing, et cetera. Because I am unsure, I will continue to ask my questions and you can tell me where to direct them. Page 280 of budget paper 3 refers to the women's director scholarships program.

Ms Gallagher: Yes, that involves us.

DR FOSKEY: I understand that applications for the four directorships closed on 13 May. How many applications were received? Is there any breakdown in relation to women from diverse or disadvantaged backgrounds?

Ms Gallagher: There were a number of applications for the four positions.

Ms Hall: There was a huge amount of interest—we had over 150 inquiries—but we received just fewer than 20 written applications after people had received the pack. I have not yet had an opportunity to look at each of the applications so I cannot give you a breakdown. From general conversation I understand that we received applications from a number of people from a range of backgrounds—women in the community sector, women at home and women from diverse backgrounds. A panel will be assessing those applications in the next couple of weeks.

DR FOSKEY: Do you use a set of criteria to choose the successful applicants?

Ms Hall: Yes. The criteria were outlined in the application package.

DR FOSKEY: I will be interested to see how that pans out. When you have carried out an analysis perhaps you could let us know, because we are interested to know, what range of people applied?

Ms Hall: The range of applicants, yes.

DR FOSKEY: As the Office for Women monitors the implementation of the women's action plan, which includes the ACT mental health strategy and the drug and alcohol strategy, can you please advise on the progress that has been made in relation to women, mental health, and drug and alcohol abuse? Should I ask that question of the minister for health?

Ms Gallagher: Yes. I might assist by referring to those areas that cut across the Office for Women. A policy document entitled, "Justice, Options and Prevention: working to

make the lives of ACT women safe”, the grants program, director scholarships, the Ministerial Advisory Council on Women, International Women’s Day awards and the women’s register are areas for which the Office for Women has responsibility.

DR FOSKEY: Nonetheless, in this case the Office for Women has a role in monitoring progress in those departments, so I guess that is where the misunderstanding arose.

THE CHAIR: Would you describe that as a liaison-type role, minister? You liaise with departments to establish how they are doing, they give you a bit of general information, but they do not give you fine details about every program relating to women.

Ms Hall: No. I suppose it is a liaison and a support role. The agencies themselves have responsibility for their programs and for reporting on them. We assist in providing them with support for how they might like to focus their policies to meet the needs of women. We give advice on how they might like to report on that, but they have responsibility for it in the end.

DR FOSKEY: The 2004-05 action plan for women will establish:

Support linkages between the Ministerial Advisory Council on Women and the Minister’s CMD youth council to promote mentoring opportunities.

Has that occurred? How many people are receiving mentoring?

Ms Hall: It has occurred. There were meetings with the chairs of the councils to talk about whether and how they might like to progress that issue. There was talk about a couple of the members of the youth council coming along to a meeting of the women’s council. Unfortunately, that did not get off the ground. Because the youth council and the women’s council are turning around membership that is something we had to leave. We have to establish whether the new councils have the same interest that previous councils had in progressing that issue.

Ms Gallagher: Nominations have just been called for the Ministerial Advisory Council on Women. My advice is that under the Minister’s Youth Council those recommended for appointment will soon be in my office.

DR FOSKEY: Can I ask questions about the support that has been given to the Multicultural Women’s Advocacy Service?

Ms Hall: The Office of Multicultural Affairs came under the Chief Minister’s Department. It now comes under the Department of Disability, Housing and Community Services.

DR FOSKEY: Has the Ministerial Advisory Council on Women considered the report entitled *A Pregnant Pause: The future for maternity services in the ACT*?

Ms Gallagher: Yes.

DR FOSKEY: At what stage did it consider that report and what were its thoughts?

Ms Gallagher: It was referred to it after the report was tabled in the Assembly as appropriate. It provided some advice. I am just trying to remember whether it provided advice to me or to the health minister.

Ms Hall: It provided advice to you and then that advice was provided to the health department.

Ms Gallagher: So it had an involvement in formulating the government's response?

DR FOSKEY: That will inform the government's response, which we are eagerly awaiting.

Ms Gallagher: Yes.

DR FOSKEY: Those are all the questions that I believe you are able to answer.

MRS BURKE: Page 280 of budget paper 3 refers to the ACT women's grants program and to capacity building and special projects. Minister, excellent though these programs are, does the budget include anything for women trying to reach those levels? Are any programs available to help people who are not at those high-ranking levels? This is a question that has been put to me. Are you looking to implement such programs at the middle level for people looking to go into management? People see this as very high, strategic, executive and professional.

Ms Gallagher: The company director?

MRS BURKE: Yes. The question that was put to me was whether there was anything in this budget to address that issue? Is there anything to help those who are trying to attain those levels? I am not referring to those who go beyond to the director level or to the more professional levels.

Ms Gallagher: I have not seen the applicants this year for the company director program. As Ms Hall just said, there might be women in the work force who might not be applying. I do not know what number of applicants there have been for the middle level or higher level. It probably comes under vocational education and training and not under the Office for Women. It comes under the strategic priorities program operated by training and adult education. That program targets new areas of training. It also targets those who have experienced some sort of disadvantage, or those who do not have experience and skills but who want to upgrade to level two or level three. That is provided for in this budget but it comes under training and adult education rather than women. But women would not be excluded from that.

MRS BURKE: No, I am not saying that. Small business owners or women from small businesses are trying to gain some sort of assistance and help other than from vocational education and training such as TAFE, which plays an active role in that area.

Ms Gallagher: That is where we offer those programs. They are not just offered through TAFE. However, short, quick, snappy programs are offered through TAFE. If women are unsure about what is provided I am happy to follow up that issue or I could get Anne Houghton to give you a call to talk to you about the programs that are on offer.

MRS BURKE: That would be great.

THE CHAIR: If there are no further questions in relation to this portfolio we will adjourn for morning tea. At 11 o'clock we will deal with industrial relations.

Meeting adjourned from 10.42 to 10.59 am.

THE CHAIR: Welcome back. Minister, do you wish to make a statement about industrial relations?

Ms Gallagher: I am trying not to get called back, so my answers will be short. The committee can do with out my opening statement, I'm sure.

MR SESELJA: On page 30 of budget paper 4 there's no estimated outcome for 2004-05 listed. What is likely to be the expenditure for 2004-05 on output 1.6?

Ms Gallagher: It is my understanding that that information is in appendix 4B.

Mr Harris: Part of the difficulty we had was matching 2004-05 and 2005-06. The 2004-05 outcomes are listed in the appendix document on page 4 under work safety and labour policies. Part of the problem was that post-election changes to the administrative arrangements have caused some significant ons and offs right across the organisation.

MR SESELJA: Is that \$2.172 million the estimated outcome for 2004-05?

Mr Harris: Yes.

MR SESELJA: Is that a payment for outputs, or is that the total cost?

Mr Harris: It's total cost. Payment for outputs is the number underneath—\$1.955 million.

MR SESELJA: The budget for 2005-06 has a slight increase, then. Given that there are wage increases, are there likely to be any job losses in this area?

Mr Harris: No. None is anticipated.

MR SESELJA: Is there likely to be an expansion in jobs, or is it going to stay stable?

Mr Harris: None is anticipated.

THE CHAIR: Minister, I won't ask the question that I've been asking in all other areas. This output class falls under the Chief Minister's Department and that question has already been asked of the Chief Minister and Mr Harris. It is my perception that most of the positions advertised for the ACT public service are for employment on a full-time basis. I've been asking about work and family life balance and the offer of part-time work. Do you want to make comment on that at all in your capacity as Minister for Industrial Relations?

Ms Gallagher: The template agreement—the common core set of conditions—outlines the government’s commitment on conditions of employment. How people advertise jobs is another matter. Certainly I have not been aware, or it has not been brought to my attention, that there are problems with people wanting to work part time going part time across the service. It hasn’t come to my attention as a big issue or as any issue, in fact.

THE CHAIR: This is not meant as a criticism of the ACT government service by any means, because it’s the case with all government services. Where there is a perception that the job is full time it may deter not only women but also men from applying for positions because they may be looking for more flexible hours in order to spend more time with young families. That is just a comment. I really shouldn’t do that.

MR MULCAHY: I want to ask you a bit about wage negotiations, which is a matter of great interest to both of us, of course.

Ms Gallagher: Again, Mr Mulcahy?

MR MULCAHY: Again. Indeed it is always an issue, given that it makes up about a third of the budget. Can you tell us who is responsible for negotiating public sector wage agreements?

Ms Gallagher: I have responsibility for negotiating the common core template, or what’s known as the template agreement, in the clerical area of the ACT public service. That’s my responsibility in relation to nurses, teachers and ambulance officers. The minister responsible for the area negotiates the individual bargaining that takes place. The schedule to the common core or template agreement is the responsibility of the individual ministers as well.

MR MULCAHY: Is the handling of the day-to-day negotiations in relation to these ministerial positions undertaken by officers in the Chief Minister’s Department within that unit?

Ms Gallagher: For the template agreement, yes.

MR MULCAHY: In terms of the role they carry out for you, are there any guidelines or limits that you advise them of as part of their opening brief when they commence these negotiations?

Ms Gallagher: I have a discussion with the bargaining team and they go into those negotiations understanding the government’s position. As in all negotiations, there is toing-and-froing through that, but they are guided by the government’s policy parameters.

MR MULCAHY: Could you explain those parameters a little more clearly?

Ms Gallagher: They are around conditions of employment and what we’re seeking from the unions we negotiate with; and there are clear guidelines around the wage offer. I have taken the view that, knowing that negotiations are volatile and matters are resolved at the table, officers must have the capacity to resolve those, particularly around conditions of employment. The bargaining team has the capacity to do that.

I have to take budgetary costs or impact on the government back to cabinet. It's not up to me to agree to those. I also get feedback around what the employee associations are pushing for. I listen to the feedback of the bargaining teams on those issues. If it's a matter that's really going to impact on the negotiations, I discuss it with my cabinet colleagues.

MR MULCAHY: You would say to them, "This is the upper limit of what I'm willing to take forward to cabinet, and these are the employment practices I'd like you to address or seek modifications on." Would you be talking to the public sector unions directly, or do you leave that to your negotiating team?

Ms Gallagher: I leave it to the negotiators.

MR MULCAHY: So they'll come back. But is that a fair assessment of how it works?

Ms Gallagher: Yes.

MR MULCAHY: Are the people doing this all within the department, or do you have some consultants involved in that exercise?

Ms Gallagher: No, they're within Chief Minister's Department.

MR MULCAHY: There are no external consultants that you use?

Ms Gallagher: Not that I know of. Before I answer that, and get myself into any strife if there are any, I'll ask Warren. I can't think where we've used a consultant.

Mr Foster: The bargaining team in the past has consisted of me and two officers from my section. We have enlisted the aid of a consultant to assist us with some drafting work. The consultant is an industrial lawyer whom we used for approximately 30 days during the bargaining period last time.

MR MULCAHY: What sort of experience in the field did he or she—the industrial lawyer—bring to the table?

Mr Foster: The person we used was a senior executive with the commonwealth Department of Employment and Workplace Relations in the past. He now runs a consultancy that specialises in industrial relations advice, law and practice. He operates from New South Wales. He has probably 25 to 30 years experience.

MR MULCAHY: Has he ever been a member of, or been associated with, a registered industrial organisation?

Mr Foster: I'm not aware; I can't answer that question.

MR MULCAHY: What sorts of fees are incurred for that help?

Mr Foster: Generally we pay an hourly rate to the consultant.

MR MULCAHY: Can you tell us a little bit more on that?

Mr Foster: Between \$85 and \$100 an hour, approximately.

MR MULCAHY: You were saying you've got them for about a month?

Mr Foster: That's correct, overall.

MR MULCAHY: So the bill is probably in the order of \$20,000 or \$30,000?

Mr Foster: My recollection is that we paid about \$20,000 last time.

MR MULCAHY: In respect of your core team, what's the depth of experience in negotiating industrial arrangements among the members of your unit?

Mr Foster: I have 30 years of industrial relations experience.

MR MULCAHY: All within the territory administration?

Mr Foster: Yes, in the commonwealth and the territory—with the territory since 1975. The other members of my team are both senior officers grade C. One person has experience in negotiating agreements with the Family Court of Australia and the commonwealth. The other person has also worked in the commonwealth and negotiated the civil aviation agreement. So they have reasonable experience in that area.

MR MULCAHY: Do you have the scope to secure productivity improvements as part of your brief when negotiating these arrangements?

Mr Foster: I guess there are two sorts of productivity agreements; there are quantifiable ones and non-quantifiable ones. We have endeavoured to achieve some trade-offs on the basis that, if you give something, you get something back in return. In terms of costings we have not looked for job losses but for improvement in conditions of service for people, which in turn will provide a return to the territory.

MR MULCAHY: Could you illustrate some examples of where you have succeeded in that respect?

Mr Foster: Most certainly. In general terms, we had a Christmas close down. The building was closed down for two days, which would have resulted in reasonable lighting and power cost savings to the territory. So there was a trade-off there.

MR MULCAHY: Could you clarify that?

Mr Foster: There is a trade-off there, I think, if you close a building down and turn the power and airconditioning off. So we have got something back on that one. There is a return to the territory for those two days we've given.

MR MULCAHY: The fact that they don't go to work that day means there is a saving in electricity. Is that what you are telling me?

Mr Foster: There is a saving there. It is better to have that, if you are going to have a two-day close down.

MR MULCAHY: You could have them away five days a week, couldn't you?

Mr Foster: No. If you're going to have a close down, it's best to have a close down for everyone, rather than have two or three people come to work, have the lights on on seven floors and the airconditioning running for the whole building.

MR MULCAHY: You wouldn't really be having the building occupied on Christmas Day, would you?

Mr Foster: No. We don't work on Christmas Day.

MR MULCAHY: That wouldn't be the custom. You're talking about the days in between.

Mr Foster: Yes; the days in between. Another saving would be that we've previously had nearly 60 agreements and we've reduced those down to 27. That releases people from other agencies to do other work in their agencies. Previously the agencies did their own bargaining.

MR MULCAHY: It doesn't sound to me like that is so much negotiated improvement in productivity. That is a bit of administration on the part of the territory to come up with a tidier way of dealing with employment practices. It doesn't strike me as a sort of negotiating win, if you like, from the point of view of the taxpayer.

Mr Foster: No. I disagree with that. I think it's a way of working better for the territory. There is an improvement; it's a way of working smarter.

MR MULCAHY: I have no doubt that it is a tidier way to go about it, but it doesn't sound to me like a productivity win in terms of negotiations. I'm looking for things where you have a negotiating win in dealing with the unions where you said, "We've had to pay them this amount of money but we've got agreements here in relation to meal breaks"—or hours of work, or some other condition that may be a given that they have traded off to you—"in return for the substantial increases we have outlaid over the last period."

THE CHAIR: Mr Mulcahy, you are looking for the pound of flesh. Is that what you are saying?

MR MULCAHY: No, I am not. You are putting words into my mouth. It is very common, chair, as you would know from your industrial background, to secure productivity improvements. I am looking for ones that might have been negotiated by the other parties from a negotiating team.

Ms Gallagher: Mr Mulcahy, we have seen improvements in relation to how the bargaining is done. Mr Foster has alluded to that. We have also seen a reduction in the staff turnover rate from over 15 per cent to around nine per cent of people exiting the ACT public service. I have been on the record with this before. It seems that we are

travelling over ground that we have travelled over before with this question about the bargaining position we took.

I accept that you think it was a weak bargaining position, that you don't agree with it and that we should have sought productivity savings—although you've never explained to me what you actually mean by productivity savings. In relation to the bargaining that we undertook, we did it because we could not fill positions in the ACT public service. Public servants had been receiving increases of 1.5 per cent a year over the years before we came to government. What we were seeing was an ACT public service that was way off the wage scale in relation to the commonwealth. We had to fix it in order to deliver public service activity to the community.

So, what we have done in the two rounds of bargaining is an attempt to get back into the ballpark. We aren't there even yet. We couldn't take conditions and try to play catch-up with wages and still have an attractive looking set of conditions in the ACT public service. We are competing with the commonwealth. You know all that, we've been through it before. We are currently slipping well below half way in relation to pay scales in the commonwealth. By the end of this agreement, we will be way down the bottom again. We weren't in a position to say, "Give us your conditions in return for this pay," because they were so underpaid in comparison to what we were asking them to do and in comparison to job opportunities in the commonwealth. That is the position we took.

I have copped it from you; I've heard you; I've heard you speak publicly; I've heard you ridicule my capacity to deliver for the government as industrial relations minister. I've copped it and I'll cop it again, but we can probably finish this discussion. We didn't seek productivity savings in return for the wage outcomes. We couldn't. People were so underpaid that we weren't on a level playing field. It wasn't about giving more. It was about playing catch-up. I know that the Liberals don't agree with that and I can see a media release coming and that's fine. I'll defend it again and again. When we go into the next round of bargaining, we'll look at the context that we're bargaining in; we'll look at the landscape; and we'll treat it as another situation. It may be different. Maybe the commonwealth will start reining in their wage increases; maybe they'll start cutting back on conditions; and maybe we'll be in a position to look in a whole new way at the way we negotiate with our unions and our employees.

But the state of play when we came in was how it was and that's what dictated the bargaining. By no means was it a free-for-all: "Here, take all this cash and thanks for coming to the ACT government; it's a holiday here." That wasn't the way it was. It was about making sure that we were slightly competitive. We'll drop behind the commonwealth by the end of these three years, absolutely without a doubt.

MR MULCAHY: I am glad you, in a fairly long way, clarified for me that there was not any real attempt to secure—

Ms Gallagher: I saved you all from an opening statement. There it was.

MR MULCAHY: That is all right. I don't make opening statements in estimates; we try and keep it to questions. You have not secured productivity offsets. I understand that was your former position and that you have gone on the record on that. I am glad we have clarified that for today. I am certainly not going to champion here the commonwealth's

cause these matters.

There is something that troubles me, minister, and I am interested in your view on this. If you look back over the past several months, given the fact that you have taken this approach to wage negotiations with those agreements that I think were, in the main, registered in about November, do you think that, with the benefit of hindsight, it might not have been better to negotiate some of these productivity improvements, rather than effectively telling at least 300—and I suspect there will be more—people basically that their jobs are going to go? Do you think that, by some productivity improvements, we may have been able to avoid having to shed people? Of course that figure could be higher, depending on how things travel.

Ms Gallagher: Without a doubt the wages outcomes we paid were fair and reasonable; there is no question about it. In the clerical area it was 13 per cent over three years. It is not extravagant. If you look at exits from the public service, whether they be through redundancy or not, my advice is of 280-odd having to leave the public service for delivery of these savings. I'm sure other ministers have explained how they are going to achieve that, and the processes involved, acting in accordance with the certified agreement. That is by no means a large number to leave an organisation the size of ours in any year. These things are managed every single year.

MR MULCAHY: From the perspective of the individual, the prospect—whether it is via a redundancy, voluntary or otherwise—of unemployment is never a thrilling one. Looking back at the way you've handled wage negotiations in the territory, within a matter of months we've suddenly got a blowout budget. Wouldn't it have been better to have been a little more restrained, or to have at least secured efficiency and productivity improvements when you went about showing generosity on behalf of the taxpayers, to avoid the fact that we now have to shed bodies?

Ms Gallagher: I guess you're drawing a link between wage outcomes and job losses.

MR MULCAHY: I think there's a pretty close link!

Ms Gallagher: If you argue that, go back and have a look at how many jobs went under Carnell for no wage gains.

MR MULCAHY: It may have been a consequence of wage outcomes.

Ms Gallagher: It's not necessarily a natural link that you can draw. As I've said, it's not involuntary. You said "voluntary or otherwise". There will be no involuntary redundancies. The process of managing them is set out in the template agreement. In my area of responsibility, we're looking at a whole range of ways to meet the efficiency dividend that minimises any job losses. As I said, in an organisation the size of ours, whilst regrettable, 280 staff a year is not a big number to seek. It can be managed within a very sensitive framework that minimises the impact on those who have to leave and those who stay. I'm not going to accept that link: that a three or 3½ per cent wage increase a year has caused the job losses. You can look at a whole range of things—you can look at expenditure. As the Treasurer said, there is a whole range of pressures being placed on this government in orders of outlaying expenditure that haven't been linked to wages growth.

MR MULCAHY: But, at the end of the day, it's the biggest single outlay in your budget. You're now living beyond your means in terms of the bottom line of the budget, by any measure.

Ms Gallagher: We've put in place a way of managing that.

MR MULCAHY: Hopefully we'll see that.

THE CHAIR: As a supplementary—and I know Ms Porter has a supplementary on this area as well—this would be no different from any other year, that wages are always the biggest part of the budget, would it?

Ms Gallagher: No.

MS PORTER: Could you advise us of the effect low wage rates, which existed in 2000 to 2001, have had on this budget? We had low wage rates in those years.

Ms Gallagher: I probably answered that, Ms Porter, in the later opening statement that I made. We have had to play catch-up; there is no doubt about it. We had to do that in order to attract and retain staff. We are seeing the benefits of retaining staff already. I would certainly argue against our wage outcomes having been extravagant. They have certainly had to match the market in which we operate.

DR FOSKEY: Coming at the issue from another angle: as everyone here is probably well aware, the differences between wages in the community sector and the ACT public service are of great concern. There is a difference of about \$5,500 at the ASO1 rate, increasing to \$30,000 per annum at the higher grades. I think as people realise that there is a similar amount of work—

THE CHAIR: Can you hang on a second, Dr Foskey? Gentlemen, if you want to have a conversation you should go outside and have it. You are being a little loud over there.

DR FOSKEY: I am aware that the community sector task force has been set up as a mechanism for looking at the issue of wage parity. But I understand that there is a dispute over the removal of wage parity from the terms of reference. My first question is: will the community sector task force continue to consider wage parity?

Ms Gallagher: I am not aware of wage parity being taken out of the terms of reference of the community sector task force. My belief is that it has a very broad ranging scope to provide advice to me. I do not want to see that message constrained in any way, certainly in any advice that comes to me. We have ensured that there is a good balance of vocal members of the task force.

I cannot see any reason why anyone would feel that they cannot look at any issue in relation to an industrial relations matter within the community sector. That task force is represented by a small community organisation, a large community organisation, ACTCOSS, the ASU, the LHMU—as employee associations—and a number of officers from the CMD. Deb, if there is an issue there I am happy to look at it, but my view is that they can look at any matter and provide advice to me.

DR FOSKEY: Has the government considered the recommendations flowing from the community sector viability task force?

Ms Gallagher: Have I?

DR FOSKEY: And the government?

Ms Gallagher: Within this area, which is the one I am responsible for, I imagine that that work will input into the task force and the information available to them. The job of the task force is to provide me with advice on how to address work force issues within their sector—that is, opportunities for certified agreement making, opportunities for portability of entitlements, the way government indexes its funding and the impact that has. Of course, the viability of the community sector would be a part of that.

DR FOSKEY: Minister, in the report of the Standing Committee on Public Accounts on the review of Appropriation Bill 2004-2005 in March this year you stated that the issue of wage parity was one of concern—I am well aware that you have reiterated that today—and that the Minister for Health and the Treasurer stated that this issue was a matter for the upcoming budget, yet it has not been tackled in this budget, has it?

Ms Gallagher: It has, in the sense that an increase in appropriation was made. That does not come into effect this year but, for reasons that we have been through, this is a tough year and we cannot afford it. Indexation arrangements apply. In the next financial year, 2006-07, the initiative there—I do not have it in front of me, but it grossed several million in the outyears—as a new way of funding community sector organisations is in the budget.

DR FOSKEY: You will understand that it is a concern that community sector funding indexation reform has been delayed till 2006-07 when the government has funded a supplementary appropriation of almost \$54 million for public sector wage negotiations in this year.

Ms Gallagher: I accept it is a concern to the community sector. It is in the budget paper to indicate to the community sector that we are serious about this, that we are adopting a new way of funding them. But this year we could not afford to do it. It is there in the outyears. Certainly the work of the community sector task force in providing advice to the government about other measures that we can do to improve working conditions in the community sector will feed into that, but, yes, it would have been better to have it this year.

DR FOSKEY: As a major purchaser of services from community organisations is the government undertaking any work to improve working conditions and/or to ensure that, when contracting with community organisations, funding is adequate to provide decent working conditions for employees?

Ms Gallagher: Yes. That is all dealt with through procurement within each individual agency in their contract negotiations. We have already gone to three-yearly funding arrangements. I am trying to recall the name of the document that we did—it will come to me; someone will write me a note, I am sure—in relation to more certainty around

funding of the community sector and community organisations. The work of the task force is instrumental in forming better working conditions.

DR FOSKEY: I have one more supplementary question in this area. The payroll tax exemption of the companies providing paid maternity leave is welcomed, but this is not likely to deliver paid maternity leave in smaller workplaces, particularly non-government organisations. Is the government planning to provide any assistance to non-government organisations to increase the availability of paid maternity leave?

Ms Gallagher: The best way we can influence that is through certified agreement negotiations with the community sector. Until the federal government funds a fully funded parental leave scheme, we have to look at other ways to provide support for those conditions. Again, it is not in an award. Maternity leave is in an award but any paid leave is not. We need to look at how best we can provide those working conditions in the community sector. That is why we are looking at the issue of portability—how you can keep your conditions if you are moving between employers in the community sector. We have never had a good, strong look at it and that is what needs to happen. The community sector task force has met already. A project officer has been appointed and that work is under way, with a lot of enthusiasm. Not wanting to pre-empt the work that they do, I am hopeful that that work will come up with a range of ways to ensure that not only we but also governments in the future, of whatever colour, can better meet the needs of and responsibilities to the community sector.

THE CHAIR: Minister, I refer to page 37 of budget paper No 4, output 1.6, paragraph b: “Review Workers Compensation Scheme. Can you tell me what will be involved with this, what the anticipated outcomes will be and what changes are likely to occur as a result in this review?”

Ms Gallagher: I have not finalised those details yet; I am still taking some advice on it. There are areas of concern around workers compensation for all stakeholders—not just in the ACT but also across the country. There are enough reasons in some of the data that we are seeing for us to want to have a look at whether there are other amendments or other work that needs to be done under our workers compensation scheme to make sure that it is doing what we want it to do. Premiums are still high. The insurance association, which I met with recently, have a few issues, such as providing better certainty for them under the scheme. I know we had some big changes to the workers compensation scheme a couple of years ago which some people say may not be producing the benefits or the impact that we want to see. I have enough people talking to me about workers compensation for me to want to have a look at it. We are finalising ways so that we can do that. We will need actuarial advice and things like that. I think all stakeholders in workers compensation want to talk about and look at ways to improve the scheme and make sure that we are well positioned for the future.

THE CHAIR: When is the review likely to be completed?

Ms Gallagher: That depends on when we finalise the details for the scheme. I would hope fairly soon. I just cannot give you a date because I need to consult with all of those. The Insurance Council has given me a range of areas it wants me to look at and it depends on how long that takes. It is such a critical area for us that we need to do it properly. It is one of those things: when you get a number of people talking to you all the

time about it, you start thinking “Maybe there are areas that we should have a look at.” Some of them are simple; some are not so simple.

MR MULCAHY: I have a supplementary question. You said that the Insurance Council wanted some more certainty. Is that in relation to their apprehension about the level of claims being granted or the dollar value of those awards? Is the judicial system of concern to them or something else?

Ms Gallagher: Yes, some of that. They talk to me about providing some caps, which would give them certainty. There are small measures like defining the injury in the AMA guide—minor changes. Providing them with better details so that it is not open to interpretation. There is a whole range of things. We go from providing caps, which is a big issue, to some minor amendments that can be dealt with with minimal fuss and, I imagine, with stakeholders’ support. There were a number of areas that they raised with me.

MR MULCAHY: Is the government open to caps as an option?

Ms Gallagher: That is an area for Mr Stanhope, the Chief Minister. I am going to write to him and let him know. It is probably in its formulation now. I undertook to write to Jon after the meeting with the council to say that this had been raised with me and that there needed to be some discussion on it.

MR MULCAHY: Hopefully that would see the premiums come down?

Ms Gallagher: That is the aim; that is the goal.

MR SMYTH: Minister, the certified agreement for the public service allows for pay rises to take effect on the first pay after 1 April each year, does it not?

Ms Gallagher: I believe so, yes. I do not have it in front of me, but I think it is in April, yes.

MR SMYTH: All right, minister, is it true, then, that the pay rises this year were calculated as of the first of the month of April rather than the first pay period which started, I think, on 7 April?

Ms Gallagher: I could not tell you that, Mr Smyth. We will take it on notice. Mr Foster can tell you.

Mr Foster: That is correct Mr Smyth.

MR SMYTH: That is correct?

Mr Foster: Yes.

MR SMYTH: Mr Foster, why was it done in that manner this year?

Mr Foster: The agreement fell due on the first of the month and people were paid from that day afterwards.

MR SMYTH: Even though the agreement says that it shall commence in the first full pay period after that time?

Mr Foster: It was the agreement of the negotiators that it occur from the first day after the agreement.

MR SMYTH: What does it say in the agreement?

Mr Foster: Let me check. Pay increases for all classifications by this agreement will apply as follows: the agreed parity translation under clause 15.2 up 2.5 per cent from 1 April 2004, 2.5 per cent from 1 April 2004, four per cent from 1 April 2005 and four per cent from 1 April 2006. Each pay increase will commence from the first full pay period on or after the prescribed date.

MR SMYTH: So the question is, minister: the first full pay period would have started on 7 April, yet we gave the pay rise on 1 April. How much did that cost the taxpayer of the ACT?

Ms Gallagher: Are you trying to run an argument that we have not met the requirements under the certified agreement?

MR SMYTH: You have actually exceeded them.

Ms Gallagher: It seems to me that we are quite specific in the certified agreement about the dates to which the pay increase should take effect—

MR SMYTH: Correct.

Ms Gallagher: and that is from 1 April.

MR SMYTH: No.

Ms Gallagher: That it be paid from the first pay period.

THE CHAIR: That is what Mr Foster just said, Mr Smyth.

MR SMYTH: No, if you listen to the second clause that Mr Foster read out—perhaps he would be kind enough to read it again—it says that each pay increase will commence from the first full pay period on or after the prescribed date. Is that not so, Mr Foster?

Mr Foster: I think the intention was that it be paid from 1 April, that people would get it in their pay packets for that pay period.

Ms Gallagher: That is the way I read it and that is the way I would read it if I were someone who signed up to that agreement.

MR SMYTH: Minister, did you have objections from various departments as to the early payment of the pay increase?

Ms Gallagher: No.

MR SMYTH: Mr Harris?

Ms Gallagher: You are running a line that it was an early pay increase. I think it is quite specific in the agreement as to the day that the pay increase was to take effect.

Mr Harris: Employees are entitled to the pay increase from the first of the month. The first available time that their entitlement can be paid is prescribed in the agreement as the first payday after the first of the month.

MR SMYTH: Although the agreement says that each pay increase will commence from the first full pay period on or after the prescribed date?

Mr Harris: There is a clear reason for the distinction between the two; otherwise we would have had to run a special pay run for the period between the first of the month and the first available pay day for the number of days entitlement. That clearly would have led to increased cost and, I suspect, inefficiency as well. The most efficient way to do it is to calculate it from the first of the month and pay it on the first available payday.

MR SMYTH: Were there objections from some of the departments to the early start of the pay increase?

Mr Harris: There are two parts to my answer. There was not an early start to the pay increase. The pay increase was an entitlement from the first of the month. I am not aware of any complaints. I had no chief executive register a complaint with me.

MR SMYTH: Mr Foster?

Mr Foster: There were no complaints received in my area. There was some clarification sought about the date of payment.

MR SMYTH: What was the nature of the clarification sought?

Mr Foster: They wanted to know how it should be paid.

MR SMYTH: On the basis of what?

Mr Foster: They were unclear as to the interpretation of clause 15.4 and clause 15.5.

MR SMYTH: Has it not been the normal practice in the past that the pay increases start on the first full pay period after the agreed date?

Mr Foster: Yes, it had been in the past, Mr Smyth.

MR SMYTH: So why the change for this pay period?

Mr Foster: There are two things here. As Mr Harris has pointed out, people are entitled to be paid from the date that the agreement was settled and certified. Secondly, we had ensured that money was available from that particular date in Treasury to pay it.

MR SMYTH: So, minister, there was no pressure from your office to allow the pay increases to start on 1 April?

Ms Gallagher: No. There is nothing there. Certainly in all the discussions I had, the day the pay increases were to take effect was 1 April. That is the deal the union signed up to.

MR SMYTH: Except it is a different practice. As Mr Foster said previously, the pay increase starts on the first full pay afterwards. That is the clause, as I read it, that says, "Each pay increase will commence from the first full pay period on or after the prescribed date." The question is: why the change in procedure for this year?

Ms Gallagher: That is the way things are, Mr Smyth.

MR SMYTH: It is the way things are.

MS PORTER: I have a general question. Minister, page 61 of budget paper No 4 mentions a number of highlights for 2005-06. The first one states:

continuing the implementation, delivery and refinement—

THE CHAIR: We haven't got to WorkCover yet.

MS PORTER: You haven't got to that?

THE CHAIR: No.

Ms Gallagher: No. Don't worry.

MS PORTER: That is all right. I am one ahead of myself—several ahead of myself.

THE CHAIR: I am mindful of the time, though, minister. It is almost a quarter to 12. I will move things on, if that is all right?

Ms Gallagher: Yes, that would be great.

MR SESELJA: Sorry. I just have one more general IR question. Minister, the Chief Minister announced on Friday, I believe, that the ACT had agreed to fight the commonwealth government's proposed changes to the industrial relations system even if it means taking the issue to the High Court. Were you consulted on this decision?

Ms Gallagher: I have had a number of discussions with the Chief Minister about our response to the potential changes from the commonwealth. I was happy to see his support for our colleagues around the country to defend a fair and equitable industrial relations system.

MR SESELJA: It is about supporting them rather than something particularly for the ACT. The media release says:

Although the ACT does not have its own industrial relations system, the proposed

changes are of such magnitude and importance that the ACT feels it must show solidarity.

Has there been an estimate of the costs of showing such solidarity with other states and territory?

Ms Gallagher: I do not imagine that work has been done yet. Again, you will have to ask the Chief Minister, as it was his announcement. We collaborate with states and the Northern Territory on a whole range of IR matters as per normal core business.

MR SESELJA: So at this stage you have no idea how much this High Court challenge will cost?

Ms Gallagher: It is a question for the Chief Minister, Mr Seselja. There are different industrial relations systems in a number of jurisdictions around the country. The ACT operates under federal law, as does the Northern Territory and Victoria. But I think it shows the willingness of states and territories to defend the system that operates across the country in ensuring that working people's lives have protections, which the commonwealth is seeking to withdraw.

MR MULCAHY: I have a supplementary to Mr Seselja's question. You are anticipating passage of this legislation through the commonwealth parliament. What grounds are you expecting to have that you would be able to race off to the High Court to have all this overturned, given that it will be an express decision of the houses of the commonwealth parliament?

Ms Gallagher: I am not a lawyer, Mr Mulcahy.

MR MULCAHY: I know that.

Ms Gallagher: This is a question for a lawyer.

MR MULCAHY: I was just wondering if you are going to authorise funds to be spent on litigation. You might have an idea.

Ms Gallagher: It is a matter for the Chief Minister. I have not authorised any funds at all. We have cooperated, as I said, with states and territories in a number of areas. We put in a joint submission to the living wage case. The ACT cooperates in a national way with other jurisdictions. I do not see any issue with the ACT supporting the defence of a fair industrial relations system around the country. It is in the interests of working people in the ACT, Mr Mulcahy. Whatever side of the fence you sit on, it is in the interests of people who go to work every day and who are having their working conditions threatened by what the commonwealth is trying to do.

THE CHAIR: Thank you. We will move on to 1.7, asbestos task force. Thank you, Ms Cotton. We did not hear from you at all, but it was lovely to have you sitting at the table.

Ms Cotton: Yes, it was great.

DR FOSKEY: Can I ask a question for clarification? Minister, I am a little confused about the two allocations in the budget for the asbestos task force.

Ms Gallagher: The two allocations?

DR FOSKEY: Yes. On page 173, there is an allocation of \$1 million and on page 175 an allocation of \$500,000. Can you just explain how they are different from each other?

Ms Gallagher: One was in the second appropriation and one is in this appropriation. We appropriated \$1 million in the second appropriation for some additional work. The issue is: how do we resource the asbestos task force? It came into effect without any appropriation and we have been playing a bit of catch-up. The full cost of the appropriation to the task force was unknown. An amount of \$1 million was provided and some extra information required in the additional appropriation in order to see the task force through to the completion of its report to government in August.

THE CHAIR: While we are talking about the additional \$1 million, can you explain—

Ms Gallagher: Sorry. I think I got it around the wrong way. It was \$500,000 first then \$1 million.

THE CHAIR: Yes. Can you or Mr Hawkins explain what the additional \$1 million will allow the task force to do?

Ms Gallagher: I am sure Mr Hawkins would be more than happy.

Mr Hawkins: As probably members are well aware, this legislation in August last year kicked off a process the task force started in November. As we sit here now, at the end of May, we know a lot more about the scope of the work and the second stage of the laws that are projected in current legislation to commence on 16 January 2006. Based on our experience to date, they'll require substantial support, particularly in the real estate sector, to ensure their successful implementation.

The projected total cost of \$1.5 million in the coming financial year covers staff resources to the task force; continuing community education and awareness, particularly around the second stage of the laws; remaining research and completion of the report itself; and, importantly for the government who needs to lead by example, ensuring that our own implementation as a government is supported with audits, registers and management plans for our own premises.

MR MULCAHY: A supplementary on that issue: there is obviously \$2 million spend this year in all.

THE CHAIR: \$1 million plus \$500,000 still equals \$1.5 million in my book.

MR MULCAHY: The budget papers say \$1.859 million. It is higher than that. This was just the campaign the minister was responding to, I think. There were other costs associated. Minister, do you expect that there will be further expenses in subsequent years on this project or will we see the end of the expenditure come 30 June 2006?

Ms Gallagher: It is a very difficult question to answer. The report that is being finalised now, I understand, will come to me on 1 August. That is going to be my first opportunity to understand whether there are future costs associated with this or whether it is things such as legislative amendments which I know have been looked at by the task force to provide more clarity.

There are some real issues here for us in responding to the law that was brought in, even down to the number of people who can do reports and whether it is feasible to have the system that we have got in place to start operating. The idea behind the task force was to set it up, have it report and have it finished. I did not want to see a situation where we created something that just kept going. I hope that that is what will be the result of the report, but it is difficult to answer. We will probably be better informed in annual reports, by the time that comes around. We will table the report in the Assembly; so everyone will have access to the information that we have.

MR SESELJA: Minister, you earlier provided Mr Mulcahy with advice, by way of a question on notice, that a fee of \$35,000 per annum is being paid to Mr Wood to chair the task force. Is any other member of the group receiving a fee?

Ms Gallagher: I do not believe so, no.

MR SESELJA: That is a definite no?

Ms Gallagher: Yes, because half the task force are public servants and others are industry reps.

MR SESELJA: Just one more on that: have any travel expenses been incurred by the task force; and if so, how much?

Ms Gallagher: Lincoln can probably answer that.

Mr Hawkins: I will take the question on notice. From recollection, there has been one visit to Sydney. We are paying the costs of a visiting academic to attend a seminar on asbestos management this month.

MR SESELJA: You do not have the details of the total costs?

Mr Hawkins: No, I do not.

Ms Gallagher: We can provide that.

MR SESELJA: That would be great; thank you.

THE CHAIR: Where is that being held, that seminar that the academic is attending?

Mr Hawkins: It is here in Canberra. It is one we are hosting, principally to expose the results of our extent and impact survey and the analysis from that to ensure that regulators and academics give us the best peer review of that work.

THE CHAIR: I was unclear whether or not we were going elsewhere to get information.

Mr Hawkins: Just on that point very briefly, if I may: it was felt to be a requirement to do international research. We have certainly been able to do much of that by telephone, research of articles and contact over the web. A lot of that is pretty readily available. Once the network and a lot of people in Australia and overseas know of this project, they are pretty good at getting in contact with us which has, I think, saved the need for any other further travel.

MR MULCAHY: Minister, in the annual reports hearings, you were going to share with us some of the attitudinal research that formed the basis of the campaign. We have not seen it yet.

Ms Gallagher: Haven't you?

MR MULCAHY: I do not believe so.

Ms Gallagher: Okay.

MR MULCAHY: That would still be of interest. The reason, I suppose, my interest was heightened is that after your campaign I got a number of calls from people who seemed to be more alarmed than I believed was appropriate, given the briefing that your officers kindly arranged and the direction I believe it is heading, this group. Obviously there are some mixed messages sometimes people take out of these campaigns. I saw Mr Wood informally recently. He said there were further changes coming, which sounded for the better, in the legislation. On the image, the message you are sending out there, have you had any feedback about people maybe getting unduly alarmed? It obviously was not one of your objectives.

Ms Gallagher: Lincoln can probably talk a bit about that because we have collected data on people seeking information through Canberra Connect. I think it was always going to be an issue with this. I don't know whether Lincoln has got the early attitudinal stuff that was done, which showed that there was quite a low understanding about how much asbestos existed in houses around the ACT. If they did know, they thought that the asbestos should be removed. There were those two things.

We then had Don Burke on the TV going, "Did you know that all these houses have asbestos?" I think it worked quite well in the sense that there was not large-scale pandemonium about this, but there was always going to be some heightened anxiety around. I think it has been managed very well because once people have had access to the information they have got in contact with the task force.

I know the task force has been very responsive in returning calls. I have had calls, messages and emails to my office, saying, "Thank you for the person who contacted me. I now understand this situation." I think the responsiveness of the task force has dealt with a lot of those who were extremely alarmed by the information that was being put out. Did you want to add to that, Lincoln?

Mr Hawkins: Briefly, the task force last Thursday released a report on the result of our community engagement activities. I would point members to that. It does provide some of these second-survey statistics, comparing the first round, which you have mentioned,

and the lift in confidence and awareness in the community.

Page 35 of, I think it is, BP4 has a strategic indicator. As a result of those early surveys, it was very clear that there was a high risk of potential alarm. We took 800 phone calls and a good number of those people had areas of concern and misunderstanding. But I think it is a credit probably to the way the whole process has been managed that that has been minimised.

Only 10 per cent of people at the start of the year recognised that they had, or potentially had, asbestos materials in their home, and we foreshadowed that it would be up to around 70 per cent. Through the campaign, that has been tripled. So it is up to 30 per cent of people now. We have halved the number of people who would have probably made an irresponsible move to immediately remove the materials, even if they were not at danger. There are some figures in that report I mentioned last week, which are available to you. It also suggests that by no means is that over. You cannot manage what you do not understand. If you do not know that you have got asbestos, you cannot manage it. That is one of the learnings from three or four months work. To sustain awareness and knowledge without a Don Burke campaign, other techniques are going to be needed. We are working on that now. We will make that part of the report to the minister.

MR MULCAHY: Last question, minister: is the life of the task force contingent on this report that you are getting on 1 August or have you set a closedown date for the task force?

Ms Gallagher: I have not had any advice to the contrary, to keep the task force going past the report date; so I am operating on the fact that the report will be handed to me at the beginning of August and that will be—

MR MULCAHY: The end of their brief.

THE CHAIR: Minister and Mr Hawkins, you are probably unaware that Dr Foskey is giving marks out of 10 for the graphs in the budget papers. This one, I think, is getting a better mark than one of the ones that—

Ms Gallagher: What page is that on?

THE CHAIR: Page 35, which Mr Hawkins just referred to. The only area that it might get marked down on is: what does the dotted line at the top mean?

Mr Hawkins: When we commenced the campaign, we indicated that if your home was built prior to 1988 it is quite likely to have asbestos, which was around three out of four homes. That was the figure we used. It is indicated there. That is a conservative assumption. We do not really know until we complete a survey. We are confident that the actual number, once we have completed the survey, will reduce and we will be able to draw a more accurate date where asbestos materials in the residential sector ceased to be used.

If it is around the mid-1980s—other organisations have adopted dates from 1986 to 1990; we will position somewhere in the middle with that assumption—we believe that, once we have done the survey, we will be able to draw a more accurate date. It will be

somewhere in the mid-1980s and therefore the actual rather than the presumed date and the number of houses with asbestos will be less than 70 per cent.

THE CHAIR: If I had read the second last sentence I would have got that answer. Dr Foskey, your mark out of 10?

DR FOSKEY: I would say it is a 7½.

THE CHAIR: We might move on if there are no other questions on the asbestos task force. Thank you, Mr Hawkins. This takes us to ACT WorkCover.

DR FOSKEY: Can I start off with a similar sort of question? It is about one of your indicators, on page 62, budget paper 4, table 1.1 workplace regulation, and indicator B, an increase in workers compensation compliance. I am trying to understand the meaning of “the percentage increase in the wages pool is greater than the percentage growth in wages”. I need further explanation of how this is determined and what it shows.

Mr Janssen: This measure compares the total growth in the pool of wages paid to workers in the ACT covered by the workers compensation scheme with the pool of wages that is reported to us as being included in policies written under the workers compensation scheme by insurers. If, for example, the amount that they are insuring for workers compensation grows at a rate greater than the total amount of wages that are paid in the ACT, it would suggest that there is a higher level of compliance. For example, businesses might be seeking coverage from their insurers for a higher level of reporting of wages. Alternatively, a potentially greater number of businesses could be taking out workers compensation insurance than might have been the case.

MR MULCAHY: Would you not have to discount for poor forecasting? Some firms might overestimate their wages or, due to changed circumstances, some firms could reduce their work force. That could also lead to that figure going up, could it not?

Mr Janssen: We try to work off the wages declaration, as the businesses are required to provide advice to their insurer at a certain stage.

MR MULCAHY: So you are talking about the 30 June figure that you lodge after you have done your forecast? You are talking about the growth in that figure, not the figure you notify when you take out workers compensation?

Mr Janssen: No, that is right.

MS PORTER: I refer to a question that I was going to ask earlier. Page 61 of budget paper 4 states:

Strategic and operational issues to be pursued in 2005-06 include:

- continuing the implementation, delivery and refinement of ongoing initiatives and programs including Occupational Health and Safety (OH&S), dangerous substances and workers compensation compliance audits, licence and permit issuing

Could you comment on the implementation of those programs? What sorts of things will

be included this year and what emphasis has been placed on them? Do you have any information about any compliance audits that have been identified?

Mr Janssen: There are two components to your question: the compliance activity and the educational activity. This year we are proposing to target educational activities that are linked to data we would get back from compliance audits. For example, a recent audit of forklift safety in the ACT highlighted a number of issues. Those issues have driven a process within WorkCover. We are developing particular educational materials around forklift safety for businesses.

Increasingly we are trying to identify compliance priorities based on injury data, in particular, injuries from hazards in certain industries through to other information such as injury notifications or anecdotal information. So there is quite a focus now on refining the way we do our business so we can intervene in the most critical areas of need both at an educational level and at a compliance level. As part of our auditing process in different sectors we run a number of seminars and workshops for businesses prior to major industry audits to ensure that they are clear on the requirements they need to meet under the workers compensation or occupational health and safety legislation.

We are about to launch a whole suite of new educational materials for businesses ranging from a mini CD which would have on it a broad range of guidance materials, advisory materials and so on, to a guide to the Occupational Health and Safety Act and a guide to the Dangerous Substances Act. We are developing a checklist for businesses that are starting up. It will give them an indication of the sorts of things they need to be aware of in various areas, whether it is workers compensation, occupational health and safety, or managing dangerous substances.

We are also producing materials for particular industry sectors and we are just about to bring out another edition of the construction industry safety handbook. So a range of initiatives is increasingly being focused on particular areas of high risk based on data that we can generate through workers compensation claims information and other sources of data.

MS PORTER: You mentioned in particular the area of forklifts. Have you identified similar high risks in any other areas? Since there has been an increase in the amount of education you have been doing has there been any lowering of that risk?

Mr Janssen: I guess it takes time to measure. We have an ongoing process of targeted audits. In the last week or two we have been looking at the dry cleaning industry. That is not driven so much by injury rates as by the fact that with the new dangerous substances legislation in place, regulations have had to be put in place this year. We want to ensure that industry is managing the chemicals, solvents and other materials that it has.

We have done some work in the tree amenity industry—the tree surgeons in Canberra—which is quite hazardous work. I think we have audited 20 or more businesses in that industry. That is a rolling program. The largest number of inspection activities is in the construction industry as it has the highest injury rate. We have also put a fair bit of effort into, and we have given priority to, the retail industry which has a large employment base in the territory. It does not have the highest rate of injury but it is an area in which we believe we can make a difference to overall injury rates.

DR FOSKEY: Is WorkCover aware of the pilot project undertaken by ACTCOSS in 2002 to examine the rising costs of workers compensation insurance in the ACT community sector?

Mr Janssen: I am not familiar with that study.

DR FOSKEY: That report made a number of recommendations to improve occupational health and safety and to contain insurance costs in the community sector, some of which could be undertaken by ACT WorkCover. I would like to know specifically whether there has been any action in response to that report.

Ms Gallagher: It predates Mr Janssen's time in his role. I have not heard of that report either.

DR FOSKEY: It is a 2002 report.

Ms Gallagher: Yes.

DR FOSKEY: You will have to ensure that you get a copy.

Ms Gallagher: Yes.

DR FOSKEY: The first recommendation states:

Improve work safety management in the ACT community services sector by supporting good practice through resource development, establishment of benchmarks and promoting continuous improvement.

The third recommendation states:

Develop more specific industry classifications and community services.

The fourth recommendation states:

Develop a more strategic and collaborative approach to work safety management insurance purchasing.

Those are some of the areas in which WorkCover was seen to have a role. I was wondering specifically whether there has been a recognition in the ACT, as there has been in New South Wales, of the tensions between occupational health and safety, disability services, homelessness services, and the rights of clients who have challenging behaviour. I understand that the WorkCover Authority in New South Wales is undertaking a project on client-related violence in residential care service group homes. Is ACT WorkCover following that work and are there any plans to look at those issues in the ACT?

Mr Janssen: From time to time we have an involvement with various services such as disability services and health services that provide services to disabled clients. When we have been involved and in particular when there are issues about the safety of staff vis-a-vis the rights of patients, it is not a matter in which we have any prescriptive role.

In more recent cases, where staff have expressed concern about procedures they might need to undertake with their clients and safety concerns are involved we have asked health providers, agencies or responsible employers to undertake appropriate risk assessments and to look at benchmark material in other jurisdictions to establish the best practice for meeting the needs of clients and to ensure that the work is conducted safely.

DR FOSKEY: Does WorkCover collect and report data regarding workplace safety accidents and injuries in social and community service sectors?

Mr Janssen: A number of data sources that are compiled come in to WorkCover. One is through workers compensation claims made by various industries. That comes into our system on an individual claims basis so it is possible to identify down to the individual employer the nature of accepted workers compensation claims and the nature of injuries and so on associated with it.

Another source is reporting required under the Occupational Health and Safety Act. Effectively, that involves employers reporting to us injuries of a certain nature that occur—they tend to be the ones where there would be an absence from work for a period of around seven days—or dangerous occurrences where an incident might not have resulted in an injury but it had the potential to do so. These are the sources of information we get. From that we can identify what industry and what sector it is in.

DR FOSKEY: Do you have any observations about safety concerns in the community and social sectors?

Ms Janssen: To get a broader picture in those sectors compared to other sectors I guess the best data is broad injury rates against the number of workers per 1,000 employees. I do not have the total in front of me but we do have that sort of data, which we use to target our activities.

DR FOSKEY: Can that data be made available?

Mr Janssen: We can certainly provide you with a table that gives you indicative injury rates by industry.

MR MULCAHY: Page 62 of budget paper 4 refers to 1,500 workers compensation compliance monitoring instances being planned. Would you be able to explain what is involved in that?

Mr Janssen: What page are we on?

MR MULCAHY: Page 62 of BP4.

Mr Janssen: I guess that involves a broad range of activities. It might involve a visit to a particular workplace to conduct an inspection and establish the extent to which that business meets requirements under the Workers Compensation Act. It might involve investigating advice that we receive. We have a protocol with insurers where policies are not renewed and we are advised of that. That is called a lapsed policy investigation. We then follow through whether or not that business has taken up a policy with another

insurer.

It might involve advice that has come to us through a complaint or a concern raised by individuals who are being investigated to establish whether or not a particular business has a valid policy, or it might involve some other matter that we might want to investigate that has been reported to us. We also have in place protocols with insurers in relation to the declaration of actual wages where a business has failed to do that. A process ultimately results in it being brought to us by insurers and we would investigate that matter.

MR MULCAHY: So basically you have a raft of different follow-through mechanisms?

Mr Janssen: Yes.

MR MULCAHY: Do the 4,000 inspections that are cited in the same area differentiate from the 1,500 monitoring instances?

Mr Janssen: They relate to occupational health and safety, dangerous substances and gas safety and involve physical visits to particular businesses or workplaces.

MR MULCAHY: In relation to the first matter that we discussed, do you get involved in fraudulent workers compensation claims, or is that issue handled by insurers or underwriters?

Mr Janssen: As I understand it, the insurers would need to be satisfied, when accepting a claim, that the claim was a valid one. So it would fall within their responsibility and it would be in their interests to ensure that the policies that have been written are being properly applied.

MR MULCAHY: If there is evidence of fraudulent claims are they pursued by your office or by the insurance company? How are they addressed or are they addressed if they detect instances of fraudulent workers compensation claims?

Mr Janssen: In the first instance I expect that insurers would be dealing with the matter if they have some doubt as to the veracity or otherwise of a particular claim. That would be something that they would deal with and they would make a decision on the basis of evidence that they might collect as to whether or not that claim would be accepted.

MR MULCAHY: Are you aware whether anyone has ever been prosecuted, or are those claims just disallowed?

Mr Janssen: I recall a case, certainly in the last 18 months, that went to the courts in relation to a claim that was inappropriate or fraudulent. But I cannot recall at this time the details of that case. They may well end up in a court, particularly if the matter is taken up by the claimant. The employee might be making the claim through the court system.

MR MULCAHY: So the employer would have to pursue it civilly. Is that what you are saying?

Mr Janssen: The insurer is the one who would be responsible.

MR MULCAHY: I guess that it is the defendant for the employer. You do not receive any advice as to the extent of that problem in Canberra?

Mr Janssen: No. The ACT system is a privately underwritten jurisdiction. There are insurers that we approve or licence.

MR MULCAHY: You told me once in a briefing that there are about eight.

Mr Janssen: That is right. They have the responsibility of assessing the risk, setting the premiums, writing the policies and managing the injuries and all the claims and related issues around them.

MR MULCAHY: In the 4,000 inspections that you plan to conduct in 2004-05 how many breaches did you identify as opposed to the figures for last year? I suppose it was a bit less.

Mr Janssen: I am not sure about the breaches. I have some figures on notices that might have been issued, which will give you some indication.

MR MULCAHY: Are they like the warning to remedy type notices?

Mr Janssen: That is right, improvement notices requiring a business to change something or improve something. They might be prohibition notices halting certain activity until it is made safe.

MR MULCAHY: Do you have statistics on that?

Mr Janssen: Yes, I do.

MR MULCAHY: Can we get those figures?

Mr Janssen: Yes. I can give you some right now. Just for this year, the 10 months until the end of April, we have issued 130 improvement notices, 81 compliance agreements, 58 prohibition notices, six occupational health and safety infringement notices and 41 workers compensation infringement notices and we have accepted seven enforceable undertakings. Right at the very pointy end we have completed eight prosecutions.

MR MULCAHY: As a result of how many thousands of visits?

Mr Janssen: I think it will be around 4,000 for the year.

MR MULCAHY: Of all the different classifications of procedures that have been applied do you have any idea of the number that would be directly related to potential injury as opposed to administrative deficiencies, for example, people not putting up appropriate signage and things like that? How many would relate to potential injury in the workplace?

Mr Janssen: I think the majority would relate to areas of risk that inspectors, when

exercising their judgment under the act, had identified as ones that needed remedying.

MR MULCAHY: Not just administrative and clerical errors?

Mr Janssen: No.

MR SESELJA: I require some clarification. I refer to output 1.1 on page 62 of budget paper 4 “Compliance with workplace legislation.” The target for 2005-06 is 80 per cent. Are you able to give us a breakdown of exactly what that is designed to measure?

Mr Janssen: That is a new measure. The aim there is to identify the extent of compliance with a range of workplace legislation. In designing that measure I guess we are putting together a basket of issues that will be a feature in our assessment of all our inspections. For example, there are some administrative things like occupational health and safety policies that have been put in place. There are physical things like first-aid facilities and whether we have evidence of risk assessments being undertaken in a certain workplace. Is there an awareness of injury reporting requirements and is the appropriate placard signage in place for dangerous substances that might be stored there?

Where they are of a quantity requiring registration, are those dangerous substances registered with us? Do they have appropriate information about handling what I would call material safety data sheets which explain that? So we are putting together a basket of measures and we will be applying them and comparing, year on year, the extent to which we find compliance broadly across those measures.

As it is a new measure, in the first year we had to pluck a figure out of the air, based a bit on our anecdotal experience, and we said 80 per cent. Whatever outcome we achieve in 2005-06 in relation to compliance, that will be the baseline data we use in future years to measure our performance in improved compliance.

MR SESELJA: I refer to that basket of measures and to the 80 per cent. If there were 10 things in the basket and every employer did eight of the 10 would that be a pass? Are you looking at employers passing that total range of measures? To what would that figure of 80 per cent refer?

Mr Janssen: We are refining that measure at this time. I think we will be looking at the extent of overall compliance within a particular workplace. Currently we are in the process of refining what is in that basket. I have mentioned some of the things that are likely to be in there. We want a measurement system that is robust but that is also fair in weighting various items and overall safety performance in a workplace.

MR SESELJA: So the 80 per cent is a measure of the overall performance of employers who are audited or checked rather than each individual employer?

Mr Janssen: That is right. It would be 80 per cent compliance across the inspections we had conducted against that basket of indicators in a sample of industries.

MS PORTER: Minister, page 61 of budget paper 4 makes mention of the health and safety month initiative. Could you provide us with a sample of the activities being undertaken at workplaces as part of that program?

Ms Gallagher: I will get Mr Janssen to talk in detail about that issue. Health and safety month usually involves a number of activities. A calendar of events is usually published. Health and safety month relies on individual workplaces to nominate activities that they are carrying out within their workplaces that have a particular occupational health and safety focus. Occupational health and safety awards are conducted in that month. It is a worthwhile month in the area of public relations. There is a lot of talk about health and safety initiatives and other initiatives that are having an impact.

We reward good practice in the workplace and we raise the importance of health and safety in the workplace. That is our aim. It seems to be working quite well and we get a lot of good feedback from it. I do not know whether anyone wants to add anything to that. I think I have probably covered the issue. As to the events that will be in place this year, I am not yet aware of all of them but we have advertised for nominations for the occupational health and safety awards.

DR FOSKEY: Are there plans through the community task force to work with the community sector, to develop management skills in occupational health and safety and to assist in minimising the cost of insurance?

Ms Gallagher: I cannot see any reason why that should not be looked at by the task force. This is an interesting area. I meet with community organisations quite a lot. The issue of workers compensation and who is covered has been raised with me a couple of times. I am more than happy for the task force to have a look at that issue. It is a relevant employment condition to have a safe and healthy workplace.

As I said earlier, I hope that the work we do under the review of the workers compensation scheme will have an impact for all employers and that it is not just industry specific as premiums are high and expensive. I know that they are expensive to manage. We, as a government, are looking at ways of addressing some of the concerns relating to workers compensation premiums and the cost of insurance. We are looking at those issues across the ACT and, of course, it will involve community sector insurance.

DR FOSKEY: I do not know whether anybody has asked about the impact of budget cuts on WorkCover?

Ms Gallagher: That question has not been asked. I was waiting for Mr Seselja to ask that question, but he did not.

DR FOSKEY: What cuts do you expect to WorkCover's budget and how many jobs will that translate to?

Mr Janssen: I think the total impact is around \$344,000. It is a figure of about five per cent. In the budget papers the total amount of savings is around \$344,000. We are not anticipating any reduction in inspector numbers as a consequence of meeting those savings targets, but in other areas of our operation we are trying to see where we can make savings. In the last 12 months we have been involved in a number of projects that are coming to a conclusion. In bringing those projects to a conclusion we believe that we can make some savings.

One of our staff members was involved in developing a learning and development strategy. That project is just about finished and that staff member will go back into a vacant position in inspection activities. We are developing process maps and procedures around licensing as part of our continuous improvement as to how we do business. We are also looking at outsourcing some of that.

We could make some savings if we had that done on an as-required basis by an external source with expertise in that work in other jurisdictions. To that extent there may be a saving in non-inspector staffing which we would need to manage during the course of the year. Other savings could be achieved in administrative areas that everybody else would be looking at—everything from printing through to travel and so on.

THE CHAIR: If there are no other questions on WorkCover we can move to the supplementation fund.

DR FOSKEY: I have a question relating to page 429 of budget paper 4 “2005-06 Highlights.” Can you be confident that there will be a reduction in the number of unfunded claims?

Mr Gaskill: The number of claims is limited because the claims are made only in relation to people who were insured at the time of the HIH collapse. So only those claims are handled by the fund. There was a previous failure in NEMI and we still have a couple of claims hanging around in the fund.

DR FOSKEY: So there is a known number of claims?

Mr Gaskill: It is reasonable in the sense that that event happened some time ago now. For instance, this year, since we took over from WorkCover, about 14 additional claims arrived in the fund.

MR SESELJA: My question relates to pages 429 to 433 of budget paper 4. Budgeted revenue for 2004-05 was \$0.962 million but expected revenue for 2004-05 is now \$4.696 million. Is that correct?

Mr Gaskill: Yes.

MR SESELJA: How do you account for the extra \$3.734 million?

Mr Gaskill: The \$3.734 million is actually a revaluation of the HIH insurance liability.

MR SESELJA: So that is the total. That makes up that difference?

Mr Gaskill: Yes. We put in claims to HIH for the liability that we met. Currently the total amount is around \$22 million. We hope at least to achieve the return of a proportion of that amount when the liquidation is complete.

MR MULCAHY: Why was the workers compensation supplementation fund transferred from ACT WorkCover to the Chief Minister’s Department? Perhaps you could explain what were the net benefits of that transfer?

Ms Gallagher: It was on advice from the occupational health and safety commissioner, Mr Janssen. Through discussions with him he felt it was more appropriate, in his role as manager of WorkCover and occupational health and safety commissioner, that the supplementation fund sat outside his area of responsibility. The logical place was the Chief Minister's Department.

MR MULCAHY: Did any benefits arise from that shift over?

Ms Gallagher: It was more about keeping the roles very clear. It was an historical thing that the occupational health and safety commissioner and the manager of WorkCover became the fund manager. Once Mr Janssen took on the role and he had discussions with me he felt that it would be more appropriate if it were located outside his area of responsibility. As manager of WorkCover and as occupational health and safety commissioner he has a very hands-on role in relation to workers compensation. So this was done merely to separate those functions and to keep them distinct from each other rather than to gain any sort of benefit. We wanted the roles to be made clear and we wanted a separate fund manager who was not involved in other WorkCover areas.

MR MULCAHY: I assume from Mr Gaskill's reply to Mr Seselja that claims are still being made in relation to the NEMI and HIH failures.

Mr Gaskill: There are certainly still some claims in HIH. We have two outstanding NEMI claims, but they are quite old claims.

MR MULCAHY: What total amount has been paid out so far and what do you still expect to pay out in the future?

Mr Gaskill: In relation to the claims on the liquidator we have paid around \$22 million.

MR MULCAHY: That is in relation to HIH?

Mr Gaskill: Yes. The 90 per cent risk margin assessed by the actuaries is around the remaining \$9.6 million. The actuary report was done based on the January figures which came out in March. We expect to get a revised actuary report for end of financial year statements. It would certainly be a little less than that if I gave you the figures since we took over in July. We had 72 open claims. We are now down to 46 open claims and that includes 14 new ones. So we have made some significant reductions. The projected liability in 2002-03, which was the previous one, was \$28 million. We are now down to \$8.6 million.

MR MULCAHY: All up, though, it has cost about \$30 million?

Mr Gaskill: I think so, yes.

THE CHAIR: I thank the minister and officials for their attendance today.

The committee adjourned at 12.38 pm.