



LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON ESTIMATES 2008-2009

(Reference: Appropriation Bill 2008-2009)

Members:

MS M PORTER (The Chair)
MRS V DUNNE (The Deputy Chair)
MR M GENTLEMAN
MS K MACDONALD
MR B SMYTH

TRANSCRIPT OF EVIDENCE

CANBERRA

FRIDAY, 23 MAY 2008

Secretary to the committee:
Dr S Lilburn (Ph: 6205 0490)

By authority of the Legislative Assembly for the Australian Capital Territory

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

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The committee met at 9.33 am.

Appearances:

Berry, Mr Wayne, Speaker of the Legislative Assembly for the ACT

Legislative Assembly for the ACT

Duncan, Mr Tom, Clerk

Duckworth, Mr Ian, Corporate Services

Kiermaier, Mr Max, Deputy Clerk

THE CHAIR: Welcome to this public hearing of the Select Committee on Estimates 2008 2009. Have you read and are you familiar with the contents of the yellow card?

Mr Berry: Yes.

THE CHAIR: Do you understand the privilege implications that are contained within it?

Mr Berry: Yes.

Mr Duncan: Yes.

Mr Duckworth: Yes.

THE CHAIR: So for the record, I move:

That the statement be incorporated into Hansard.

The statement read as follows—

Privilege statement

To be read at the commencement of a hearing and reiterated as necessary for new witnesses

The committee has authorised the recording, broadcasting and rebroadcasting of these proceedings in accordance with the rules contained in the Resolution agreed by the Assembly on 7 March 2002 concerning the broadcasting of Assembly and committee proceedings. Before the committee commences taking evidence, let me place on record that all witnesses are protected by parliamentary privilege with respect to submissions made to the committee in evidence given before it.

Parliamentary privilege means special rights and immunities attach to parliament, its members and others, necessary to the discharge of functions of the Assembly without obstruction and without fear of prosecution.

While the committee prefers to hear all evidence in public, if the committee

accedes to such a request, the committee will take evidence in camera and record that evidence. Should the committee take evidence in this manner, I remind the committee and those present that it is within the power of the committee at a later date to publish or present all or part of that evidence to the Assembly. I should add that any decision regarding publication of in camera evidence or confidential submissions will not be taken by the committee without prior reference to the person whose evidence the committee may consider publishing.

Mr Speaker, are there any opening remarks you wish to make?

Mr Berry: Thank you, chair. Thank you for the opportunity of enabling me to make an opening statement to your inquiry on the Appropriation Bill 2008-2009. The budget for the Legislative Assembly is to provide procedural and business support for the operation of the Assembly and its committees. During the next year the Secretariat will be again striving to provide excellent levels of service to ensure the efficient and effective operation of the Assembly.

It will be a challenging year as it includes an election, as you are all aware. The Secretariat has some experience with this and knows, of course, that at the very least there will be two and possibly more new MLAs. That is not meant to be threatening in any way or an indication that I have any insight information on that, but it is always a possibility and an issue of some stress to members, I am sure, except for me and another member. This will mean induction procedures for those new MLAs and their staff. As well, there is work associated with finalising entitlements and arrangements for the Sixth Assembly and commencing new entitlements and arrangements for the seventh. In addition, the Secretariat will be involved in establishing new committees and, in particular, assisting the new Speaker with his or her duties.

The Secretariat will again be conducting a members' survey in order to ascertain how the services provided are received by members. Information gained from that process will be used to refine services where necessary and address the issues raised. Earlier this year, after consultation with me, the Secretariat approached the Shared Services Centre to seek and have that agency take over the Secretariat's financial processing function. This followed an announcement that several key finance staff in the Secretariat would be transferring to the commonwealth.

I did want to reflect today on some comments that were made in the Assembly concerning a perceived problem with the transfer of that function, and it was in relation to bills not being paid promptly. That comment was made during debate on the Appropriation Bill. I am advised, and I would like to relay to the committee by way of reassurance, that the Secretariat is satisfied that all accounts referred for payment have been paid on the next available payment date within an average of five days of being received in the Shared Services Centre.

I am advised that an issue has been identified in relation to the payment of some Australia Post accounts after their due date, but the corporate manager assures me that this is not due to any delay in the Shared Services Centre but stems, instead, from

instructions issued by the corporate manager. This issue is in the process of being addressed.

As we can see from the budget papers, the Secretariat has not received any additional funding other than the normal adjustments. We recognise that we need to ensure that the resources allocated for the legislature are spent efficiently and effectively. I welcome the opportunity to subject myself and the Secretariat to the scrutiny process.

THE CHAIR: Thank you, Mr Speaker.

Mr Berry: It is always nice to thrust others into this.

THE CHAIR: Yes, of course. Mr Gentleman, you have a question?

MR GENTLEMAN: Thank you, chair, I do. Personally, I think I am the last MLA to be inducted into the Assembly, so I do want to thank you for your induction process after the last election. It was quite thorough and gave me a lot of information to prepare for the onslaught afterwards.

Now to the budget papers: if we look at last year's appropriation for a start, there were 39 full-time equivalents and we actually come in at 37. Is that due to the Shared Services Centre?

Mr Duckworth: Yes, Mr Gentleman. The budget papers for 2007 08 and the outcome for this year are showing a figure of 39. The adjustment of two is due to the transfer of functions to the Shared Services Centre and the reduced staff in the Corporate Services office required as a result.

MR GENTLEMAN: Do you feel that you have been able to successfully process all of your necessary work with that number of staff?

Mr Duckworth: We have still got to go through a process of having a close look at the structure of the Corporate Services office. Now that the function has gone, I must say that the initial efforts were dedicated to just making it all happen. It happened with fairly short notice and on a fairly tight time frame. We have got some work to do to study the residual work and to look at what is the appropriate classification and structure. We are proposing to have some external consultants give us some advice on that.

Certainly, there is no question that we have lost a package of work, and we will be paying an amount to the Shared Services Centre for that. We will continue to make sure that the amount that we pay them reflects the amount of work that they have taken on.

MR GENTLEMAN: Thanks.

MR SMYTH: Just on that issue, has moving to the Shared Services Centre come at a cost or a saving, or is it neutral?

Mr Duckworth: Our view is that we are not saving money, but I think that there are

tangible and intangible costs. One of the things that we recognised in our own strategic planning and risk management work within the Secretariat is that we were carrying a considerable risk with a small number of staff should someone leave us. We were running information systems that were not universally used across the public sector, and we always recognised that we faced a risk in business continuity, if you like.

The announcement late last year that two of the three finance staff were leaving forced us to look again at that risk. The Shared Services Centre offers us a service that clearly removes that risk. It also addresses some other internal issues that had been a feature of audit observations for some years—that is, segregation of duties of payments and so on. Whilst we may not have a saving in cash terms, I think that we are more resilient organisationally as a result of that change.

MR SMYTH: So if it is not a saving, is it costing us more?

Mr Duckworth: I think that has still got to work through. As I said in response to Mr Gentleman's question, we have to look at the structure of the office now to see what is the best staffing structure to continue to carry on our residual functions. It is fair to say that the Shared Services Centre have picked up our processing mid financial year. They have just done our first fringe benefits tax returns and are in the process of preparing our first set of financial statements. I think that, come August-September, we would probably look at how things have settled down, and we may be better placed then to look at what it is costing us for that service. We are not expecting to save money.

MR SMYTH: I just wonder how you can budget for it if you are not sure whether it is going to cost you additional money or not.

Mr Duckworth: I think that there is a cost that is associated with purchasing or procuring a service. When we were doing it in house, I guess we were able to more clearly articulate what our costs were. The Shared Services Centre have a schedule of charges that they apply for the provision of services, and we have paid those rates. Until we can be clear about what our ongoing costs are going to be here, that is when we can really measure the net cost of that service.

In the sense that we spend close to \$10 million a year, there will often be unexpected increases in those costs that we have to absorb. That is what budgeting is about, and that is what our task is as managers, I guess—that is, to accommodate our costs. Where costs for things like vehicles go up, for example, we have to manage that. I think I see this as being something very much in that patch.

Mr Berry: We should expand on the risk a little further too. Part of the risk, of course, is our ability to recruit suitably qualified people in a tight employment market when people decide to unexpectedly move on. With such a small group of staff, that can make it very difficult for us because we just do not have the economies of scale within the office. That is an inevitable conclusion that you would come to, given the employment market out there for people with the required qualifications.

THE CHAIR: Mr Smyth, did you have a substantive question?

MR SMYTH: I do. I am actually intrigued by your announcement, Mr Speaker, that you do not have insider knowledge on how many changes there will be. On page 13, you have picked up an extra \$0.275 million to meet higher than expected normal staff separation costs associated with an election. So what are those costs, and how many does it equate to?

Mr Duckworth: I think I can answer that question.

Mr Berry: It is a good question.

MR SMYTH: It is always in the detail.

Mr Duckworth: There has been an accepted arrangement between the Treasury and the Assembly going back some years that in election years, in anticipation of some payouts to staff, a provision is made for that. There is no ability to predict in April when budgets are being framed what the result of an election might be. Bearing in mind that there used to be February elections and that costs were being forecast nearly a year ahead, there used to be a figure of about \$500,000 that included some superannuation costs. About four or five years ago, I recall, that was stripped away and Treasury now manage that internally.

This cost is an amount that is put in a territorial budget purely as a provision for the payment to staff as they leave. It is for any severance payments that might be due. It is not anything other than a provision. It may be more than what is required, in which case any excess goes back to Treasury, and it may not be enough, in which case we have to ask for supplementation.

Mr Berry: So it is all over to you now.

THE CHAIR: Ms MacDonald.

MS MacDONALD: I am looking at the capital works program on page 4, and I wanted to ask about the roof?

Mr Berry: The copper roof?

MS MacDONALD: Yes, the plans for the roof, how much it will cost and when it is going to be replaced?

Mr Duckworth: We have revised in the past year an internal planning and strategic document called the strategic asset management plan. It is a document that attempts to look at the building, its condition and its future capital upgrade requirements. We did the first set of data back in about 2002, and at that time the consultants had said that we might want to look at the copper roof way off in the year 2015. That seemed like forever away. Some six years later we are very conscious of the fact that that date is looming large.

The roof itself is between 40 and 50 years old, the building having been built in two parts. It is not going to last forever. We had some quite serious storm damage during

the February hailstorm last year. At that time, we had some roofing contractors do some fairly extensive patching, and they gave us a report which said that it is not really in very good shape up there.

That is not to say that the roof is going to require replacement in two or three years, but, certainly, we are mindful of the need to have a closer look at that. We have set aside some funding in this current year to engage some consultants to give us an opinion on the condition and expected life of the roof and, in particular, what might be the net cost of replacing it. Copper is a fairly valuable commodity—

MRS DUNNE: Perhaps you should wait until after the resources boom.

Mr Duckworth: Yes. We have some heritage issues; we have a heritage plan for the building as well. From a heritage point of view, the concern is that the look of the roof is retained. If it were replaced with a colourbond type solution, it may well be that the salvage rights to a contractor replacing it with a different material may provide a very cost-effective solution. I really do not think that work is in our three to five year plan. We certainly want to get a better understanding of its condition and what might be the options.

MS MacDONALD: Yes, because 2015 is not that far away. Even so, it is still far enough away, given that the roof leaks currently.

Mr Duckworth: I think it must be understood too that back in 2002 when those works were scheduled into the longer term plans it was not so much the view of the consultants that that was the year it should happen; it was really an estimation that within a five-year range that might be the time at which you might look to do it. That was where it was positioned.

Mr Berry: I do not think it is the roof that is leaking. There are drainage issues from the roof, and they have been addressed over the years. Some years ago some overflow spouts were put around the place. Every time there is work done up on the roof, the roof gets damaged because of the traffic on the soft copper roof. Originally it was thought that the roof might have had a life of a couple of hundred years, but, because of traffic up there, that life has been significantly reduced. We will have to look at it sooner or later I expect, but I imagine—

MR GENTLEMAN: Can I make a suggestion? There is a new silicone-based material that you can actually put on the roof that produces electricity.

Mr Berry: I am surprised, Mr Gentleman, that you would suggest something like that.

MR GENTLEMAN: At a very small cost I am sure that you would be able to provide an income for the whole Assembly for the not too distant future.

Mr Berry: Would we get a feed-in tariff?

MR GENTLEMAN: We would, yes.

THE CHAIR: I have a supplementary which is in the same area. Have we got any

upcoming expense with regard to security, or has that all now been completed? The security system does not appear to be functioning out there.

MS MacDONALD: I saw it turned on once.

Mr Kiermaier: In answer to your question, most of the security expenses have been accumulated over this financial year. We have paid for the X-ray machine. I think that is where you are angling, aren't you—what is happening with the X-ray machine?

THE CHAIR: Yes, that is right.

MR GENTLEMAN: Whether it is operational.

Mr Kiermaier: Yes. It is a long process. Where we are up to at the moment is that we are having to get the machine registered with the radiation council. We took possession of the machine in late February; it has been installed and tested. We then applied for the registration. The radiation council is a part-time body and meets only every six weeks. What they do is engage an independent assessor to make sure that the machine complies with all standards. That has been done. I have been advised that the council will meet on 11 June, but I also have been advised that the independent assessor's recommendation is that we will be accredited to use the machine. So after 11 June we will be able to put it into operation, I hope.

THE CHAIR: Thank you very much. Mrs Dunne.

MRS DUNNE: Thank you. I want to take up with Mr Duckworth an issue that was raised by the Insurance Authority the other day. As Mr Duckworth would know, this is a fairly regular reprise by members here. The other day, in evidence to the estimates committee, the Insurance Authority said, in relation to public liability and professional indemnity insurance—I asked questions which I am sure would not surprise Mr Duckworth about the implications for small agencies that employ on contract people who do non-physical, white-collar work, in relation to the risk. Mr Matthews said that there were guidelines about this. The summation was that Mr Matthews and Ms Smithies said that agencies should do a case-by-case risk assessment of the insurance liability. I asked:

So there is not a blanket rule that says that if a contractor comes in they have to have X amount of public liability insurance and X amount of professional indemnity insurance?

The answer was:

No, there is not.

I asked:

So it is on a case-by-case risk assessment basis?

Ms Smithies said:

Risk assessment, yes.

On the basis of that, Mr Duckworth, where are we on the subject of members, if they have contractors, having to ensure that their contractors have professional indemnity insurance and public risk insurance? There are many cases where people have contractors who provide them with advice which is essentially material that is used in speeches. If they are those speeches used in the Assembly, they have absolute privilege because they are the words of the member. For the most part, those contractors operate from premises where there is often not a need to have public risk insurance.

Why are we in a situation where—this is a problem that lots of members have—they want to employ someone to carry out a small contract but suddenly the contractor has to go and find themselves \$20 million or \$30 million worth of professional indemnity and public risk insurance?

Mr Duckworth: The advice that we have been given by the Insurance Authority and that we relayed to members—the Clerk wrote to members—in May last year makes it clear that, yes, there are certainly circumstances where members may wish to engage a consultant or a contractor on a particular package of work where either public liability or professional indemnity or both may not be required. The advice that was provided to members made it quite clear that in each case it is important for the member to provide details of the nature of the engagement so that an assessment can be made.

To use, I think, the example you are referring to where the consultant is going to be engaged off site for what might just be a couple of days of work in their own premises, so they are not coming here, there is no question that public liability insurance is not a requirement. But it does change if that person is coming on site—going to be working here.

Professional indemnity is not as clear cut. There are sometimes issues that the Insurance Authority themselves give us advice about when we refer matters to them. We often ask them for advice on whether or not professional indemnity insurance should be used. Again using some of the examples that you have referred to, if it is quite clear that a particular assignment is going to be confined purely to some words that a member might use in the chamber in a speech where they are protected by privilege, and the privilege experts are—I am not a privilege expert, but certainly these people here would comment on that matter. The advice we have received is that, if the information that is gained from the consultancy might be used in a press release or might be referred to other party members or whatever, then suddenly those protections are not there.

In the advice we have given members, we have tried to say, “Look, if you can be up front with us at the earliest possible moment about your particular circumstances and your requirements, then we can work on that basis.” I know that in a recent instance there were some documents prepared that showed that the contractor and consultant proposed had insurances in place. In that particular example, in the absence of any other advice, we assumed that it was simply a matter of validating the insurance.

Turning to the advice that you got from Mr Matthews and Ms Smithies, they are the

experts on insurance, but certainly we have not been advised of any change in the public liability process, which is that the first decision that has to be made is whether or not public liability insurance is going to be required. If it is not, then that is fine. But if there is a requirement for public liability insurance, there is a determination called the Financial Management (Public Liability Insurance) Determination 2007 that requires a risk assessment to be undertaken and requires some sort of a rating to be made—a risk assessment rating. It is done on a numerical basis. If it is a score of seven or less, the advice we have from the Insurance Authority is that \$10 million is the agreed sum and it cannot go below that.

I am happy to follow up with the Insurance Authority if the advice they have given you at an earlier hearing of this committee conflicts with the advice they have given us, but certainly it is our understanding that, if there is a public liability insurance requirement—recognising that there may not be, but if there is—\$10 million is about the starting point. It is not a particularly—

MRS DUNNE: So when a member wants to take on a contractor, who is responsible for doing the assessment about what is the level of public liability?

Mr Duckworth: We rely on the Insurance Authority. It is usually done over the phone. It usually comes down to defining the nature of the work that is going to be undertaken. Let me use two extremes. If we are engaging a consultant to get onto the roof and look at those leaks, there would be much higher risks associated with that than there would be for someone who is effectively going to be doing some work on site running a presentation, for example. In our experience, it is very unlikely that you would get a score of higher than seven for the sort of work that we engage our consultants and contractors—

MRS DUNNE: Could you just clarify. If you get a score of less than seven, you must have public liability insurance or if you get a score of more than seven?

Mr Duckworth: If you require public liability insurance to be in place for the purpose of the contract, bearing in mind that one option is that you may not require it at all—the minute there is a requirement for public liability insurance, you have to do a risk assessment.

MRS DUNNE: Yes.

Mr Duckworth: You come up with the number. If the number is seven or less, the level of insurance required is \$10 million; if you get a figure of more than seven—it could be 20 or more—

MRS DUNNE: I understand. How is the threshold question of whether or not public liability insurance is required determined?

Mr Duckworth: It often involves—as I said, as the advice to members indicated—providing details. Things like the consultant not being required to come on site and working entirely within their own business premises would be a very good example—particularly working over a short period of time. They would be the sort of criteria that would suggest that public liability is not a risk to the territory. The presence of the

consultant within the building here, working within the premises, would swing the scales, would lean them heavily towards requiring it.

MRS DUNNE: Okay.

THE CHAIR: Mr Gentleman.

Mr Berry: Or you could just employ people with your staff salary allowance; then that is not an issue.

MR GENTLEMAN: My next question is this. Mr Speaker, last year someone asked about our security officers and the box that they are allocated to at the new public entrance. The glass was going to be looked at to see whether it could alleviate some of the claustrophobic attributes of the box. Has that been done?

Mr Kiermaier: Yes, Mr Gentleman. Since we have had the X-ray machine installed, we have had extra holes in the glass prepared; there are another three or four holes that have gone in. And also, just this week, we have had a microphone system installed—

THE CHAIR: That is a good idea.

Mr Kiermaier: so that people coming up to the front counter can easily talk to the people inside the box.

MR GENTLEMAN: It is not a very attractive entry to the Assembly. If you compare it to the federal parliament, for example, there are no doors that have to be opened if you go into the federal Parliament House, but in our Assembly there are three doors that the members go through to enter through the public entry.

Mr Berry: The main issue is retrofitting these things. With the federal parliament, when it was first designed, you walked in through the great big doors and marched in and out as you pleased.

MR GENTLEMAN: Or drove in, later on.

Mr Berry: Indeed.

MR SMYTH: Is the government proposing that as a parking solution, given the crisis in Civic?

Mr Berry: They had to retrofit a security process which is far less glamorous than the original entrance to the place. We are stuck with the same position: we have to retrofit a security system. I think the architects and everybody involved in it have done not a bad job in terms of the new glass portico and all of the requirements that we had to satisfy, in particular one where somebody from out on the street might be able to draw a bead on me.

MS MacDONALD: Not after 28 August, though.

THE CHAIR: No. I was going to say “or the Speaker”, whoever the Speaker might be.

Mr Berry: But I am increasingly of less and less interest out there, so—

MRS DUNNE: But one of the issues with the previous arrangement was that we were heating Civic Square—or cooling Civic Square, depending on the season. We have now got an airlock.

Mr Berry: Yes, indeed.

MR GENTLEMAN: My main interest is making sure that the security officers are reasonably comfortable in position.

Mr Kiermaier: Knowing the individuals involved, I believe that they are quite comfortable with the situation at the moment, especially with the new microphone system; that aids a lot.

MR GENTLEMAN: Thank you.

MS MacDONALD: Can I ask a follow-up? I think it is something to do with my lack of height, but sometimes when I come to the doors they do not recognise that I am there.

MR GENTLEMAN: They are just projecting to the end of October.

MR SMYTH: Perhaps it is a sign.

MRS DUNNE: Perhaps they are anticipating the end of October.

MS MacDONALD: It happens in other places too.

Mr Berry: It is a sign of things to come.

Mr Kiermaier: I cannot answer that one.

MRS DUNNE: He is not going there.

MS MacDONALD: If I step back and go forward again it tends to recognise me, like with little children. The things are not set for people below a certain height necessarily. Do you have that problem, Mary?

THE CHAIR: Yes.

Mr Kiermaier: We can certainly look at it, but I have not really experienced that problem myself.

THE CHAIR: Mr Speaker, I want to go back to the contracting issue, just briefly, as a supplementary. You said you can employ them with your staff—

Mr Berry: Salary allocation.

THE CHAIR: Are you suggesting that someone that works off site, does not ever come into the building, may be employed by a member through their staff salary allowance?

Mr Berry: I am sure that we do work-from-home arrangements.

THE CHAIR: Thank you for clarifying that.

MR SMYTH: With regard to the Assembly Library, there was a review announced and you have kept members informed. Have we got any further updates on what is happening with the Assembly Library, the staffing of it?

Mr Berry: I have recently received some correspondence from the minister in relation to that. It is a matter I intend to raise with the administration and procedure committee shortly. But it is an issue of concern for me because it is an important resource for members. Its future viability is also an extremely important thing for me, and I have been in constant contact with the minister about it. So it is an issue on foot and one that I will certainly be discussing with my colleagues on the admin and procedure committee.

MR SMYTH: Can you elaborate on the concerns?

Mr Berry: There was a report—and we are yet to see it—and I, for one, want to see it and I want to talk to my colleagues on the administration and procedure committee with a view to working out a way that we can see it.

MR SMYTH: Perhaps this committee could ask the appropriate minister to table the report.

Mr Berry: You could; it is quite within your powers.

MR SMYTH: That is a very special standing order. Going back to the issue of the shared services, I note, in budget paper 4, page 8, that we seem to be paying \$186,000 more as a result of the transfer to shared services. Am I reading that right?

Mr Duckworth: Yes. The way in which the shared services transfer of function is managed financially is that we did not actually transfer money from our budget basically over to the Shared Services Centre. We retained the same budget but we are in fact paying by way of an invoice, if you like. Because we are paying another agency by way of an invoice, that gets categorised as supplies and services payments, whereas when we had the function internally and we were paying the staff ourselves they were regarded as employee expenses.

In a sense, it could appear a little misleading because, of course, shared services are taking the money and then paying staff; so their own employee expenses are increasing. But all that adjustment at the third dot point of page 8 is saying is that, as a result of the transfer, the costs for the services are now being invoiced by shared services on a quarterly basis; we are paying them a sum of money; and the costs that

we no longer incur are the staff costs internally. So it is effectively a shift.

MRS DUNNE: And to what extent does the reduction in staff costs equate to the increase in services charges?

Mr Duckworth: As I said in response to some earlier questions, what we are clearer about is how much we are being invoiced on a quarterly basis to pay shared services. What we have not yet been able to quite define, if you like, is what our ongoing employment costs will be because we are still looking at the staff structure. That was obviously the thrust of my answer to the earlier question: we are not entirely sure at this stage what our ongoing employment cost will be.

MRS DUNNE: I have got two questions which are quite different but I will ask them together and you can take them in sequence, if that is all right with you, Madam Chair. They are both short. Mr Speaker, in his opening remarks, adverted to an issue with the paying of Australia Post bills. Could somebody expound on what the problem is and what the solution might be?

Can somebody also tell me what the transfer of departmental MLA mobile phone appropriation to territorial relates to? There is \$25,000 in the departmental and then in the territorial. I am just unsure why that is there.

Mr Duckworth: I can answer that question.

MRS DUNNE: MLAs do not get paid for their mobile phone any more.

Mr Duckworth: Just dealing with the second question first, the Remuneration Tribunal's decision to provide members with a mobile phone allowance meant that it is paid as an allowance to members; it has to be funded out of our territorial budget. Discretionary office allocation expenses come from our departmental budget and, therefore, the proportion of that that related to mobile phones was sitting in our departmental budget. So all we were doing was a budget-neutral transfer shift from our departmental budget to where the funding is now going to it.

MRS DUNNE: But the GOA did not go down as a result of the change to the mobile phones?

Mr Duckworth: That is right. Mr Speaker wrote to members and took a view that there were some difficulties in providing members with a reduced DOA to compensate for the allowance. His view was that he would retain the DOA level. So that is something within the departmental budget we have had to fund and manage but the Treasury expectation was that they had had an increased cost to bear to pay members, effectively, more money out of the territorial budget and we had to provide the funding for that.

You are quite right. There is effectively some budget pressure in the departmental budget to the tune of \$25,000 so that we could keep the DOA at that level. That was effectively an increase in funding to DOA.

MRS DUNNE: So that essentially amounts to a Treasury sleight of hand. My

understanding is that members' recourse to the DOA for their mobile phone varied substantially. Some members did not use it at all and other members did. That would mean that Treasury requiring you to take that money out of DOA was essentially robbing the Assembly rather than recognising that the rem tribunal had, in fact, increased the allowance.

Mr Duckworth: I think the Treasury view was that there was an increased cost to be paid to members and that it was related to something that members were already receiving in some form. I acknowledge your point fully. There was a huge disparity between the amounts of mobile phone expenditure from member to member, and that is an issue that we understand the tribunal had to come to terms with too. But it made a determination and said members now get an extra \$2,000 a year. Treasury's policy, I guess, is not particularly surprising. They are not going to fund that if it is an existing cost. So we were required to transfer that funding.

In discussions at the time with the Speaker, the Speaker was of the view that, rather than attempt to reduce members' DOA entitlements to compensate for that, the DOA entitlements should be retained at their current level. And that, in effect, was a form of an increase in DOA funding.

MRS DUNNE: Seeing that the allowance is \$2,000 a year, how do they come up with an amount of \$25,000?

Mr Duckworth: It was \$24,000 in this current financial year because that is the year in which it has kicked in. This is the first year they have been able to do the budget adjustment. There is an indexation in that in the outyear; so that is effectively a CPI. You will see that it increases to \$27,000 in further outyears.

As to your other question, basically the issue that we have been alerted to in relation to Australia Post accounts is that Australia Post have 14-day terms on their accounts, and that is rather the exception. The territory-wide accounting policy is that the territory pays its creditors within 28 days or 30 days.

As part of the new arrangement in setting up shared services, there are obviously a number of issues that shared services had to seek some guidance from us as an agency on how we wanted things done. My instructions to them were that all accounts were to be paid within 30 days. And so quite correctly they have applied that. In the case of some Australia Post accounts that were submitted for payment, they had been submitted by us late because of our 30-day rule. That is an issue that we are speaking to Australia Post about. We are going to bring those back into line and ensure that they are paid within 14 days.

I think it is also the case, however, that we still have an issue with a lot of Australia Post invoices not being submitted to us on time. We cannot do much about invoices that arrive for us either a day before they are due or, in some cases, some time after.

Mr Berry: They sit in busy members' in-trays sometimes.

Mr Duckworth: I guess the concern that we wanted to address is that we are not aware of any instances where the Shared Services Centre have delayed the payment.

Any delays have got to be attributable back to me. As I said, I think Australia Post is one particular creditor where we certainly had some issues.

MRS DUNNE: Their billing process is weird.

Mr Duckworth: Yes; we are in agreement.

MR SMYTH: The lifts at the members entrance have a chequered history.

MS MacDONALD: Yes. I was stuck in it the other day.

MR SMYTH: They might be better used as storage cupboard or something. Is the long-term prospect good for them? Will we get some reliability out of them?

MRS DUNNE: Or some speed.

MR SMYTH: Is there a major concern? I would rather reliability over speed, of course.

Mr Kiermaier: No, you are quite correct. There have been some reliability issues with those lifts. What are they called, lifts 2 and 3?

MRS DUNNE: I think they are not built for speed.

Mr Kiermaier: No, they are not built for speed.

MR SMYTH: They are not built for reliability either.

Mr Berry: But they are safe.

Mr Kiermaier: Yes, they are safe.

THE CHAIR: Especially if you are stuck in them and you can't get out; you are perfectly safe.

Mr Kiermaier: What has happened, just to go back a couple of weeks, is that following the latest spate of—

MRS DUNNE: Entrapments.

Mr Kiermaier: problems, a number of controller boards have been replaced. The problem with those lifts is that they are so old that it is hard to find parts for them these days. But we have sourced some controller boards from Schindlers, who, incidentally, are not the maintenance people for those lifts, so we have got an issue there with sourcing from another supplier. The bottom line is that we have replaced some controller boards and the lifts seem to have stabilised in the last few weeks. But you are right: it is a long-term issue. We have looked at getting some quotes to replace them, ultimately, but we are talking about big bucks there.

MS MacDONALD: There are not the same problems with lift 1 now, after all the

money that we have spent on replacing it, on the public side.

Mr Kiermaier: The public side? I am not aware of that, no.

MS MacDONALD: That was a statement. There are not any problems, are there? I am unaware of any.

Mr Kiermaier: There was an initial problem but that has all been solved.

Mr Berry: The arrangements have changed somewhat because of the new security arrangements. The traffic has been gradually shifted to that entry where we have one lift, and we have two lifts on the other side. They are old hydraulic lifts and they were built in an era when the company that built them always serviced them. Now, of course, the competition rules have changed and all sorts of companies can bid for the servicing of them. They probably do not have that store of spare parts that the former company had. So there are issues; eventually all of these things wear out and there is always pressure to replace them with more modern, compliant devices. We will be put in that position in due course.

MRS DUNNE: It is not very compliant, really, is it? It never does what you want it to do.

Mr Berry: Well, it is not.

MS MacDONALD: With lifts 2 and 3, one of them goes down to the basement but the other one does not. With respect to the one that does not go down to the basement, which is the one that I was stuck in, it can't go below the ground floor; is that right? There is concrete underneath. So when I was stuck at the ground floor level, it could not fall any further. The problem was that it kept going up and down.

Mr Berry: Well, it must be—

MS MacDONALD: I did not think about it too much when I was in there.

Mr Berry: It is an unnerving experience. I called the fire service, knowing full well that they would not be able to do much, but it provided some reassurance for the poor person who was caught in there. Over the years, of course, firefighters have a way of getting in there but it is not very kind to the lifts. The lift mechanics would prefer it if we waited a little while—and, most often, they can fix them in a jiffy. But it is unnerving for anybody caught in them and it is regrettable that these things occur. We will always take as many steps as we can to stop any stress for any members or their staff—

MRS DUNNE: Or their children.

Mr Berry: or their children, who might be caught in them. It is stressful to be caught in an enclosed place and you feel pretty helpless.

Mr Kiermaier: I have a monthly meeting with Spotless and it is a standing item on the agenda.

MR SMYTH: So there is no truth in the rumour that the attendants are running a book on the breakdown of the lifts?

MS MacDONALD: On who will get stuck next.

Mr Kiermaier: I would not like to comment on that.

Mr Berry: I don't get in them.

MR SMYTH: And fit and healthy people go up and down the stairs, yes. On page 13, at the last dot point, there is an increase of \$363,000 in property, plant and equipment, of which \$100,000 is due to new motor vehicle leases for members. Why is that costing additional—

Mr Duckworth: The vehicle arrangements for all ACT fleet vehicles changed from July 2006, moving from operating leases to finance leases. You will have to bear with me; my accounting is not as flash as that of some others in my team. The way in which the finance lease has to be reflected on the balance sheet is that the value of the vehicle has to be shown as an asset, even though we are leasing it.

For the 12 Assembly vehicles that are reflected in our territorial balance sheet and cash flow statement, successively, as members' vehicle leases expired after July 2006, the vehicle that went back that was under an operating lease that did not show on the financial statements, other than just as an expense, was replaced with a vehicle that was captured by a finance lease and therefore had to be shown as an asset. So what we have seen incrementally over two years is an increase in the asset item—the balance sheet item.

All of those vehicles have now migrated, if you like, to finance leases. Now, as vehicles start to change, and we have got the first set of replacements coming up in July and August, those finance leases will simply be replaced with other finance leases and you will not actually see an increase. But my understanding is that that increase from this financial year was partly because of that. I would have to take on notice the question about how the capital upgrades figure reflects on that particular note.

MR SMYTH: No, that is fine.

Mr Duckworth: It is okay?

MR SMYTH: Yes.

THE CHAIR: Going back to the lift issue, I know Mr Smyth's remark about being fit and healthy was just a flippant one, but it is a serious issue for people with disabilities. We do need to ensure that this place is a friendly place for people—

Mr Berry: I think I made that point.

THE CHAIR: and that we have proper access for people with disabilities. Having

recently experienced one myself, I do understand; I still cannot walk up the stairs at the moment. I can walk down them but not up them. So it is an issue, I would think, for people who may have long-term disabilities and may be on our staff. I understand that the public can use that entrance where we have a perfectly sound and good lift, but we do need to keep that in mind, I think.

Mr Berry: I assure you, chair, that we are aware of our responsibilities on this score. We cannot guarantee that there are not some difficulties with plant and equipment around the place from time to time, especially with the more aged equipment. But we are aware of our responsibilities to people with disabilities, and to anybody else who wants to use the lifts.

THE CHAIR: Thank you. I understand there are pressures, and that it is a costly exercise to replace them. It is good that we keep that in mind.

Mr Duckworth: Madam Chair, if I may, I will add some further information regarding Mr Smyth's question. I have had the opportunity to read that note again and look at the figure. The \$0.261 million of that \$0.363 million relates to the completion this year of work for which we were given capital funding to replace things like carpet; we have done some other capital works during the year. Once those works are completed, they transfer to the balance sheet to reflect the increasing asset value.

MRS DUNNE: But some of that was insurance work, wasn't it?

Mr Duckworth: Some of it was insurance work, yes. So the expense of that was met by the insurer but with the value of the other work that was done in conjunction, we took the opportunity while the carpet layers were here to say: "Look, this is disruptive at any time. If we're going to be here, we may as well bring forward some of that replacement program." So some of that was done.

THE CHAIR: Mr Speaker, I think we have completed our questioning.

Mr Berry: Thank you, Chair.

THE CHAIR: Thank you very much for appearing before us. Thank you, Mr Duncan, Mr Duckworth and Mr Kiermaier.

MR SMYTH: Madam Chair, the committee might like to wish the Speaker well. This will be his last estimates.

THE CHAIR: Yes, of course. This is your last estimates and—

MR SMYTH: Unless, of course, as a community member, he comes back on community day to make submissions.

Mr Berry: You never know!

THE CHAIR: This is your last estimates. We do wish you well in whatever endeavour you may choose.

Mr Berry: Thank you.

Meeting adjourned from 10.27 to 10.45 am.

Appearances:

Auditor-General's Office

Pham, Ms Tu, Auditor-General

Nicholas, Mr Rod, Director, Performance Audits and Corporate Services

Sheville, Mr Bernie, Director, Financial Audits

Prentice, Mr Malcolm, Senior Audit Manager

THE CHAIR: Good morning, Ms Tu Pham and officials. Thank you very much for appearing before the Select Committee on Estimates 2008-2009. Are you familiar with the yellow card that is in front of you and do you understand the privilege implications contained within it?

Ms Pham: Yes, I do.

Mr Sheville: Yes.

THE CHAIR: Thank you very much. For the record I move:

That the statement be incorporated into *Hansard*.

The statement read as follows—

Privilege statement

To be read at the commencement of a hearing and reiterated as necessary for new witnesses

The committee has authorised the recording, broadcasting and rebroadcasting of these proceedings in accordance with the rules contained in the Resolution agreed by the Assembly on 7 March 2002 concerning the broadcasting of Assembly and committee proceedings. Before the committee commences taking evidence, let me place on record that all witnesses are protected by parliamentary privilege with respect to submissions made to the committee in evidence given before it.

Parliamentary privilege means special rights and immunities attach to parliament, its members and others, necessary to the discharge of functions of the Assembly without obstruction and without fear of prosecution.

While the committee prefers to hear all evidence in public, if the committee accedes to such a request, the committee will take evidence in camera and record that evidence. Should the committee take evidence in this manner, I remind the committee and those present that it is within the power of the committee at a later date to publish or present all or part of that evidence to the Assembly. I should add that any decision regarding publication of in camera evidence or confidential submissions will not be taken by the committee without prior reference to the person whose evidence the committee may consider publishing.

THE CHAIR: Would you like to make some opening remarks?

Ms Pham: Yes, I would like to make some comment about the government appropriation for the office in this budget 2008-09. As a small office, we have constantly faced operational and cost pressures due to a shortage of skilled and experienced staff and the need for us to comply with a wide range of new auditing standards, together with other costs such as printing, accommodation, training, development costs, recruitment costs.

Over the year we were very prudent in managing our budget and we did not seek funding unless it was absolutely necessary for us to deliver our audit program. For 2008-09 we sought further funding of around \$210,000 per annum to meet the requirement of a new professional standard called APES 320, accounting professional and ethical standards for quality assurance for auditing firms. Our office is considered an audit firm by the definition of the legislation. So this funding is very necessary to ensure that our office can meet the requirement of this new standard without taking the limited resources away from the office's financial and performance audit program and without incurring operating deficits. This funding was examined by the public accounts committee and supported by the public accounts committee and recommended to the government.

What is of concern to me is that our budgetary requests were not approved in the budget year 2008-09, even with the support from the PAC. I am not aware of the reason for the government decision and I am concerned that, without the additional funding, there will be an adverse impact on our ability to deliver our audit program because we had to take the resources away from audit activity to meet the standard externally imposed on us. Thank you.

THE CHAIR: Thank you very much.

MRS DUNNE: Ms Pham, the APES standard you are saying is something that you must do; it is unavoidable because of the status of your organisation?

Ms Pham: Yes. It has the force of law. We, as an audit office, have audit activity of government companies such as Actew, ActewAGL, ACTTAB. By definition we are an assurer of quality. This standard has a legal implication and we have to comply under the Corporations Act. If we do not, we will be in breach of the Corporations Act.

MRS DUNNE: And how much warning was there that this new standard was coming in and how long have you known the cost implications of that for the audit office?

Ms Pham: This standard has been effective from the financial year 2006-07. We were aware of the standard during the development of this standard. We were hoping that we could absorb some of the cost and, as I said before, we did not normally seek funding unless we had tried our very best to absorb it within our current funding first. We could not afford to do so. Indeed, what we tried to do last year was to use what we could within the office to comply with the standard in terms of developing a new system to comply with the standard. Already it has a very adverse impact on our ability to conduct our audit. I think Bernie may explain a little bit about the standard

and how important it is for us to comply.

Mr Sheville: I am Bernie Sheville, Director, Financial Audits. As Tu has indicated, the APE—

THE CHAIR: Sorry, for Hansard would you just say your name and—

MRS DUNNE: He did.

MS MacDONALD: He just did that.

THE CHAIR: Did you?

Mr Sheville: Yes.

THE CHAIR: Where was I?

MS MacDONALD: We do not know.

THE CHAIR: Sorry about that.

MR SMYTH: That is why he said he was Bernie Sheville.

THE CHAIR: Sorry. I apologise. I just momentarily had—

MRS DUNNE: So it was not to put you off your stride.

THE CHAIR: They call them golden moments, by the way.

MR SMYTH: Well, it does raise a question: is he sure that he is Bernie Sheville?

THE CHAIR: Well, I think he is. No, I think he is.

MRS DUNNE: Settle, members, settle.

MS MacDONALD: He certainly looks like Bernie Sheville to me.

THE CHAIR: It is the end of a long week, I can tell you.

MS MacDONALD: We have got another one to go.

Mr Sheville: APES 320 is a professional standard for audits, as Tu has indicated, where you have responsibilities for doing a company audit. The Corporations Act basically says that you have got to comply with the auditing standards. So where you have a quality assurance element required by the standard, it takes on the need to be complied with by the Corporations Act. For all our other audits, like the ones we do under the Financial Management Act, there is no equivalent provision. However, being an audit office, you are required to treat them as if they are mandatory anyway in your operation, so you would apply the same standards whether you were doing a company audit or an audit of a department or authority.

Most of the other audit offices, I have got to say, are grappling with these new requirements, large and small. They are very prescriptive. They cover virtually all aspects of your auditing operations and they require in many cases a lot more documentation to be prepared demonstrating, if you like, compliance with the standard that you might have otherwise not been able to do.

The offices in other jurisdictions are all at varying stages of addressing the standard and at this point in time most offices are undertaking what they call a gap analysis, where they systematically go through each of the requirements of the standard to see if there are any areas where they need to meet the requirements. That is the first thing that we will be doing this month. We will be completing that gap analysis.

The next step will be to develop the systems and the records that enable us to demonstrate compliance with APS 320. If, for example, previously you had systems for allocating staff for audits, you will now need to have those systems formally documented and the meetings that you hold with your executive group to determine who goes on these audits needs to be formally documented in a way that you never had to do previously. Many smaller practices like our own really struggle with these requirements because the small structure does not lend itself to having, if you like, the formal structures and systems that you might expect in a much larger office. So each of the offices is putting together a plan to address this particular requirement as we go.

MS MacDONALD: So the implementation of this audit standard will have an ongoing impact, yes. You said that you would need to take away from the number of performance audits that you did, so how many fewer performance audits do you think that you would do per year? You were aiming for 10 per year, were you not?

Ms Pham: We estimated that we needed a dedicated team of about two people, with one senior, to be able to do the analysis of the different op systems and monitor the compliance on an ongoing basis. That would cost \$200,000, together with the cost of licensing, the system and everything else. Not having the \$200,000 in our funding means that I have to take two staff away from the current number of audit staff in our office. That has an implication on the resources doing the audit activity, and it impacts not only on financial audit activity but also on performance of audit activities.

MS MacDONALD: But the financial audits have to be done?

Ms Pham: Yes, exactly. They have to be done. Usually that is the first priority. Whatever we do, we do performance audits.

MS MacDONALD: How many performance audits do you imagine that you would be able to achieve per year with that reduction of two in the number of staff dealing with performance audits?

Ms Pham: We have eight staff at the moment doing performance audits. Usually, our staff is complemented by some resources from the financial audit team during the OPIC period. So the current capacity, we hope, will deliver about eight performance audits a year.

This year we have already seen the adverse impact on our capacity. By the end of the year, I think the best we could manage is perhaps four performance audits a year rather than eight. That is taking into account other factors as well, like the complexity of the audit. I am talking in general terms.

MS MacDONALD: Are you saying that the anticipated number of performance audits is going to be halved because you had to take away two staff?

Ms Pham: No. I said it has some impact but there are other impacts as well. I was saying that it is not only a result of the lack of dedicated resources to comply with the standard, but that is one of the key factors. I could explain other factors affecting our performance audit program—

MRS DUNNE: Yes, if you could.

Ms Pham:—in terms of staff turnover and other pressures that face us at the moment and during the year. Yes, that is one of the reasons, as I say.

MRS DUNNE: So what are the other reasons?

Ms Pham: The most important and key reason would be the lack of experienced and skilled senior auditors for some years now. I think the Assembly committee would be aware that we talked about the difficulty that a small office faced in recruiting staff. We have a very high level of staff turnover—I think, 25 per cent last year—despite a lot of effort in our recruitment strategy and retention strategy.

I believe that, if we did not put that in place, as we have done in the past with our recruitment strategy and staff retention strategy, our staff turnover could be easily 60 per cent to 70 per cent because that is the demand for senior auditors out there in the market. So at the moment, we have around 25 per cent staff turnover. If you do a head count, it is about 30 per cent staff turnover.

We used to be able to rely on some resources from the financial audit team during OPIC time. Now we are not able to do so because, again, the staff recruited during the year for the financial audit team was mainly graduates. We concentrate, in the OPIC time, on training them and further developing their skills so that we can rely on them to do performance audits.

Some of the audits we undertook this year were more time consuming than we anticipated and were more difficult audits involving certain findings. That delay caused us to deliver late audits. There are others you want to mention?

Mr Nicholas: Tu has mentioned the difficulty we had in terms of turnover. The other side of that coin is that we have had a difficulty in recruiting the staff that we need, not so much in the numbers but in the quality and the experience of those staff. Last year, for example, we lost two audit managers. We were not really able to replace those, but we replaced one. In fact, we managed to lure one of them back.

MRS DUNNE: The grass was not as green?

Mr Nicholas: Perhaps. But the other staff that we have been recruiting are generally inexperienced. While they demonstrate that they have the capacity and the skills, they do not have the experience. As our audits have increased in complexity and the relationships that we are having with the departments also increase in their complexity, the outcome is that we have got to put our more senior staff and our more experienced staff on our audits.

As Tu has mentioned, the transfer of staff from the financial statement area has dropped considerably. In previous years, we could expect up to six people; last year, we had two. Even they were for a fairly short period of time, or at least one of them was. So we are not expecting that we will be able to maintain that particular capacity as well.

We have had an increasing involvement in some of the representations that we have received from members of the Assembly and from other parties. Each of those, as we have discussed before, is investigated to some degree. Some of them require much more investigation. In fact, the contributions that we have made to that are almost the same as an audit, about the same sort of time that we are putting into audits.

So overall, the amount of work that we are putting into our representations, for example, has increased in terms of the hours that we are devoting to that. The same people that are involved in looking at the representations are involved in learning our audits. We cannot have a representation being dealt with by inexperienced staff; so generally they are the senior managers or the executive that are involved. That cuts back the time that we have actually got to deliver the audits per se.

We have been looking at contracting some of the audits out; we have actually got a performance audit that we have contracted out to an external party. That party is well experienced in performance auditing in the ACT and provides a great deal of service to the Australian National Audit Office, amongst other places, and we were looking to take advantage of that situation as well.

That is a pretty expensive process. Their costs, on average, are about 40 per cent over ours; so we are balancing the resources, the financial and the human resources that we have got, to deliver the best we can.

As Tu has also mentioned, a couple of the audits we have had have, unfortunately, dragged on, for a variety of reasons. One audit, we lost basically the senior manager at a relatively crucial stage of the audit. Again, we have to backfill into that and build up speed again. So there are a number of reasons that impact on the delivery of our audits.

MRS DUNNE: I am reading between the lines, but are you saying that private audit companies are paying their staff more than the Audit Office can afford to do?

Ms Pham: Yes, they do.

Mr Nicholas: Yes. There is certainly a major differential in terms of the rates.

MRS DUNNE: Is it the case that, in addition to recruiting extra staff, we should be looking at essentially what might be considered a work value case, looking at the level

of remuneration for the professional staff in the Audit Office? If there is a skill shortage, people will be attracted to where the money is and the structure of an organisation like the Audit Office militates against being able to provide bonuses for people and things like that. Your staff retention policy is pretty much hamstrung by not being able to pay the market price. Is that correct?

Ms Pham: Yes. That was one of the reasons affecting our ability to retain and attract good staff, because our salary offer will never be as high as what the private sector offer and we have a constraint within our office. For example, if a four-year experienced performance auditor was asking a salary equivalent to SES level, we have the problem of relativity within the office to offer someone with four years experience an SES salary equivalent to Rod or Bernie that would attract a senior manager. We can never match the salary offered by other offices.

The private sector use the staff and, when they do not want them, they sack them or terminate their employment. We cannot do that easily in our office. If we employ someone at that high level we have to make sure that we have the capacity in our budget year in and year out, because we cannot terminate their employment when we do not need them or when the salary in the market starts to moderate and go down.

Secondly, interestingly enough, staff who left our office, especially experienced staff who left our office, in their exit interview said that salary was only a minor consideration. They often went to other offices because large international firms offer them travel opportunities, training in New York and London, that we could never match.

For the information of the committee, we do staff surveys and ask for a lot feedback from staff about what keeps them, what makes them make their decision to go. We are very proud to say that 96 per cent of our staff have overall satisfaction with their job, the way the office was run, the leadership, the communication. You could almost say 100 per cent of our staff were happy where they are. When they decide to go, it is because they are looking at moving their career path, which we could not match.

In one case, we managed to get back a senior manager because we were prepared to offer a flexible working environment that a private firm could not offer. For example, we agreed for him to work four days a week or three days a week so that he could take care of other outside or personal interests.

MR GENTLEMAN: They are very good survey results, though, are they not? Staff satisfaction is that high, even though their travel arrangements can only be between perhaps Gungahlin and Tuggeranong.

MR SMYTH: I was interested in how much, just for the record, you actually asked for the budget to be increased by.

Ms Pham: \$210,000. That \$210,000 was fully supported by the PAC. Also what I am concerned about is that the legislation provides for the PAC to scrutinise our budget—and we are so prudent in seeking additional funding—and once the PAC supports our budget the process normally was for the PAC to recommend that budget requirement to the government. I felt in some respects that was to our disadvantage because we do

not have a minister to put forward our submission or argue for our submission at that cabinet budget debate, because we are independent; we rely on the PAC—

MS MacDONALD: That is the negative part of being an independent statutory authority.

Ms Pham:—to help us achieve our budget requests. In this case, it did not happen and I thought it was quite disappointing. As usual, we will do our hardest to deliver whatever we can in our audit programs.

MR GENTLEMAN: Chair, I seek your advice here. I wanted to ask a couple of questions about one of the reports of last year. There has been some recent increase in the media spotlight on the issue of binge drinking. You did an audit report on the regulation of ACT licences last year. On page 3, 1.4, of that report, you talked about the costs identified for individual states and territories and looked at the ACT in relation to mental and physical costs, I suppose. You said it is broadly estimated at \$1.6 million. That was for you to manage the issue of alcohol-related health in Canberra. You did not say this in the report, but do you think that, if the hours of operation for establishments were reduced, that cost would be reduced as well?

Ms Pham: I do not recall that we discussed the funding for the liquor audit, so I am not so sure about the question.

Mr Nicholas: Our costs would have been based, I am—

MR GENTLEMAN: No, it was not your costs.

Mr Nicholas: The reference that we are making there, I guess, is based on the research that we have undertaken. I do not know whether it is specifically related to policing hours of operation et cetera. I think it would be very difficult for us to answer that.

In terms of follow-up of that particular audit, we have been in some reasonable contact with the department about how they are progressing the changes and we are aware of some movements that have occurred within the legislation. We are considering undertaking a follow-up audit in the next financial year. That may be one of the ones that we pursue in that case. We will bear that in mind.

MR GENTLEMAN: I will wait for that. Thanks.

THE CHAIR: How often would you—or is it just a case-by-case basis?—need to do a follow-up or how do you make that decision to do a follow-up?

Ms Pham: I am pleased to say that, following one audit last year about how well agencies implemented audit recommendations, a number of actions have been taken by agencies to keep an eye on the progress in implementing the recommendations that they agreed to. Most departments now have an internal audit committee, which has a role of monitoring the agency performance in implementing audit recommendations.

Some departments are quite proactive in writing to us and letting us know how well

they implement our audit recommendation. I did get a letter from Housing and Disability Services about the public housing audit that we had done some time ago. The letter went through the recommendations to let us know how they are progressing on the recommendations.

Our directors and senior managers contacted the internal audit committee of major departments and also reminded them, through that forum, of the need to implement our audit recommendations. I think, on top of that, we plan every second year to do a follow-up audit of key and important audits that we have done in the last few years.

THE CHAIR: Will your capacity to do that also be reduced now?

Ms Pham: We always put a number of audits in our annual program, but the capacity to do that varies during the year. We always have a very ambitious program for a small team. For example, last year we got, in our audit program, eight audits. At the end of this financial year, I think we will complete four audits. Of the others, four are at different stages. Some of them are in the middle of the field work; some of them are just scoping.

MR SMYTH: I notice that all the departments have strategic accountability indicators but the Audit Office does not have indicators. Is there some value for you in educating anybody that would read the budget papers, of which I know there are many people, as to how many audits were projected, how many were achieved and certain outcomes? If you are on the PAC, you know what the Auditor-General's Office is up to. But is there a reason why there are not strategic and accountability indicators? I have looked back a couple of years and it just never seems to occur.

Ms Pham: Yes, we do have performance indicators. We do report on them through our annual report. It is very clear what our target is and how well we achieve our target. That is in our annual report. We have a very clear plan and a structured action plan. They are also available. I think a structured plan definitely was on the way. Our indicators also are available to the PAC and through our annual reports. I was not so sure of the reason why we did not include it in the budget.

Mr Sheville: Under the Financial Management Act, the Audit Office is not required to report on performance indicators or produce budget performance indicators. The reasons for that are not entirely clear to me. Perhaps it is something to do with our—

MR SMYTH: You are not required, but that does not mean you could not?

Mr Sheville: That is right.

MR SMYTH: I do appreciate that that does occur in the annual report but, in terms of trying to compare what you had achieved and what you intend to achieve for the year, rather than looking back when you get the annual report, projecting forward might be something that the committee might like to consider in its recommendations, Madam Chair. Does the Audit Office use the services of the Shared Services Centre?

Mr Nicholas: Yes, we do.

MR SMYTH: Has that added to your cost or has it become a saving in terms of outsourcing to shared services?

Mr Nicholas: I would guess it is about cost neutral. We have contracted out or have used other providers to deliver most of our HR services for many years. We do not have a dedicated team to provide payroll or general human resource management issues. That has been previously outsourced to the Chief Minister's Department, for example, and, since shared services came in, it has been through that operation.

MR SMYTH: Have you had any unexpected costs imposed as a consequence of going to shared services?

Mr Nicholas: No.

Mr Prentice: No, not that I am aware; we have not had any. We run our own finance system in house and we continue to do that. There have not been any unexpected costs in the HR area.

MR SMYTH: You run your own finance system, so there are no complaints from customers; you are obviously very good at that.

Mr Prentice: None that I am aware of.

MR SMYTH: Is there a reason why you have only gone half-way? Payroll is covered by Chief Minister's. Has any thought been given to putting the financing system into Shared Services?

Ms Pham: Our office is indeed quite different from a normal government agency. We operate very much as an audit firm. We have a system, for example, to direct-record staff hours spent on specific audit tasks, which is similar to the billing hours of private firms. So we do have a different system because we need that system to calculate audit fees for each of the financial audits that we perform for other agencies. We have a system that would be very much a one-off; I think it is much more efficient for us to do it in house than to pass it on to Shared Services. For example, we need to have weekly information about the time spent by auditors on various tasks. We monitor them regularly, on a fortnightly basis, in order to reallocate resources for teams. I do not think that is something that Shared Services could do for us.

MR SMYTH: I cannot remember your schedule for the outyears, but is there a proposed audit into Shared Services to see if it is delivering what was promised?

Mr Nicholas: It is certainly on our list.

Ms Pham: Yes, it is on our program, together with 64 other topics.

Mr Nicholas: At latest count.

Ms Pham: Actually, last night, it became 75, including others that come through from the community—for example, the gas power station. We have already got a representation from the community to audit the process of selection. In fact, we have

added to our program, so it has become 75.

MR SMYTH: Is it possible to get a list of the 75 proposed audits?

Ms Pham: It is an internal document for us to plan our audit program, in terms of ranking priority, considering the significance of the risk, the transparency and the audit impact.

MR SMYTH: If it is internal, and you do not want to table it, I understand.

Ms Pham: Yes.

MR SMYTH: But I would be intrigued as to how you would carry out an audit on the process of the proposed Macarthur power station. What would be involved there?

Mr Nicholas: A lot of research, I suspect. It is a matter that we are obviously giving some thought to at the moment. It is not necessarily going to happen overnight, in terms of a performance audit. It depends a little bit on the scoping—

MS MacDONALD: Are you saying that you have other performance audits that happen overnight?

Mr Nicholas: We do a lot of planning for these things; some of it happens overnight.

THE CHAIR: From my reading of what the committee is saying, they are more interested in knowing how you make decisions about your priorities, rather than the actual detail of the list. People want to know how you actually prioritise things and how difficult it is. What are the pressures on you with regard to the demands?

MR SMYTH: I do not want to expose anything that you might be inquiring into, but particularly with Macarthur, what would you undertake there—the process that LDA undertook, the process that ACTPLA undertook?

Ms Pham: At this stage we have no capacity whatsoever to undertake such an audit. We have four audits underway at the moment, and we work flat out. I could not explain to you how hard we work, even to make sure that we complete the four audits that are currently underway, which include a record management audit, a public housing maintenance contract audit, an FOI audit—

MRS DUNNE: Which I am very keen to see.

Ms Pham: and the Calvary Hospital audit. So there are already four underway.

MR SMYTH: So the government denying the office the additional \$210,000 that you requested makes it almost impossible to do this sort of audit now?

Ms Pham: For an issue like the gas power station, we look at our capacity to audit and the significant impact on the community. In this particular case, we believe that the matter has already received enormous attention from the Assembly, that it is under the scrutiny of the Assembly, the media and the community, and that the due process

has yet not been finalised.

THE CHAIR: No.

Ms Pham: So it is not the right time for an audit to start investigating, when the due process has not been finalised. A decision has not been made. Indeed, because attention has already been given to this issue, I am sure they do not need audit attention at this stage. But we do consider whether or not there is a need to do something right away, or whether there is a need to include it in our audit program for consideration at a later stage. We will keep a watching brief on that and start collecting information for a future decision on that potential audit topic.

MR SMYTH: So you will keep a watching brief; you will collate information as it becomes available and, if necessary, if you feel it gets to a point where you want to intervene, you will conduct an audit?

Ms Pham: Indeed.

Mr Nicholas: The process that we use for the selection of our performance audit topics is included in our performance audit program, as an attachment to that, and we can certainly provide that to the committee.

THE CHAIR: The process would be of interest to members, if you could provide that.

Mr Nicholas: Essentially, we are looking at a range of criteria that cover matters such as the materiality of the particular issue, its significance to the community, the risks that we see to good management, whether they are indicators of difficulties with the management process at that stage, the transparency of the decision making, what sort of changes and what sort of impact we could have as an audit office that we might be able to expect out of that, whether there have been other reviews that might have also impacted upon that process or on similar areas, and whether it is an area that we can suitably audit ourselves. So it is a matter of whether we have the skills or the capacity—capacity in terms of pure resources and skills in terms of the talent that is available to us, either internally or externally. We cover it all off by trying to cover agencies and portfolios over a period of time, so that we do not burn out any particular agency over a year or two.

So there are a range of matters. I would not say it is scientifically calculated. Each of those is a matter of judgement. But we put them together and we come up with a list of priorities. They are influenced by emerging matters. Our priorities may change quite a bit during the year depending on the other issues that emerge. But we can certainly provide our performance audit program to the committee.

THE CHAIR: Thank you very much; that is very helpful.

MRS DUNNE: Going back to the question of staffing, Ms Pham, the employment estimates on page 24 show an increase of one FTE from the budget outcome—the estimated outcome this year to next year. What is your establishment? That word is out of vogue but I do not know what the new word is. What is the actual establishment in the audit office and could you recruit more people to meet your

establishment at the moment?

THE CHAIR: How many staff do you have and do you want any more?

Ms Pham: Thirty-seven is the maximum number of staff we can afford with our current funding. The reason that number looks big is because in recent years we have started to recruit at graduate level. So as we lose our staff at the senior level, such as senior auditors and managers, we now concentrate on recruiting at the graduate level.

If you look at our staffing lists and composition, about 30 per cent of our staff have less than two years experience in our office. In terms of auditors, we have 10 of them, and all of them have under two years experience in our office. With our senior auditors, only three have more than three years experience; the rest of them, again, have one year's experience or two years experience. So we have a high proportion of very young and inexperienced staff in our staff structure. The reason we can employ 37 is because most of them are at the lower end of the salary scale. As I say, we cannot afford to pay \$100,000 to \$120,000 to get a really good, experienced senior auditor, so we start training graduates from a very low level of training.

MRS DUNNE: Does that mean you become a training provider for private audit firms?

Mr Nicholas: In part, yes. Our staffing level is generally assessed based on the work that we have got and how we see the work progressing. So we look at recruiting to meet the requirements of the actual audit program. The size of the office has certainly increased over the years since I have been in the office. Since I got there in 1999, I think we have grown by about 10 or 15 people. So it is certainly on the up. In terms of establishment, we are probably close to the number of positions that we have had created for us in total. We never filter that number; it has basically been a matter of recruiting for the resource needs and having regard to our financial resources. At the moment, as Ms Pham is saying, we are pretty well maxed out, and certainly the office is physically maxed out.

MR SMYTH: It might be better if we progressed through this to establish a few facts and then I have some interesting questions for you. The latest audit financial report for the ACT is for the 2006-07 financial year?

Mr Nicholas: Yes.

MR SMYTH: That audit was conducted on the accounts being prepared using the Australian accounting standard?

Mr Nicholas: Yes.

MR SMYTH: The 2006-07, 2007-08 and 2008-09 budgets have been prepared on a GFS basis, but 2006-07 and 2007-08 had comparable AAS financial statements in the rear of the budget documents. The 2007-08 audit was done under AAS while the budget was prepared under GFS. What difficulties does that create for you in the way that you report?

Mr Sheville: I am sorry, I did not catch the last part of your comment.

MR SMYTH: Until now you have done the audits under AAS; when will you shift to doing your audits under GFS?

Mr Sheville: I think the GFS reporting does not apply this year; it is the year after.

MR SMYTH: So for the budget we are discussing, you will report it—

Mr Sheville: It will be under Australian accounting standards again this year, although I understand they are going to format the look and feel of the whole-of-government report so that it looks a bit like the GFS in terms of the headings and those sorts of things. We have yet to see those reports at this point.

MR SMYTH: In budget paper 3 on page 240, the only reference to AAS is what are called the “GFS/GAAP harmonised financial statements”. There is a small box at the bottom of various pages. What is the impact of this on you in having to work in one accounting language and report in another?

Mr Sheville: When the changeover occurs to reporting under this new basis, we will simply audit the information in the same way. The essential audit approach will not differ hugely from the way we approach the whole-of-government account. Most of the numbers will be coming from the audited financial statements of agencies, in the same way they always have done.

This, to a significant degree, is about presentation of numbers, so we just need to make sure that the information has been presented in accordance with the UPF framework when it comes in. That will not be this year. This year, we are expecting to see a report that follows the Australian accounting standards, and we will be auditing against those particular standards.

MR SMYTH: Is that based on advice from the ABS?

Mr Sheville: No, I do not think there is any requirement at this stage. I do not think the standard requiring the presentation in another format has actually been put in place. My understanding is that Treasury is shifting over to that process, not this year, but next year.

MR SMYTH: Table 1.2.1 on page 9 of budget paper 3 is headed “The budget operating surplus/deficit”. That table talks about the UPF net operating balance, or the UPF format. Does the audit office have any comment on the net operating balances as they are presented, which include the expected long-term capital gains from superannuation?

Mr Sheville: As a planning document, I have no problem with the way in which that information has been presented. With respect to the reason for the presentation, I am only reading from the information that is provided within the budget paper, and it is logically consistent with the approach they have adopted in presenting it in that particular way. The idea, as I understand it, is to show their net operating balance in the same way as it would have been presented in the other jurisdictions, except for the

fact we happen to hold our superannuation investments in a different form. So from my reading of pages 8 and 9, there were no alarm bells ringing. It explains quite clearly what has been done and why it has been done.

Ms Pham: If you look at 2007-08, given the purpose of the budget paper and the planning document, they use expected long-term capital gain rather than the actual outcome of that year. I think for transparency, it could be better to have another column which would contain the 2007-08 estimated outcome. An estimated outcome may be a different number.

MR SMYTH: I think we heard earlier that the estimated outcome is a loss of \$200 million.

Ms Pham: But we understand why Treasury presented the number in that way and we do not have an issue with it. We believe that 2007-08 could have two different columns, one with an actual estimated outcome. In that case you have a bit of a deficit out of the superannuation investment compared to what we consider to be a long-term capital gain.

THE CHAIR: Thank you very much for appearing before us this morning.

Ms Pham: Thank you.

Meeting adjourned from 11.37 am to 2.00 pm.

Appearances:

Carers ACT

McGrath, Ms Dee, Executive Officer

Ashton, Ms Annemarie, Policy Adviser

THE CHAIR: Welcome to the community group hearings of the Select Committee on Estimates 2008-2009. Have you read the yellow privileges card that is on the table in front of you?

Ms McGrath: We have and we are happy to—

THE CHAIR: So now you understand the privilege implications that are contained within it?

Ms McGrath: Yes.

Ms Ashton: Yes.

THE CHAIR: I remind you that it is best if you do not use people's names, because this will go on the public record. If you can talk about people in their positions rather than using their names, that would be helpful. And if you are talking about a person that you have worked with as a client, we highly recommend you do not use their name. Because you are under privilege here, and everything you say is privileged, it is a better way to go. Would you like to make some opening remarks?

Ms McGrath: You want me to say—

THE CHAIR: You do not have to; we can go straight into questions. I just thought you might like to say something.

Ms McGrath: Overall we were rather disappointed with the outcome of the ACT budget. We had developed a very strong submission based on identified, evidence-based need here in the ACT where there were areas that were not funded by the commonwealth to support carers. We were not asking for program support for carers that was already being provided or addressed by the commonwealth. We identified areas of serious concern to us as the peak body for carers in the ACT. We were disappointed not only that there were not any fiscal measures in the budget but also that there were no other measures in terms of other initiatives that had a non-fiscal component to them that were addressed.

THE CHAIR: These were in regard to, say, respite care?

Ms McGrath: We have also put a paper together for this committee to go through the items we had included and areas of need in our submission. We addressed what our comments are to each item there, for your convenience. We are happy to talk to that or answer any specific questions you may have above and beyond this or within the context of this document.

THE CHAIR: I might begin by asking you to enlarge a little bit on the need for the

safe respite care?

Ms McGrath: I am not sure where you are actually at on this page.

THE CHAIR: There are no page numbers, so I am in a bit of difficulty directing you to where it is.

Ms McGrath: Okay. Respite care—these are issues of concern for carers who we are supporting. We currently support around 3,500 carers in the ACT. There has been some concern of late around the lack of respite support, for families with disabilities in particular but in other carer situations as well. Existing facilities in the ACT are, as I say, overcrowded, understaffed and often not suitable for the needs of, particularly, most young people with disabilities. Already this year, 2008, there have been two highly preventable deaths of young people with disabilities while in respite care in New South Wales and Tasmania. One was an ACT resident whose family consistently struggled to find suitable care facilities in the ACT. This remains a major concern for us. It is an issue that we really feel needs to be addressed by the ACT government.

Ms Ashton: Can I add to that? A lot of the families that are in touch with us say that the specific need for appropriate and safe facilities means that they often need some way so that they do not have to leave their home for respite. Often families just want a break within their home. The problem with in-home respite or facilities is knowing that your child is safe when you are away. If you have any doubts as to the safety of your child, you do not get any kind of a respite break even though someone is in your house. So safety is a paramount concern for all carers.

There are consistent examples brought to us, as a peak body, about times when children have been potentially placed at risk—for example, not being supervised during baths if they have seizure disorders, and that sort of thing—because either the support workers are not trained properly or there is just too much demand for the service. There is also an example where carers put their young person with disabilities into care but, because of other residents or people using the facilities who have highly disruptive behaviours, a child who may not have those behaviours when they go in may pick them up whilst in that care. So because there is not sufficient choice, sufficient space or sufficient staffing, it becomes a very negative experience for carers and families. They can put their child in, say, for an overnight, but the cost to them is very high personally and it creates more work for them in trying to address that afterwards.

THE CHAIR: Thank you.

MR GENTLEMAN: Thanks for coming along this afternoon. I was just having a look at your submission here. There is a discussion on the estimated number of carers in the ACT.

Ms McGrath: Yes.

MR GENTLEMAN: There is also a figure on savings to the health system each year, which is quite large: you estimate that we save \$424.6 million.

MRS DUNNE: That is more than half the health budget.

MR GENTLEMAN: Yes. Can you give us an overview of how you have come to these figures?

Ms McGrath: I might ask Annemarie to respond, because she is a statistician.

Ms Ashton: We have not produced those figures. They were produced by Access Economics in the research they did in 2005—the national figures. What we have done is take those and work out our portion for the ACT. The calculation is done on a population basis; we can supply the exact workings of those to the committee if you require the exact figures.

MR GENTLEMAN: No. I am just thinking that that was back in 2005, and those costs are probably more.

Ms Ashton: It will be more now.

MRS DUNNE: I was wondering whether either of you could give the committee some outline of what you would think should be in a carer's action plan and what the benefits of that would be?

Ms McGrath: We have submitted a number of papers to the ACT government. We were very much a part of the carer legislative review. In that very extensive review, there were a number of non-legislative reforms identified above legislation that really were a priority for carers. A number of those reforms we would like to see form part of a strategic and also a tactical action plan that would see positive change in supporting carers in the ACT.

We believe that there are a number of unmet needs that go beyond what the commonwealth are probably committed to supporting. We were disappointed that in the ACT there is not more of a strategic view of carers, and there is the need to think of home and community care as part of a support to the overall health system.

We would like to see a proper review done. I know that there is a review of an action plan by consultants, but we have written a very strong paper—we have a copy of that paper for the committee if they wish to see that—on what we actually see. That was submitted some months ago.

MRS DUNNE: Thank you.

THE CHAIR: That would be good. Ms McGrath, could you table that? Thank you very much.

Ms Ashton: Can I just add a little more to that. The key issues that come through from carers are these. There is the provision of information and the right for consultation, especially on decisions on treatment and care which directly impact on them. There is the issue of an extension of duty of care so that, whilst they are caring, they are provided with the same safety that would see workers going into their homes. We have surroundings for occupational health and safety provisions that protect paid

support workers going into the home, yet the carers are expected to do that kind of lifting and carrying and deal with situations that put their own physical health at risk, without any training or support in that area. There is also the right to assessment in their own life—to look at their own health and wellbeing. We have this Deakin study now—the Australian Unity study—that shows directly that carers’ health and wellbeing are significantly affected by their caring role. That needs to be addressed.

MRS DUNNE: I want to follow up on that. Ms McGrath, you talked about a strategic and a tactical approach. Could you give an example of the strategic-level approach and what the more tactical approach would be?

Ms McGrath: I would use the example of New South Wales, our neighbours. We provided, in this paper for you today, a kind of comparison of support. New South Wales, like other states throughout Australia, have taken a very strategic, long-term view of carers’ needs, particularly in light of the ageing population, and have developed a number of very strong policy positions on supporting carers. They have followed through from that with resourcing their programs of support. So it is developing strong policy that will result in strong support for sustainable care for carers.

MS MacDONALD: I have a couple of questions. Firstly, the comparative analysis of funding that you have just referred to—where do you source that information from?

Ms McGrath: We have looked just at the carers association, so it is limited in its scope. Obviously, there are a lot of other investments by the New South Wales government in other agencies that provide support to carers. But an example of peak body support is what we were representing here.

MS MacDONALD: That was not my question. My question was this: the graph that you have got on the last page—where is that information sourced from?

Ms Ashton: We have done that graph ourselves based on information sourced from Carers NSW, Carers Victoria and our own budget.

MS MacDONALD: Because we have just got this today, we have not had a chance to read through it in depth, but you have talked about the recommendations that you have made and that there were no budget announcements. You have said “none” to all of the ones that you have got in here. Have there been any announcements within the budget that have addressed any of your concerns?

Ms McGrath: None that we are aware of. There may be some scope, we believe, in the mental health area, but we have not had any confirmation of that at this stage. There has been mention in the budget papers around consumer and carer participation, but we have not been made aware of what that actually means in any support—or whether it is direct support at all.

MS MacDONALD: I know that there have been numerous issues for carers—Australia wide, not just in the ACT. It has been the subject of discussion, at a federal level specifically, recently. From the ACT’s perspective, has there been anything—I cannot think of anything off the top of my head—in the preceding budgets that has

addressed any of the issues that Carers ACT has concerns about? Have there been any moneys for that?

Ms McGrath: Not specifically, but perhaps indirectly. Yes, there has been certainly some support for carers, particularly for mature-age carers through the CSTDA forum.

THE CHAIR: Sorry—CSTDA?

Ms McGrath: Commonwealth state territory disability agreement.

MS MacDONALD: We do not know all the acronyms.

MRS DUNNE: And Hansard cannot be relied upon to know them either; it is not fair to assume their knowledge. So the sum total of your answer to Ms MacDonald's line of questioning is that you were stiffed by both the ACT and the commonwealth budget?

MS MacDONALD: No, that was not necessarily—don't put words in my mouth.

MRS DUNNE: As a result of your line of questioning, I have drawn this conclusion. Would you agree with it?

Ms McGrath: I would say this budget—perhaps it looks that way. Previously there was some support for carers, but not necessarily addressing the areas of need. In the previous budget, there was \$15 million for disability services, which was excellent. However, I think the ACT Treasury needs to understand that providing support for people with disabilities does not correlate to necessarily providing the kind of support that carers of people with disabilities need in their own right.

DR FOSKEY: Do you think that that is the mistake that is made by government—that they make the assumption that when they fund mental health programs, especially in the community, and provide ISPs for people with disabilities, that is all going to be much better for the carer as well? Do you think that is the assumption?

Ms McGrath: I believe it is, and I believe we have a lot of work to do to have people in Treasury understand the impact of not supporting carers—not just now, but into the long term. With an ageing population crisis looming, it is going to become more important.

THE CHAIR: I am sure that there are many more questions, but unfortunately we have run out of time. Thank you very much for appearing before us this afternoon and I apologise for it being a bit like a sausage factory. Thank you very much for the submissions. Mrs Dunne has asked if there is capacity for us to follow up with you with some written questions.

MRS DUNNE: There are a couple of things that I would like to ask you.

THE CHAIR: If we are able to do that, would you be happy to answer some further questions?

Ms McGrath: We would be delighted any time if it is going to make a difference, yes.

THE CHAIR: We will just check that out and see if we can do it.

Appearances:

Council on the Ageing
Flint, Mr Paul, Executive Director
Templar, Mr Paul, Board Member

THE CHAIR: Good afternoon. Were you in the room when we talked about the yellow card?

Mr Flint: Yes, we were.

MRS DUNNE: Dr Foskey, I think the paper you have was the paper that was tabled by Ms Ashton. It is the only copy that we have.

DR FOSKEY: It was her copy. She may have mistakenly thought I was a member of the committee. Given that she thought she was giving it to me, could I have a copy, please?

MRS DUNNE: Yes.

THE CHAIR: I have just a quick reminder about the privileges statement. I just want to emphasise that I would prefer for you not to use people's actual names—just their positions or other descriptors, not their actual names. Would you like to make some opening remarks? Then we will go straight to questions?

Mr Templar: Yes, we would like to make some opening remarks, thank you. COTA ACT welcomes the opportunity to express some thoughts on the ACT government's 2008 budget, particularly as impacting on the wellbeing of seniors.

In the area of transport, COTA ACT supports and welcomes the initiatives in the budget that provide more easy access buses, the provision of a gold card to provide free Action transport to over 75-year-olds, the improved Action 08 network to continue travel concessions for seniors travelling in peak periods and the senior transport services, which offer on-demand transport services to seniors. COTA views the gold card for seniors as providing broader community benefit. It is a positive measure to facilitate retiring from driving and also encourages our older members to continue to be connected with the community. The impact on road safety and also on social isolation will provide greater benefits than the cost of the program.

COTA believes that the introduction of the new 08 network in June needs to be reviewed after 12 months to ensure that a 30-minute minimum frequency schedule is achieved for all suburban routes in off-peak periods and that connectivity timings at interchanges are minimised. COTA notes that some of the circular routes have been enlarged to take in additional suburbs, thus making travel times much longer for some passengers. The impact of this should be included in the 12-month review.

COTA has been calling for the introduction of travel concession reciprocity between states and territories for senior cardholders for many years. Given the Rudd government's intention to work with the states and territories to achieve this reciprocity, some budgetary contingency for this may be needed in future budgets.

I turn to the area of health. While COTA ACT welcomes the commitment for a further 20 inpatient beds at the Canberra Hospital in 2008-09, there is no provision for funding further beds in the following three years. The increased demand in the older persons services program and the RADAR service are excellent initiatives, but outyear funding has been increased only in line with inflation. COTA supports the expansion of the palliative care services program. COTA believes that public health care for seniors should be funded at a rate that exceeds inflationary trends and at least keeps pace with the growing demand from our ageing population cohort. In particular, COTA believes that more appropriate funding and support should be available to boost hospital discharge and needs-based recovery periods. Too often, elderly people are discharged from hospital to go home but lack the necessary care because they live alone or with an elderly frail partner.

The recently announced reduction in the waiting list for public dental services has been attributed to the initiative in the previous budget. We hope that the current allocation will lead to further improvement. Our concern is that this gain is not eroded; the continued effectiveness needs to be monitored. COTA is particularly concerned by the difficulties faced by immobile people, both within facilities and within the community, who require dental treatment. We need to be exploring ways of delivering health services to this expanding group. In particular, more mobile dental services are required.

In the area of the labour force and skills shortage, COTA recognises the need for an increased workforce to cater for increasing needs of the aged sector and would welcome policies and funding to achieve mandatory and minimum workforce qualifications. This includes degree-based courses for enrolled and enlisted nurses and at least TAFE certificate based courses for support staff. The need for financial incentive to achieve this should be considered. COTA believes that the requirement of at least minimum industry standard qualifications will improve image and knowledge and the importance of and contribution being made by the aged care workforce.

The responses to skills shortage item in the Chief Minister's Department and the Department of Education and Training to us seem very modest given the magnitude of the problem, and it is difficult to tell to what extent these programs will assist in overcoming the skills shortages in the health, dental and aged care sectors. COTA would like to see more concerted programs implemented to address the skills shortage program.

In the area of affordable housing, COTA supports the various elements of the ACT government's affordable housing plan and the provisions for the land rent scheme, incentives to attract affordable rental housing, programs to boost the supply of affordable community housing, land planning and development to provide more land for affordable housing, release of sites for 150 retirement village units each year for the next four years and the waiver of stamp duties for seniors downsizing their housing. However, COTA remains concerned that more needs to be done, particularly in providing more affordable housing for senior Canberrans. The affordable housing plan elements tend to be generic in nature; subtargets and elements need to be established so that equitable access to affordable and appropriate housing for senior Canberrans is achieved.

COTA notes in the budget papers that the commonwealth-state housing agreement block grants are not keeping pace with inflation, let alone increases in demand. In COTA's view, the ACT government's affordable housing plan and the commonwealth government's affordable housing programs must complement a stronger public housing sector. In renegotiating the commonwealth-state housing agreement, the ACT government should seek to have a real and meaningful increase in the funding of available public housing. COTA believes that public housing will remain the principal option for aged pensioners. I might just add that a lot of the new initiatives are aimed more at modest and higher income earners rather than lower income earners.

I turn to homelessness. For the second year in a row, the ACT government has failed to redress the significant funding cuts to the homelessness sector in 2006-07. There is no provision to increase the supply of services, support or accommodation for homeless people. COTA is concerned about the shortage of options for homeless people and calls on the ACT government to increase funding levels for homelessness and take a positive role in responding to the commonwealth's green paper on future strategies for homelessness which was released yesterday.

I turn to building the future. The five-year, \$1 billion building the future program is a real positive for the territory. Investment in our health and transport systems and basic infrastructure will underpin Canberra's future growth and wellbeing.

Finally, a five-page women's budget statement is presented as chapter 7 of paper 3, the budget overview. This enables the quick comprehension of how the budget impacts on women. In future years, COTA recommends that consideration be given to including a similar seniors budget statement.

We thank you for the opportunity to present these views. I look forward to your questions.

THE CHAIR: Thank you, Mr Templar. We started a little bit late so we still have a few minutes to ask questions. Mrs Dunne?

MRS DUNNE: I would like to go back to some of the transport points that you made. The on-demand transport services for elderly people—there has been some development there. How do you see those developments?

Mr Flint: Yes, there have been some developments. I suppose at this stage we are still waiting to see what the applied nature of them will be. In the work that we did earlier on transport, which spread into our budget submission, the one area that is not being addressed is the cross-route transport issue. We are not sure how that program will work out in that area.

MRS DUNNE: You seem to be saying that at the moment we are in the aspirational stages of this. Who in the government are you talking with to get across your message about the particular needs of demand-side public transport?

Mr Flint: We have had some discussions both with the community sector groups that

are involved and also within the transport area. The problem is that it has not evolved to a great enough extent to know what impact it will actually have.

MRS DUNNE: Okay.

Mr Flint: I am sure you are aware of the impediments about having enough drivers and trained people and how fast that will be rolled out.

MRS DUNNE: Thanks.

DR FOSKEY: In conversations that I have had with you, Mr Flint, and also in Mr Templar's statement, concerns have been raised about homelessness. It is not something that people usually identify with the senior sector. I am wondering if you could give the committee a little bit of explanation as to how homelessness plays out for older people, especially in relation to our usual stereotypical view.

Mr Flint: The great majority of older people that we come across that are homeless are what we call sofa surfers. They basically live with a member of the family or friends and circulate around, living two, three or four weeks at a time at one particular place. They are not without a roof over their head, but they are homeless: they do not have any place that is their own home.

MS MacDONALD: It is all right if you are a backpacker, but not so good if you are an older person.

Mr Flint: No, especially if you are an older person and you find that the part of the roof you have is actually the dining room or the lounge room. That is particularly unsatisfactory. And it is very disruptive for families with younger children or school-aged children when they do not have the whole house. They are the sort of people that we come across.

DR FOSKEY: I am interested in how they have come to your attention. I imagine that this is a hidden problem in our society that is kept within the family.

Mr Flint: That is right. We have a housing options adviser; most of them come through that route. A number of them may have approached ACT Housing and then been referred to us to try and resolve the issue, but generally one of the people that they stay with approaches us or approaches us with the person to try and resolve the situation—usually when they need to move on or the hosting family feels they need to move on.

DR FOSKEY: Finally, as a result, are there tensions and the potential for elder abuse and those other problems that we are aware of—not necessarily in relation to this issue?

Mr Flint: The circumstances are particularly unsatisfactory; so there is usually conflict of some sort or another.

MRS DUNNE: Mr Flint, are you able to quantify the number of people that your service sees and could you express a view about what proportion of aged homeless

people your service would be in contact with?

Mr Flint: I will take the latter one first. Because of the hidden nature of it, we are very aware that it is often revealed to only one service or one group. From that perspective, you have very little idea of how many people are fronting to other services or how many people are not being disclosed within the community. Most of the time, we would have one person on our books in those sorts of circumstances, so we are battling to find appropriate accommodation. But I must say that just recently we have had some very successful cases, I suppose, with ACT Housing and also a number of the small community groups in finding suitable accommodation. So just in the last little period it has not been as difficult as it was three months ago.

DR FOSKEY: When you say community groups, do you mean community housing?

Mr Flint: No, some of the smaller church-related groups or whatever.

THE CHAIR: I think we have run out of time. Thank you very much for coming. We are checking out whether we can write to you and ask further questions, because of the briefness of these hearings. If that is all right, would you be happy to take more?

Mr Flint: You are more than welcome to do that.

THE CHAIR: Once members have thought about a few things and read the transcript, they might have some more questions of you. Is that all right?

Mr Flint: Yes.

THE CHAIR: Good. We will take that advantage then if we can.

Appearances:

Havelock Housing Association

McBow, Mr Paul, Chairman

Spence, Mr Nicholas, Business Development Adviser

THE CHAIR: Thank you very much for appearing before the Select Committee on Estimates 2008-2009. Have you had a chance to read the yellow card that is in front of you? Do you understand the privilege implications contained within the card?

Mr McBow: Yes, I understand.

Mr Spence: I do, yes.

THE CHAIR: I remind you not to use people's names; if you need to refer to a person, refer to them in the third person. Do you want to make some brief remarks? Then we will go straight to questions.

Mr Spence: We have a prepared statement. This year, the Havelock Housing Association is entering its 20th year of service in the community housing sector in the ACT. We remain committed as a community-based association, forging long-lasting affiliations with some of our like-minded partners in Canberra. Our goal is to continue to provide safe, secure and, where necessary, supported forms of community housing and accommodation.

We manage somewhere in the order of 600 tenancies at this stage, predominantly through head-leasing arrangements with Housing ACT. We are in some undertakings and negotiations right now on our service funding arrangements and reorganising the way social housing is provided in Canberra, particularly with a focus on community housing. Once we finalise this, we hope we can forge a stronger working relationship with government, and that that will be ongoing, which we hope to be the case.

We have weathered a lot of change over the past year or so, financially and in terms of some internal structure changes. A strategic focus has been undertaken to improve our property management service delivery; further rationalisation of expenditure—so some cost savings—and other processes to tackle rental arrears and promote support networks for our tenants.

I note that one of the key priorities in the 2008-09 budget is that Housing ACT is going to continue its implementation of the public housing asset management strategy with a focus of redevelopment or refurbishment of some of the larger multi-unit sites. I would say that it would be imperative that any realignment of that stock should take into consideration some demographical concerns such as social and health issues.

Havelock is remaining committed to a holistic approach to tenancy management. We take into consideration some of the recommendations that were made in May 2007 in the health and disabilities standing committee report, *Appropriate housing for people living with a mental illness*.

I cite also the HASI program running in New South Wales currently. It views good

health and housing options that are supported, yet offer something closer to independent living for people with mental illness. We are also able and willing to assist government in tenancy management in this area if required. We currently run a community and accommodation network project with the Richmond Fellowship that is very similar to that. We would like to see some growth in that area if it is possible.

We are also, independently of government, investigating other ways of increasing housing supply options to accommodate more people on low to moderate incomes. We highlight this concern because we still maintain around 250 people—or applications—on our waiting list and we are not having any movement, simply because we do not have any property to offer. We would like to work closely with the government to have a centralised waiting list to combat some of those issues where we can have cross-referencing to avoid duplication. It is very important that we have that discussion.

We envisage that the demand for social housing will remain very strong. We will watch with great interest the upcoming commonwealth-state housing agreement renegotiation to see what will be in it for the community housing sector in Canberra in particular.

On 8 May in the *Canberra Times*, we stated that the ACT government should consider a direct injection of some funds generated from the collection of stamp duty and land taxes straight back into social housing. I would be encouraged to see that the government takes up this challenge. I know it may be very difficult to look at direct injection from consolidated revenue, but I think it would receive the broader community's support and I think it is worthy of further debate within this sphere in the Assembly.

I noted with great interest during the budget speech that the Chief Minister said that Canberra has seen the highest rate of net migration increase since 1993. In effect there is pressure on all sectors in the housing market; we believe this will flow on to demand in the social housing sector.

The debate surrounding housing affordability should not be restricted to ensuring that Canberrans have the opportunity to purchase a home. A significant proportion of the population still face difficulty even renting in the private market—and then again in the community and social housing sector. I believe that the government has a great opportunity here to find other ways to finance the sector and help it grow. We are prepared to help in any way we can.

THE CHAIR: Thank you.

Mr McBow: We applauded the government's affordable housing scheme; we thought it was an excellent move and a positive thing for people in Canberra. However, we want to make a clear distinction of what is affordable housing and what is the housing model provided by Havelock House.

CHC is about affordable housing aimed at people paying 74 per cent of market rent or full market rent. It is also about providing an affordable housing model to get low to moderate-income people into housing. Havelock House provides accommodation to

the lower and moderate socioeconomic groups. Around 90 per cent of our clients are paying 25 per cent of their income. That income may be an old age pension, an unemployment benefit or a disability pension, any of those areas. Most of our clients are welfare recipients.

We have concerns about the future. Currently every year around June we give eviction notices to 140 people accommodated at Currong House. We do this because the government has signalled its intention to sell that property at some stage. Those people remain in limbo until around about Christmas each year, at which stage the government tells us whether or not it is going to sell Currong and we can then offer them a lease. So they have a six-month period of uncertainty. Were Currong to be sold in the next 12 months, we would have a situation this Christmas of 140 people that we could no longer accommodate. We already have 600 tenancies under management; we have 250 to 280 people—it depends on what day of the week it is—on a waiting list waiting to go into accommodation. To add another 140 to that group would be criminal from our point of view.

If you look at the housing model for affordable housing, what has currently happened is that 68 individual housing properties have been earmarked for return to CHC. They will not come back to the community housing sector. These properties will be sold, and the resulting new properties will go into the affordable housing model at 74 per cent of market rent. So, effectively, we have 140 accommodations at Currong currently in limbo and another 68 which are earmarked for affordable housing and which will not come back.

Today we look and we see that the government has no forward planning as to what it is going to do about community housing. It is quite obvious to us that you are not going to be able to pull 200 accommodation places out of the hat inside 12 months. You have to build, look forward and plan as to where you are going to have the accommodation in the future.

The model that we work under is that the government pays us a set fee per tenancy each year to manage, and that is a funding model that changed in 2006. We have done a lot of work around making that a manageable proposition. Out of the 695, we pay some of the maintenance fees and we pay utilities such as electricity, so these are fully managed tenancies. A lot of the people that we have to manage have problems; they have social problems, drug problems and alcohol problems, and they take a high degree of management. A lot of staff hours and time are put into that.

We have an issue where the government wants to change the current model again, and we are in negotiations at the moment. The government is asking us to provide 50 per cent of market rent for accommodation that we pick up only 25 per cent of income on. These people are not earning anything like double the market rent. A pensioner pays around about \$110 a fortnight for accommodation. The figure of 50 per cent of market rent is \$250, so obviously we cannot do that. The only way that we survive, in addition to the current government funding model, is by the collection of commonwealth rental assistance, which is used to supplement and pay for some, not all, of the utilities and services that we provide. We are going to have a fundamental problem if we are required to provide 50 per cent of market rent for a property that we do not collect that much on. We are going to be in a losing situation; we will probably

be in a walk-away situation.

We have also got some real concerns about the legality of the government taking CRA. Whether you call it CRA or whether you call it 50 per cent of the market rent, which is higher than the rental paid—

DR FOSKEY: You mean commonwealth rental assistance?

Mr McBow: Commonwealth rental assistance is not meant to be collected by governments; it is meant to supplement the income of the pensioner to be able to pay for the rent that they pay. It specifically says that governments cannot collect it. Now, if we are to collect CRA under this new proposed arrangement and then pass it on to the government, call it whatever you like, it is still the collection of CRA and passing it on to government. We are not sure about the legality of that, and we are not sure if we want to be party to it.

We think we have got some fundamental problems coming down. We do not think the government is looking far enough ahead. What is it going to do with all of these people if it does sell Currong and if it does sell Havelock? Is it planning to inject some more properties into community rental, or are these people looking to find a nice, comfortable clothing bin or a cardboard box? They are the options. If there is no community housing, these people cannot afford to go into market rent; they simply do not have that much money. We do not see that there is any forward government planning in this area, and we are concerned about it.

THE CHAIR: Unfortunately, we have only got time for one question. Thank you very much for your presentation. Mrs Dunne.

MRS DUNNE: Thank you, Mr Spence. What you have actually described this afternoon, Mr McBow, is that you are dealing with the very difficult end of the housing market—

Mr McBow: The real bottom end.

MRS DUNNE: You are providing a high level of support that goes with your service. What would happen if you could not provide that service? What would happen with most of those clients, because it seems that, from your description, they would not be people who could reasonably manage a conventional market rental situation.

Mr McBow: Most of them do not have any family support. That is why they live in community housing. They do not have that option, other than friends to go sofa surfing to or any of those type of things. The majority of these people would end up on the street if there was no accommodation available for them.

MRS DUNNE: Is that because there would just be less accommodation or because, if they were left to their own devices to find accommodation in the retail market they would not—

Mr McBow: There is not any accommodation for these people out there. They cannot afford whatever there is available by any stretch of the imagination, and there are too

many of them.

MRS DUNNE: In skill terms, can they manage that sort of rental situation?

Mr McBow: Not all of our people are in that situation, but we are talking the majority of them. So if we are talking 200 people, yes, they need assistance to live on a day-to-day basis.

MRS DUNNE: Thank you.

THE CHAIR: Thank you very much. We may be able to send some more questions to you later.

Mr McBow: By all means.

THE CHAIR: Thank you very, very much for attending this afternoon. Is there anything you want to table?

Mr Spence: No. Thank you, chair.

THE CHAIR: Thank you very much.

Appearances:

ACT Council of Social Service
Cresswell, Ms Ara, Director
Giorgi, Ms Caterina, Policy and Development Officer
Jenkins, Ms Maria, Policy and Development Officer
McKail, Ms Brooke, Policy and Development Officer

THE CHAIR: Good afternoon, Ms Cresswell, Ms Giorgi, Ms Jenkins and Ms McKail. Have you all read the privilege card and do you understand the privilege implications contained within it?

Ms Cresswell: Yes.

Ms Giorgi: Yes.

Ms Jenkins: Yes.

Ms McKail: Yes.

THE CHAIR: Thank you. Would you like to make some opening remarks?

Ms Cresswell: I will, thank you very much. We have a team here from ACTCOSS. We have our policy people here. Thank you for inviting us to speak to you today. It is always a pleasure to come along and speak to the estimates committee.

As you are aware, ACTCOSS is the peak body for not-for-profit organisations with respect to people living with disadvantage—low-income Canberrans—and it is very much for the ACT community sector. Our objectives are about representation of policy, the promotion of equitable social policy and particularly, and the thing I want to focus on today, the development of a professional, cohesive and effective community sector.

We all know that the ACT remains a jurisdiction with high incomes and with social outcomes that are generally above the national average. I think we all know that amongst this relative advantage there is a high number of people who are living in significant poverty and who are doing it pretty tough, and that is why ACTCOSS is here talking to you today.

Having said that, ACTCOSS believes that this year's budget has some important initiatives that will impact upon the lives of low-income Canberrans and that will help to build the capacity of the community sector—the sector that plays a major role in addressing disadvantage and in building social cohesion. So our response to the budget—which I think you all have, but I have brought spare copies with me in case you do not have any—details a number of areas.

We talk about many welcome initiatives, and I am aware that today and throughout the week you are speaking with a number of groups who will cover the points we raise. I have chosen today to concentrate the remarks that I want to make on community sector viability—the ongoing viability of the sector that is doing its best to

turn around disadvantage. It is putting its back into changing situations for low-income Canberrans.

We certainly welcome the large injection of funds for new community facilities, particularly the more than \$20 million for the refurbishment of the former school sites into three community hubs, including the space for six community halls. In terms of building sector capacity, we are pleased to see that \$3.1 million has been earmarked for capacity building projects. Chief among these is the introduction of the much welcomed long service leave scheme for the community sector. We would reiterate the comments that Kim Sattler from UnionsACT made to you earlier in the week, on Monday I think, about not reinventing the wheel and working with the evidence that we have there. We think that is incredibly important.

There is no question that the community sector is struggling at this point in relation to facilities, wages and conditions and training. ACTCOSS is currently undertaking a community sector viability project. I have brought with me copies of the papers that we are consulting on. The work we are doing is predominantly related to shared services, funding and workforce development. I will leave those for you because I think they are incredibly important in relation to the ongoing situation in the community sector in the ACT. If you would indulge me for a moment, I would like to read to you an email that I received yesterday. We had our first consultation about community sector viability on Wednesday. I received this email yesterday:

Following yesterday's community sector viability workshop, I found myself sitting in my office today reflecting on the reality of our position as an organisation operating in the ACT community sector. The following occurred to me: as a partner to the ACT government under the social compact, charged with the delivery of services to over 400 children a week, we find ourselves operating in a building whose roof leaks every time it rains, with two working toilets to service approximately 50 adults a day, an office with no air conditioning, so that in summer the mercury frequently climbs beyond 30 degrees, with three telephones and seven workstations to be shared amongst 23 staff, with only one computer to access email facilities and a photocopier that on average jams every five copies.

So they have three telephones, seven workstations, 23 staff and one computer on which to access email facilities. She goes on to say:

As the executive officer of this organisation, I oversee an annual turnover in excess of half a million dollars. I am responsible for ensuring my 23 staff deliver a range of quality services in line with communities' needs and our government's expectations. I am required to implement appropriate OH&S, quality assurance, risk management and human resource management policies, provide increasingly complex reports on a quarterly and bi-annual basis to our funding bodies and ensure that the wellbeing of my staff and service members is protected at all times. I am paid less than an ASO5 in the government department that manages our funding. Our government partners in the provision of our services fund us approximately \$3 per child per week for our service delivery, less than an ASO6 will receive in an annual salary. It was both comforting and concerning to share our experience with other members of the community sector, a relief to know that we are not the only ones operating under such circumstances, alarming to realise the full extent of the conditions under which our sector is struggling to survive.

I would say to you that community sector organisations are extraordinarily efficient and effective resource managers. By their very nature, community organisations do not distribute profits, meaning that all resources received by the organisation are used to fulfil their objectives. They have always stretched available resources to the limit, ensuring they spend wisely. They avoid duplication in staff skills, ensuring that organisations can generate maximum outputs.

In addition to this, while the sector is scrimping and saving to survive and putting it all back into the clients, there continues to be pressure from funding agencies for improved efficiencies from community sector organisations. Naturally, community sector organisations are always interested in improving effectiveness and use of resources so long as this does not compromise the quality or the philosophy of the service in question.

We hope that the investment in this year's budget is one that will help to address the increasing levels of frustration, and indeed despair, that we are hearing from the community sector. We continue to work on strengthening the sector, and we welcome support from government in this venture.

In this vein, we are happy to see many of the initiatives in the budget. While there is much that is welcome, it certainly would not be us, and it would not be me, speaking on behalf of ACTCOSS, if I did not note a major disappointment—the lack of any significant funding in this budget to address housing affordability for low-income households.

ACTCOSS had very much hoped to see an additional investment in public and community housing systems to increase the availability of accommodation for those who have few other choices, and I know you have just heard about that. We know, and our members are telling us, that housing is a predominant issue for their many disadvantaged clients. So we want to see always that money goes into housing. On that note, I will leave it to you to ask us questions, but there is much that we do welcome in this budget.

THE CHAIR: Ms MacDonald?

MS MacDONALD: I did not want to ask a question at the moment, but I make it clear that I do not dismiss the issues that were raised in that email. Having done so myself in the past, I am aware that working in the community sector is very different from working in a government department. There are great discrepancies.

Ms Cresswell: Thank you, Ms MacDonald.

THE CHAIR: We were talking about a leaking roof during an earlier estimates hearing, so it was fresh in people's minds.

Ms Cresswell: Yes, I think it has been raised during other estimates hearings that I have attended. I said that in our old office we used to swim out.

MR SMYTH: Thank you for your presentation. We have been given copies of your

submission to the government regarding the budget. I note you made 106 recommendations across 11 categories. How many of them were answered in the budget?

Ms Cresswell: I am not sure that we can answer that. It would be hard to say. We are prepared to take that on notice. When we went through the budget, as you may know, Mr Smyth, we sit up all Tuesday night when the budget is handed down and we go through it. We look at what is there and what we had hoped for. One of the things we have not managed to do this year is to go through every one of our recommendations, but we were pleased to see a number of those, and particularly the money regarding sector viability.

MR SMYTH: In the mental health and alcohol and other drugs section—section 4 of your recommendations—you mention the need for expanding availability of counselling support services for people seeking help. Has that been addressed to your satisfaction?

Ms Cresswell: We would probably confer with our members in the mental health sector—the Mental Health Consumer Network and the Mental Health Community Coalition. I know that the coalition has spoken to you this week. We will talk with them about that. We have not had the opportunity, since the budget, to sit with our members and see which of the areas they are happy with. We have noted what the coalition said to you during estimates. We know there is some significant funding in mental health that they are happy about. I do not know that we will ever be able to fully address the issues of counselling. I am not sure that we are a jurisdiction that is rich enough to be able to address this, but we do need to ensure that counselling is available.

DR FOSKEY: It was really interesting to hear that email, which was very eloquently written. Is that a fairly typical situation or would you call that one that was—one hopes—at the extreme edge?

Ms Cresswell: Unfortunately, I do not believe it is at the extreme edge. We do know that facilities are in very poor shape. We know of services which wash up in buckets; we know of services that cannot flush the toilet regularly. We know of services which hold their windows open with budget papers.

MRS DUNNE: So do I!

THE CHAIR: That's what I do as well!

Ms Cresswell: You do that too!

DR FOSKEY: Yes, I do too, actually.

MR SMYTH: It is a good use for budget papers.

DR FOSKEY: They are very good for that.

Ms Cresswell: We would be happy to move into this building, I can tell you.

Unfortunately, it is not the extreme end. We know that community services are operating in substandard facilities, which is why we so much welcome the community sector hubs. We look forward to seeing the redevelopment of those school sites. We know that they will be highly sought after. We know that not everybody will make it there.

DR FOSKEY: That is what I was going to ask you. Do you have any idea whether some of these problems would be solved by the redevelopment of the school sites?

Ms Cresswell: We would certainly hope so. There is certainly funding there for refurbishment. We know that some of the old school sites that community organisations operate from are in very poor condition. Having worked in them myself, one sits with one's feet in a bowl of hot water in winter because of the cold, but with refurbishment we hope that they will provide good facilities for the community sector. However, it is 6,600 square metres of space, and I am not sure whether that could possibly meet the need that is currently there.

DR FOSKEY: Do you know the process for applying for and being successful in receiving that space? Do you know what that process is and does it look like a good one?

Ms Cresswell: We know the process is there. We have had the option of commenting on that process. Because we are personally interested in putting in an expression of interest, we have removed ourselves from that process at this point—from commenting on it. We do see that there is a focus upon services that can share some of this service delivery. That work is not yet well developed in the ACT community sector. That is the work we are currently undertaking: how might we share services? Will it save money? What might we do to help services to be more efficient? That is very much on the government's agenda. We are working to try and see where we can create efficiencies in the community sector. We are not sure that there is very much room, because community services are very mindful always of saving resources.

MR GENTLEMAN: How many people do you think you will fit into the 600 square metres?

DR FOSKEY: 6,600.

Ms Cresswell: Yes, 6,600. It will depend upon the organisations that apply. So it will depend upon whether it is large organisations, small organisations, how space is shared, how space is allocated, how the refurbishment occurs.

THE CHAIR: Of course, Mr Gentleman, some will need a larger space, like halls, in which to do activities—the Warehouse Circus comes to mind—whereas others will need office accommodation.

MS MacDONALD: Or the YMCA's gym for older people.

MRS DUNNE: I have two questions that relate to this issue. In your opening comments you said that you welcomed the refurbishment of schools and the building of community halls. But are you comfortable with doing that at the cost of the school

communities? What we are seeing is community space being provided at the cost of school communities, and community halls being provided at the cost of tearing down existing assembly halls and having them replaced. Do you think that is necessarily a good use of resources?

Ms Cresswell: Our line on the school sites has always been that we want to see that land maintained as community facility land. So we have always wanted to ensure that it was not sold off for other purposes and that it remained as community facilities. At some time in the future, if we need that school site, we will be able to convert back to school sites.

We do not want to set the community sector up against schools and we have certainly been working closely with people like the P&C council to make sure we do not step on toes. But our view is that if those premises zoned as community facilities are vacant, we would like to see them refurbished so that the organisations that are very much the backbone for disadvantaged Canberrans are able to have adequate premises.

MRS DUNNE: You talked about the ACT not being very big on models for shared services. The old Pearce primary school SHOUT model: is that the exception?

Ms Cresswell: No, that is a fabulous model. There are models around that are doing some really good work. We are trying to look at those models—and they are noted in our papers—and at what works for them. We certainly acknowledge the work done by SHOUT and by others in the ACT. We are trying to work with organisations so that they feel they remain loyal to their philosophy, they have integrity for their members and they do not lose out in relation to larger costs. It is not always the case that the sharing of costs saves a lot of money. It certainly does not always reap benefits for organisations. We are trying to find all the areas in which costs can be saved so that we can work on presenting a model to government.

THE CHAIR: I believe there may be some ancient records at ACTCOSS to do with the investigation of some shared services. I know that Western Australia and Victoria were two places that were looked at at the time.

Ms Cresswell: The old work at ACTCOSS was about community service buildings. There has certainly been work done in Victoria and Western Australia. I think in Western Australia Lotterywest provided the house. Unfortunately, when the ACTCOSS computers were stolen in 2000, most of the records disappeared, but a number of people have given us hard-copy documents that we have now got on our computer to replace some of that work. That is one that, fortunately, we have since been given.

THE CHAIR: Are you doing any investigation into the numbers of different acquittals that organisations have to complete at any given time to their various funding bodies, and what that entails?

Ms Cresswell: Certainly, as part of the funding paper, we are looking at ways to simply the whole funding round as well as the financial obligations of organisations, because it is a big one, and certainly for small organisations it is one that can sometimes bring them undone. They may not understand their requirements or they

may overlook things in the business of going about day to day in dealing with the crises they deal with. So it is one of the things we will be looking at.

THE CHAIR: Thank you. We will send you some more questions if we are able to do that. We are just checking whether we can. Thank you very much for appearing before us this afternoon.

Ms Cresswell: Thank you.

Meeting adjourned from 3.12 to 3.28 pm.

Appearances:

Canberrans for Power Station Relocation Inc.

Byrne, Mr Simon Vincent, member

Gibbon, Mr Rodahn Kerr, committee member

Holmes, Mr Dugald, committee member

Payne, Mr Roger Gregory, Vice-President

THE CHAIR: Good afternoon, Mr, Gibbon, Mr Payne, Mr Byrne and Mr Holmes, and welcome to this hearing of the estimates committee for 2008-2009 for community groups. Have you read the yellow card on the table in front of you?

Mr Gibbon: Yes, we have.

THE CHAIR: And do you understand the privilege implications that are contained within that.

Mr Gibbon: We do.

Mr Byrne: Yes.

Mr Holmes: Yes.

Mr Payne: Yes.

THE CHAIR: There are just a couple of housekeeping things. Could you please turn mobile phones off or to silent; speak directly into the microphone; when you first speak, say your name and the position in which you are appearing; only one person to speak at a time—and that goes for us as well as you, of course—and, if you are going to mention a particular person, it would be helpful if you could speak about them in the third person; and only people sitting at the table may speak. Would you like to make a presentation first and then members will ask questions?

Mr Gibbon: Good afternoon, Madam Chair and committee members. My name is Rodahn Gibbon and I am a spokesperson for the Canberrans for Power Station Relocation Incorporated, an incorporated association with the following objects and purposes of association: to stop the proposed power station from being developed in the district of Tuggeranong, block 1671; to ensure any power station development does not have an adverse impact on any Canberra residential area; to ensure that there is appropriate community consultation with regard to site selection for any power station in the future; and also to ensure that this development is subject to a full and comprehensive environmental impact study, regardless of the location.

With me here today are Mr Roger Payne, the vice-president of our association, Mr Simon Byrne and Mr Dugald Holmes. There have been a few references within the media recently about our so-called backers. For the record, we are backed by a strong sense of community and our right to protect our health and wellbeing and that of our children. We are backed by common sense and what we believe is morally and ethically right.

There are three things that we would like to bring up today. They concern the environmental impact study that must be taken before this project and issues regarding the broadacre zoning of this particular proposal. We would also like to make some comments on process, seeing as the government has been talking about it non-stop.

Some of the remarks I make will be quite pointed. Our formation as an organisation has been born out of a proposal that flies in the face of common sense. A consortium led by ActewAGL has submitted an application to develop a 210-megawatt turbine power station as part of a facility that also includes data centres. Depending on who you talk to at ActewAGL, the facility is somewhere between 600 metres and one kilometre from residential suburbs. However, given that we are talking about nine jet engines, 18 stacks each 10 storeys high, the difference between 600 metres and one kilometre is merely academic. This facility and this power station are closer than the local shops, the local church and the local school.

This proposal poses significant adverse impacts on the health and wellbeing of the entire Canberra community, yet a complete comprehensive environmental impact study has not been undertaken. Despite well-founded and serious concerns, we the community find ourselves caught between an arrogant proponent and a government that can be described as apathetic at best.

Whilst the community struggles to understand and interpret the complex yet poorly produced preliminary assessment within an extremely short period of time and without the resources required, the proponent treats the community with disdain and contempt, displaying traits of a corporate bully and incompetence.

When presented with valid concerns and questions, the best responses have been “we don’t know”. The more common have been snide and arrogant remarks such as “we will plant a row of trees” or “if you don’t like Australian standards, then move overseas”. Is this how we are to treat our community? A little arrogant, I think, for a company that has submitted a preliminary assessment with environmental reports that state such things as “This model cannot be validated” or where the maximum pollution limits were only satisfied by 0.4 of a per cent—those same pollutants that have been recently spoken about, in this committee, that cause emphysema and asthma. A little arrogant, we think, for a company that uses party balloons to manage its infrastructure height and visual impact issues.

This company have been very quick to espouse the potential benefits of their proposal to Canberra and label us as antidevelopment. But they themselves are also willing to sacrifice those benefits should they not get what they want when they want it. They have stated many times they are not even interested in discussing an alternative site. I would hardly call this an attitude pro development, especially given the risks that this particular proposal proposes.

It is hard to understand where the government stand on this issue. They hide behind words such as “world-class statutory process”, a process under which the community itself was forced to produce its own images of a facility, instead of the proponent. A world-class process that would allow a power station to be built without a full environment impact study? A world first? Probably in Australia. World class?

Obviously not.

They talk about an arm's length process, yet we have the responsible minister recommending the proposal to the Assembly before the application has been submitted and the environmental studies published. We have had a media embargo placed on the release of the PA for no reason. We have had land eviction notices issued before the PA objection period has even closed. Worse still, after the proponent was more or less forced into consultation, once on 28 April and another time on 17 May, the Chief Minister to this committee on Monday stated:

I must say there has been, regrettably on behalf of some people, a lack of willingness to engage in that consultation.

This is an insult to the community that has been demonstrably kept in the dark and then treated with contempt by the proponent. I do not remember seeing the Chief Minister at these consultations; perhaps he would like to tell us which of the community members he has spoken with.

On this issue, it appears that the government is either unwilling or unable to consult and communicate with its constituency despite the fact that by now probably over 3,000 people have signed a petition asking for this facility to be moved. We look forward to meeting with the three Labor MLAs for Brindabella whom we have not spoken with yet. If only this issue got as much attention from this government as the one-day Olympic torch relay received.

Nonetheless, our group is working to protect the rights of the Canberra community because, if this proposal goes ahead, it will affect the health and wellbeing of families for many years to come.

There are two very important issues that relate to risk management and dangerous precedent setting. These alone have very obvious impacts on the ACT budget which will stretch far into the future in terms of this specific project and, more importantly, on future development within Canberra itself. We believe that the requirement to conduct a full environmental impact study is not only based in common sense and ethics but is also a legal requirement under the EPA. We also believe that this particular proposal is in conflict with the territory plan and could set a treacherous precedent for future development. I will now ask Mr Byrne to discuss the EIS issue. Mr Holmes will discuss the territory plan issue.

Mr Byrne: We are unable to find an example of a power station proposal in Australia that has not produced an environmental impact statement. It would seem that this is the accepted practice, so we are wondering why neither ActewAGL nor AGL has produced one and why the government has not insisted on one. I will bring your attention to the ACT Environment Protection Act 1997, which states that a person must not undertake class A or class B activities without environmental authorisation. That is section 42 of the Environment Protection Act. The power station would be a class A activity under schedule 1, table 1.2, item 25:

the generation of electricity by a generator classified as a scheduled generating unit under the national electricity rules ...

In considering the application for authorisation, preparation of an environmental impact statement, EIS, could be required under sections 49 and 94 of the Environment Protection Act. If this is truly a transparent process and there is nothing to hide, why hasn't the government called for an environmental impact statement, as it would seem appropriate?

I also bring your attention to the new Planning and Development Act. I am sure that you are all aware that the ACT Planning and Development Act 2007 and a new territory plan commenced on 31 March 2008. According to ACTPLA, ActewAGL managed to get their preliminary assessment and development application lodged on 26 March. We suspect it is a strategy to avoid having to produce an EIS and to meet the more rigorous standards that are expected nowadays.

If ActewAGL had submitted their development application after 31 March, the project would be on the impact track system and, according to schedule 4, an EIS would be required, because the transmission, line corridor construction or realignment works outside an existing corridor that are intended to carry transmission lines with a voltage of 132 kilovolts or more requires an environmental impact study. And, importantly, an electricity generating station that will supply 30 megawatts or more of electrical power is also required to produce one.

This proposal is for a 210-megawatt facility, seven times the threshold requirement for an environmental impact statement under the new legislation. How can the community be comfortable that you, as the government, have done everything you can do to ensure that this proposal meets the community's—

THE CHAIR: Sorry, you are talking to a committee, not—

Mr Byrne: Sorry.

MRS DUNNE: We are not the government.

THE CHAIR: We are not the government.

Mr Byrne: Right, okay.

MRS DUNNE: We are just a committee.

THE CHAIR: We are a committee.

MRS DUNNE: But we are hearing your views.

Mr Byrne: Okay. How can the community be comfortable that the government have done everything that they can do to ensure that this proposal meets the community's expectations when an EIS has not been done? According to ACT planning, it is common practice for developers to simply submit an EIS with their preliminary assessment. In contrast, we note that ActewAGL appear to be doing everything they can to avoid doing one. As main shareholders in ActewAGL, and being responsible for the health of the ACT community in this instance, we are amazed that the

government have not insisted on an environmental impact statement.

In the preliminary assessment that has been lodged for this development, a figure of 245 micrograms per cubic metre has been put forward as the worst-case scenario in terms of nitrous oxides. That is just 0.4 of one per cent below the threshold. We strongly dispute this figure on the basis that the proper science simply has not been done and a proper environmental impact statement will go a long way to solving that. However, putting that issue aside for the moment, we wonder if the government is comfortable with that figure when world standards are much lower; for example, Austria, 50; France, 50; Italy, 60; Netherlands, 63; Spain, 50. We are wondering why the government is so comfortable with emission levels which are obviously much greater than the accepted standards in other parts of the world.

I will also make the committee aware that six of the nine gas turbines are solar turbines model 250. As far as we can tell, these turbines have not been installed anywhere in the world and are being released to the market now. How can the community be reasonably expected to be comfortable with the safety of these machines if they are not in common use?

Mr Holmes: I would like to speak to the territory plan and the broadacre use therein. The land in question is currently designated broadacre and specifically public space in a special purpose reserve. The broadacre objectives include: make provision for activities requiring clearance zones or protection from conflicting development; ensure that development does not adversely impact on the environmental quality of the locality and that development does not adversely affect distant views from public places to major regional features; or ensure that development does not adversely impact on the environmental quality of the locality.

The development application states that, as well as a power station, there will be a communications facility. We are surprised and ask: what kind of a communications facility incorporates data centres that contain approximately 9,000 square metres of air-conditioned office space and provision for over 400 car parking spaces? The consortium says that the application process will determine the suitability of this site. However, the proponents have already stated that they strongly believe that this site is the most suitable for the proposed development as it is located close to major utility and telecommunications infrastructure, with not a mention of consideration of its unreasonable proximity to the residential areas.

The implication of suitability, having been already determined, may also be demonstrated by the proclamation that they are committed to this site and will proceed whatever it takes; that Minister Barr has already recommended this project; and that Territory and Municipal Services instructed the rangers to issue horse eviction notices, dated 15 February, for eviction of the horses from the Rose Cottage paddocks by 14 May. This was stayed only by the intervention of John Hargreaves a couple of weeks ago.

Finally, the noise assessment of acceptable acoustic levels, as submitted in the preliminary assessment at appendix M, from Bassett Engineering, states that the proposed gas-fired power station location is currently designated for broadacre land and therefore it is zone E, but it is expected that the entire area is to be rezoned

industrial and therefore be designated zone A. This would suggest Bassett's own doubts that this development be considered suitable for broadacre.

MRS DUNNE: Mr Holmes, have you had any indication from ACTPLA as to whether or not they propose to rezone the land? I have heard conflicting views about whether or not the land needs to be rezoned.

Mr Holmes: Not directly from ACTPLA. We have had it stated, obviously, in the community consultation last weekend by ActewAGL. They specifically have stated that this proposal meets all of the zoning requirements.

MR PRATT: Mr Gibbon, can you tell me please when was the first time that you, as a resident of Macarthur, found out about the details of the actual site of this project?

Mr Gibbon: I personally found out through the grapevine, unfortunately. It would have been in the middle of the school holidays, in fact, because I believe that the actual proposal itself was released at the beginning of the school holidays—a practice, apparently, not condoned.

MR PRATT: Which school holidays?

Mr Gibbon: It was the April school holidays. The date would be about 20 April, I believe. That was two weeks before the closing period.

MR PRATT: Is that about the time frame that you think most of your neighbours discovered the detail? Do you have a feeling for that? Did they discover this much earlier?

Mr Gibbon: I would have been one of the first of the residents who live close to that area to find out.

MR PRATT: What was it that you found out about the actual site—that is, adjacent to Mugga Lane versus the general information about Hume? When did you first find out or understand the full scope of the power generation of this particular project?

Mr Gibbon: It would have been a couple of days after I found out about the proposal, because someone had simply mentioned to me that it was data centres that were being built. It was a couple of days after that that someone said, “Apparently there is going to be a generator alongside it as well.” I then immediately went to the ACTPLA website to look it up. I am an engineer by trade and, quite frankly, it was incredulous to read that a 210-megawatt power station was being built—a power station big enough to power twice as many homes as there are in Canberra.

DR FOSKEY: Since your group has become active, for which I must say I have the greatest amount of admiration at the speed at which you were able to organise—

MRS DUNNE: And get yourselves incorporated.

DR FOSKEY: But I am wondering what has been your perception of the response of the government and, noting that there was another consultation last Saturday, whether

you feel that you are now, now that you are seen as a strong political force, I am sure, getting the kinds of answers that you want and are being treated with more respect or whether you find that it is really more of the same. I am interested in your perception of issues since you started being active.

Mr Gibbon: I think it is ironic, is not it, that we have this environment in Canberra where, if someone complains about something, they immediately get labelled a NIMBY. The government must relish this because they themselves are no longer held to account; they have a community that self-regulates; people are no longer happy to stand up and be counted and say things like, “Hang on a second. This does not quite seem right.” That is regardless of the fact that something like this can be built next to a residential area, as I said, closer than the local shops. NIMBY!

We still struggle. I do not believe that we received support from the government. In regard to the Chief Minister’s comments to this committee on Monday, as I said, we find it insulting to say that we have not been actively involved in consultation. We forced ActewAGL to consult with us. The only reasons they had those two presentations were that we made them do it. I still do not believe we are getting the level of respect that we deserve.

These are health and wellbeing issues, on one hand; they also go to fundamental issues of rights of people. We are being told by the government that, as long as this particular power station meets the environmental requirements, then we potentially have no rights at all. And I do not believe that is true.

THE CHAIR: Environmental impact studies are planned and are going to take place?

Mr Gibbon: I am sorry, Madam Chair, is that a statement or—

THE CHAIR: It is a question. You just said that the Chief Minister said that, as long as it met environmental standards; therefore, environmental studies must be taking place or about to take place? There is no way of checking it, otherwise.

Mr Gibbon: That is absolutely correct but there is no guarantee of that in the current process.

THE CHAIR: I am just a bit confused about the two statements, that is all.

MR SMYTH: Perhaps you could outline the process that would lead to an EIS being undertaken. Obviously the proponents have done their own studies. What validation would you like of those studies to prove that they are accurate, particularly given that we heard from the Chief Health Officer yesterday that one of the major concerns of ordinary Canberrans is, of course, nitrous oxide output?

Mr Gibbon: I will defer to Mr Byrne on that.

Mr Byrne: We would suggest that environmental studies have not been done at all.

THE CHAIR: I do not believe he said that, Mr Smyth, by the way.

MR SMYTH: He certainly did.

MR GENTLEMAN: That was your statement, Mr Smyth.

MR SMYTH: It was the first thing he listed when he said, “We monitor at Monash. The things we look for are”—and top of the list was nitrous oxide.

MRS DUNNE: It is in the national environment protection measure.

THE CHAIR: We will check the *Hansard*.

MR PRATT: It is reported in today’s *Canberra Times* too, chair.

THE CHAIR: That makes it a fact, Mr Pratt?

MR PRATT: No, but it makes it an indication.

DR FOSKEY: Hang on; there was a question there.

THE CHAIR: Let us go back to the question, but we need to check the *Hansard*.

MR SMYTH: What leads to your belief that there should be a full EIS?

Mr Byrne: We would suggest that no environmental studies have been done at all at this stage. Essentially, some documents have been made to fit a requirement in terms of the preliminary assessment.

THE CHAIR: Not at this stage.

Mr Byrne: At this stage. A full environmental assessment is basically doing the science on the site, doing it properly, doing science that stands up to scrutiny, and being done over a period of time to ensure that all the variables are taken into account. It is my understanding that ACT planning can require an environmental impact statement. It is also my understanding that the minister can require an environmental impact statement.

DR FOSKEY: Would that be an independent one?

Mr Byrne: Yes.

DR FOSKEY: Or would it be done by the proponent?

Mr Byrne: From discussions with ACTPLA, my understanding is that ACTPLA can arrange for the environmental impact statement to be done by a contractor or consultant hired by them.

MR PRATT: So you mean by that that the EIS into the plume emissions factors ought to be undertaken on a 24-hour cycle and seasonally to assess all of the prevailing conditions?

Mr Byrne: Yes.

MR PRATT: Is it your understanding that the indications are that that assessment has occurred or not?

Mr Byrne: No, it has not come anywhere close to that, in fact. For example, the industry-accepted standard of modelling the plume studies is a software product called Ausplume and that is used in conjunction with some methodology which has been defined by the New South Wales government. Ausplume version 6 is the particular piece of software that has been used in this case.

According to the methodology that has been set out by the New South Wales environmental protection people, Ausplume cannot be used in situations where there is a high frequency of calm air and where there is complex terrain. At 9 o'clock in the morning, 44 per cent of the time when they take measurements, it is calm air. At 3 o'clock in the afternoon, I understand, it is nine per cent of the time.

So there is a high frequency of calm air in this area that would preclude the use of Ausplume version 6 in this case. Similarly, with the terrain, it is complex terrain; it is not flat; it is not an airport; it is not a field; it is a valley with ridges et cetera.

MR PRATT: So ActewAGL's indication that their studies have indicated a maximum of 245 micrograms per cubic metre against, I understand, a one-hour test in conditions based on airport-prevailing air conditions would not particularly excite you as being something which is fully scrutinised?

Mr Byrne: This is not even a test. This is a model using data from Canberra airport and using data from Wagga. Wagga is not Canberra. Wagga is not southern Canberra, not Tuggeranong.

MRS DUNNE: Have you asked ACTPLA or ActewAGL whether they will do an EIS?

Mr Byrne: We have asked ACTPLA.

MRS DUNNE: And have you received an answer?

Mr Byrne: No. We have asked ACTPLA and ACTPLA will not respond, probably quite rightly, on this specific assessment, as it is going through their processes at the moment.

MRS DUNNE: ActewAGL?

DR FOSKEY: The minister can require it when its EIS period is complete?

Mr Byrne: Yes.

Mr Payne: Can I just offer a comment? Our association has become extremely frustrated by the evasive answers every time we ask anybody from ActewAGL anything. When we have asked them some very specific technical questions about

major weaknesses in their noise and environmental study, they either dismiss us saying, “We don’t know that; we’ll get our technical experts, and we’ll throw our experts at your experts,” and everything like that, or, as Rodahn indicated early on, we get very dismissive and flippant comments. I think John Mackay’s comment was, “We’ll grow a whole lot of 35-metre trees along the boundary.” So we either get evasive answers from them whenever we ask sensible questions or we get flippant responses that we find fairly insulting.

MS MacDONALD: We have heard that, and we note that.

Mr Payne: Yes.

THE CHAIR: Thank you very much for appearing before us this afternoon.

Mr Gibbon: Thank you, Madam Chair; thank you, committee.

Appearances:

Lifeline Canberra

Bennett, Ms Marie, Executive Officer

THE CHAIR: Good afternoon. Sorry we are running a little bit late; we will try and give you the time you deserve. Welcome to the estimates committee 2008-09.

Ms Bennett: Thank you.

THE CHAIR: You have read the privileges card and you understand the implications contained within it?

Ms Bennett: Yes.

THE CHAIR: Would you like to make some opening remarks?

Ms Bennett: I would, thank you. Thank you for the opportunity of speaking to the committee this afternoon. There are many elements of the ACT 2008-09 budget that Lifeline Canberra applaud and three areas of the budget that we would like to make comment on: sector viability, homelessness and mental health.

In terms of sector viability, Lifeline Canberra note the intent of the ACT government to develop a system of portability of long service leave in the community sector. We affirm this decision and await with some interest to see how the system will actually work. It may, indeed, have a positive impact on the recruitment and retention of staff to the sector.

We do recognise indeed that there are some issues that currently impact on the ongoing viability of the sector in the ACT. Firstly, organisations such as ours are unable to compete with the public or private sectors in relation to wages. To attract and retain staff, we are forced to offer conditions that more than compensate for the shortfall in wages which, in turn, leads to a significant reduction in output because of these compensations.

Secondly, these significantly enhanced conditions do not guarantee us skilled staff. It is expensive to live in the ACT community, and, despite the offer of good conditions, money is a significant consideration for people. Skilled employees can command higher pay rates than the community sector can manage. The community sector is a great training ground for people who, once skilled up, move on to public or private employment, leaving the community organisation to start the training process all over again.

In relation to both paid and voluntary staff, we note the allocation of funds to establish a regulatory system to screen people who work with vulnerable people, via criminal background checks. Lifeline Canberra acknowledges the value of such checks. We would also like to point out that currently, for an organisation like ours, the cost would amount to around \$20,000 per year, as background checks are valid for only one year and they are redundant as soon as they are received. We also point out the significant administrative burden that this will place on us with almost 450 checks that

would need to be done annually. We have a strong interest in seeing how this initiative is going to be undertaken and how the costs are going to be met.

Finally, Lifeline Canberra applaud the government commitment of funds to establish community facilities and to pay indexation according to the existing formula. We do not anticipate that, given our size, Lifeline Canberra will be able to be accommodated. However, we do hope that these new facilities and infrastructure will assist community sector organisations maintain their viability.

In terms of homelessness, it is the opinion of Lifeline Canberra that homelessness, or, more accurately, affordable housing, is currently the most significant emergent crisis that the ACT is facing. Our crisis line and our Canberra emergency accommodation service are beginning to see evidence of the emergence of a section of the community being referred to as the working poor.

We are aware of an increase in calls from lowly paid and usually unskilled workers who are unable to keep a roof over their heads or the heads of their families. A proportion of these callers are migrants with poor language skills or refugees trying to assimilate into our community and culture. Because of the complete absence of emergency housing for families and the lengthy waiting list for public housing, there is almost nothing we are able to offer these people beyond a place to access food and possibly warm clothing.

We noted that the Department of Treasury reports that 87 per cent of new public housing allocations were made to people in urgent need of housing. The national average is 38 per cent. It is possible to view this as good targeting of resources or as being indicative of the size of the housing crisis facing the ACT.

We also noted in Treasury's documentation that all 2008-09 ACT budget initiatives regarding housing have no cost to the ACT government and are initiatives that people at risk of homelessness are unlikely to ever have cause to use. The funding cuts to the homelessness services sector two years ago are continuing to have a deep impact on the ability of services to provide for those who are at risk of homelessness.

In the six months to 31 December 2007, 35 per cent of people needing immediate access to emergency accommodation were offered only the possibility of getting accommodation within the supported accommodation sector. The remaining 65 per cent were going to be sleeping in untenable circumstances or sleeping rough that night.

Many of the people who needed immediate access to emergency accommodation were families, and to access available accommodation they would have to split up as a family. That is an unacceptable choice for many of them. Many of the callers to our CEAS line are presenting as having thoughts of suicide as a result of their housing situation.

Lifeline Canberra is a strong advocate for a change of policy being sought by the SAAP sector in relation to head tenant agreements. For many homeless people, getting public accommodation is only the first hurdle that they are required to overcome. SAAP services are prepared to provide the ongoing support that they need to sustain their clients in public housing by effectively becoming the tenant for

Housing ACT on behalf of individuals who may not be able to sustain a tenancy themselves. We advocate for sufficient resourcing for these organisations to provide this valuable support service to those for whom public housing offers the only opportunity of safety, security and a measure of stability.

In relation to mental health, we note and acknowledge the investment of \$8.45 million over the next four years for the provision of a reformed program of service provision for mental health consumers. We note the provision of \$37.5 million over the next two to four years for mental health service infrastructure, and we encourage the government to consider continuing this level of investment in mental health services recurrently.

One in five people, 20 per cent, experience enough symptoms of mental ill health each year to be diagnosed with a mental illness. In other words, between 65,000 and 70,000 people in the ACT population have diagnosable symptoms of mental ill health each year. Lifeline Canberra is one of the few services in the ACT able to offer mental health support to many thousands of these people. Most do not have and would not get access to designated mental health services.

It is our experience on the 24-hour crisis counselling lines that the majority of our calls are now mental health calls and that the complexity and severity of the mental health illness being experienced is increasing exponentially. We have had a significant increase in calls from people who are the survivors of abusive situations and who are unable to come to terms with their experiences. We are taking significant numbers of calls from people suffering from the impacts of substance abuse.

Over 10 per cent of our calls are from people having thoughts of suicide. These calls are also increasing in complexity, and many more are presenting when suicide is imminent, which significantly heightens the pressure on our volunteer counsellors and makes our intervention that much more difficult to do.

Suicide is an extreme end point of mental health issues, and Lifeline Canberra believe that we have a major role to play in the area of suicide prevention, intervention and post-vention. We look forward to the contribution that we can make to the provision of new and improved services to the community in the area of suicide and mental health.

Finally, I would like to address two areas of mental health need that could or perhaps should be being addressed by the ACT government. Firstly, we note that significant injections of funding have been made to the Alexander Maconochie Centre in this budget. Lifeline Canberra made significant investments of resources in responding to a request to provide a program of services to AMC prisoners and staff. The program was to provide suicide intervention skills training to staff, communication and suicide intervention skills training to prisoners and access to the 24-hour crisis line to prisoners. Our proposal was rejected out of hand by prison development management.

We strongly urge the government to reconsider this position. The experience of incarceration will have significant impact on the mental health and wellbeing of prisoners, and we believe that the provision of support services, such as those we can offer, can possibly assuage these effects.

Secondly, adolescence is a time of life when mental health issues can begin to become apparent. Teachers are very often the emergent caregivers for those young people experiencing the onset of mental illness. They are in a position to objectively identify and recognise the issues as they arise.

Over the past 10 years, Lifeline Canberra has made many attempts to interest both the department of education and the teacher training universities in providing all teachers and student teachers with suicide intervention skills, mental health first aid skills and, more recently, youth mental health first aid skills and suicide post-vention skills. These attempts have been spectacularly unsuccessful. We strongly urge the ACT government to consider providing funding for the provision of these training programs to all ACT teachers.

We thank you for the opportunity to put our thoughts before the committee, and we hope that we have been able to offer some food for thought for your deliberations.

THE CHAIR: Thank you very much, Ms Bennett. Just a couple of quick questions.

MRS DUNNE: Yes. There was so much in what you offered, Ms Bennett. Could I just go back to the last point that you made, that there has been considerable discussion in this forum and in many others over the last few years about the rise of more difficult behaviours amongst schoolchildren. Do you see a manifestation of that in the telephone counselling services that you provide? What prompted you to make the recommendations that you did to the government, and what backed up that recommendation?

Ms Bennett: We provide a service to schools and to the community known as LYNX, the Lifeline Youth NetworX. Our experience in the schools has been that teachers are struggling more and more with the attitudes and the behaviours of some of the students, and, in particular, with a measure of great concern about the mental health of these students when it is an area they have little or no knowledge of or expertise in.

Basically, what we believe we can offer is the provision of the skills to identify and recognise emergent mental health issues which, in turn, allows the community to provide some of the intervention and support that is needed at the time and earlier perhaps than it might otherwise have been before.

MRS DUNNE: Are you relying on anecdotal feedback or are you relying on reports to your line or what? What prompted you to see that this is an area of particular concern?

Ms Bennett: There has been some evidence with the fact that our mental health callers to the crisis line have increased exponentially over the last few years. We have in fact had an increase of calls like that from young people. However, I think it is the studies that have been done around the whole area of mental health first aid or young people's mental health issues that really convinced us that this is a significant area where we believe we can have an impact on the community.

MRS DUNNE: The training that you are talking about for teachers and trainee

teachers, how much training is that?

Ms Bennett: Two days.

MRS DUNNE: It could be done as an in service?

Ms Bennett: It could be done as an in service, yes.

MR SMYTH: How much to provide the teacher training?

Ms Bennett: It would cost about \$220 per person.

MR SMYTH: The proposal for the AMC that was rejected out of hand by the government, how much?

Ms Bennett: It was \$35,000 per year at the time; probably a bit more now.

MR SMYTH: Was there a reason given? Was some assessment done that indicated what you are offering is inferior?

Ms Bennett: No.

MR SMYTH: Or was that just rejected out of hand?

Ms Bennett: It was rejected out of hand. What we found happened was that there was a very strong advocate for the program, the person who encouraged and asked us to put in our proposal. He resigned and moved on. That was the end of that as an idea.

MR SMYTH: In your submission, which is very well put together, you talked about a new program that would cost \$450,000. Were you successful, partly successful, not successful at all?

Ms Bennett: For the gambling?

MR SMYTH: Yes.

Ms Bennett: We were not successful, no.

MR SMYTH: Is the gambling separate to this one? Is the gambling a different one? No. It is the same program. Where is the book warehouse project at?

Ms Bennett: We have got a hole in the ground now.

MR SMYTH: And that hole in the ground would be where?

Ms Bennett: It is in Heffernan Street in Mitchell. We have got the foundations going in. We have to really reinforce it because of the weight of the paper.

MR SMYTH: Expected opening?

Ms Bennett: 20 October is when we expect to have it handed to us with the key.

MR SMYTH: Zed can come and open it as the new Chief Minister?

Ms Bennett: Yes, because the election is the week before that.

MR SMYTH: Two days before.

Ms Bennett: There you go.

MR SMYTH: But best of luck.

THE CHAIR: I doubt very much that we will know who is going to win by that time.

Ms Bennett: I doubt it too, yes.

MR SMYTH: Total cost and how are you financing it?

Ms Bennett: I can certainly give you some indication on that. The ACT government gave us a block of land, which was very generous. We have a \$678,000 grant from the department of infrastructure, regional transport—I cannot remember the rest of it.

MRS DUNNE: The commonwealth department, yes.

Ms Bennett: The commonwealth department that used to be DOTARS. That is a regional partnership grant. And then we have our own funding.

MR SMYTH: Level of debt over it?

Ms Bennett: \$500,000.

THE CHAIR: I am sorry, but we do need to finish there.

Ms Bennett: That is all right.

THE CHAIR: Thank you very much.

Ms Bennett: Thank you.

THE CHAIR: Is it possible for you to table that or provide that by email to the secretary?

Ms Bennett: Absolutely, yes.

THE CHAIR: Thank you very much.

Ms Bennett: No problem.

THE CHAIR: You are going to provide it by email; is that what you are going to do?

Ms Bennett: I will do that.

THE CHAIR: Thank you.

Appearances:

UnitingCare Kippax/Kippax Uniting Church
Ramsay, Mr Gordon, Team Leader

THE CHAIR: Good afternoon, Mr Ramsay. Welcome to the Select Committee on Estimates 2008-2009. Thanks for appearing before us. Have you read the yellow card that is before you?

Mr Ramsay: Yes, I have.

THE CHAIR: Do you understand the privilege implications contained within it?

Mr Ramsay: Yes, I do.

THE CHAIR: Would you like to make some opening remarks before we ask questions?

Mr Ramsay: I have a copy of the opening statement if it is convenient for people to have a look at it.

THE CHAIR: That is very good. If you want to give us a precis of that, to leave more time for questions, that is up to you.

Mr Ramsay: We greatly appreciate the opportunity to speak with you today and to give some response to the budget in light of the submissions from both UnitingCare Kippax and also the West Belconnen Interagency Liaison Group.

As a member of ACTCOSS, we endorse the views that have been put to the committee on the response to the budget. So I will leave the more general response in that area and I will concentrate on the situation in west Belconnen, which is where UnitingCare Kippax is based.

As you are aware, west Belconnen is an area with pockets of significant localised disadvantage. It is a fact that is well documented by demographic studies by the Australian Bureau of Statistics and it is also highlighted in the *Living on the edge* report which was released in October last year. We come with some significant on-the-ground experience and we bring that perspective to the comments that we are making today. Some of the evidence of that experience is in the statement that is before you.

With the high, significant and complex needs that there are in west Belconnen, there are several initiatives which we warmly welcome in this year's budget. We believe they will make life significantly more positive for people in west Belconnen. We strongly welcome the \$845,000 that is set aside for the family support program. We strongly welcome the planning for the next early childhood and family centre, which is planned for west Belconnen, and we look forward to the ongoing liaison between government and the community to develop a model that is specific to the needs of west Belconnen and which does not duplicate or compete with existing services.

We strongly welcome the opening of the new school in west Belconnen next year. We welcome Holt school being refurbished and being made available for community use. We are keen to hear of the future of Higgins school after its closure at the end of this year, as we understand that no decision has currently been made on the use of Higgins school. We cautiously welcome the new bus services that are to commence shortly, but we still have some significant concerns regarding transportation and accessibility to services for people who experience social isolation, especially in Dunlop. These initiatives are all positive steps and are very much steps in the right direction. We know that statistics and dollar signs are not the way that you measure a budget or the mark of a community.

THE CHAIR: Can I just interrupt you there. Are the names contained in this document the names of real people or are they—

Mr Ramsay: No, they are not.

THE CHAIR: So they are fictitious names?

Mr Ramsay: They are fictitious names but they are real situations.

THE CHAIR: Thank you.

Mr Ramsay: In the words of Sir William Deane, we believe that the health of the community is best measured by the way that it treats the most marginalised members of society. I would like to highlight some of the situations that are there before you.

THE CHAIR: Yes, it does say they are not their real names.

Mr Ramsay: They are not their real names. I want to highlight the situation of Susan, who lives in Macgregor. Susan does not have access to a car during the daytime but she does need access to medical specialists. Specialist medical services are absent from west Belconnen, so for Susan to get to an 11 o'clock appointment at Calvary Hospital, under the new bus regime she will need to leave home by 9.30 in the morning. If she has an appointment at Canberra Hospital or at John James, she will be leaving by 8.30 in the morning and travelling for approximately five hours in the day.

I want to highlight the situation of Josh, Benji and Caleb, who are three teenagers who live around Kippax. They are young guys who have not had a local high school and they will not before they finish year 10. There is very little for their age that is organised in west Belconnen. The difficulty of accessing what is available is made worse by the difficulty of transportation north-south along the Charnwood to Kippax line. The assumption is that everyone wants to head into the town centre, while the reality is something else. But when Josh, Benji and Caleb were spoken to by a member of the UnitingCare Kippax staff and asked what they might be interested in doing, rather than walking the streets or wandering around the shopping centres, their eyes lit up with excitement at some of the possibilities that were discussed with them. But we also understand that funding for increased youth services in west Belconnen was absent from this budget, which is a significant disappointment.

I want to highlight the situation of Sharon, who lives in Dunlop. Sharon's local

community has no community facilities. There is no school, there is no library, there are no shops, there is no school that has been closed down that can be refurbished and made available in Dunlop for people there. I understand that the absence of community facilities was a deliberate government policy in the design of the suburb of Dunlop. Sharon attends playgroup in the park, which is run by Belconnen Community Services each week—that is, at times when the weather does not preclude it from being run, and that playgroup needs to shut down during winter. There are no facilities in which the group can meet in bad weather or in winter, because Dunlop has none. At those times Sharon’s social interaction with other parents, carers and children is lost.

We believe that social interaction is not a privilege; it is actually the foundation of a number of human rights. When we as a society do not enable that to happen, I believe we are not only undermining the individual’s humanity, but we are also eating away at society as a whole.

I want to highlight the situation of Lynne, who has now been on a waiting list to get onto a local doctor’s patient list for over two years. I want to highlight the situation of Barry, who has to pay \$60 each time he goes to his local GP because of the lack of bulk-billing in the area. We note that progress on the west Belconnen medical co-op appears to have stalled at the moment.

Finally, I would like to highlight the situation of people and organisations who are providing services to the area of west Belconnen. Each of the staff members of the organisations works beyond their regular hours because of their dedication and commitment to a better community. We know the importance of cooperative work, we know the importance of dedication to avoiding any duplication or competition between community services. We are asked in our grant applications and project funding applications each and every time, “Will this be duplicating any existing services?” and we smile as we fill it out. We certainly cannot compete because there is no excess money; there is no slush money for duplication of services. But we know that there are a number of ways that cooperation is possible. The *Living on the edge* report is one of the illustrations of what can happen when there is high-level cooperative work across a number of agencies.

This cooperative work is very time consuming and it requires high-level strategic involvement by organisations. It is driven by people who are already overworked in the provision of vital services. So we included in the west Belconnen interagency submission regarding this budget a recommendation for the funding of a development officer to continue to develop this cooperative approach to services in the area of west Belconnen. We were extremely disappointed that that position was not funded. It means that the collaboration of services and agencies is likely to suffer, or else that the services that are necessary for the community will need to be put on hold from time to time to allow the collaboration to take place.

In summary, I again confirm that this year’s budget does contain some very positive steps in the area of social inclusion for west Belconnen. I would like to affirm again that a budget must be measured in the way that it impacts on the lives of real people, and my hope is that in sharing some of the stories of these people from west Belconnen I have been able to open a conversation about the benefits and gaps in this

current budget.

THE CHAIR: Thank you very much, Mr Ramsay. Mrs Dunne?

MRS DUNNE: Thank you very much for your comprehensive presentation. The budget does include, as you say and as we all know, initiatives for family support and planning for an early childhood and family centre. But one of the things that you seem to be saying is that at least an equal problem or equal matter of urgency is facilities for youth. Child and family centres tend to cater for families with young children. You seem to be saying that there is a need for the teenage age group as well. What sorts of facilities would you like to see in west Belconnen?

Mr Ramsay: The situation in west Belconnen is not just facilities but it is actually the ability to run the services that go along with them. I would say that, in some ways, the even more pressing need at the moment is the funding for the services to operate. For example, we have at Uniting Care, Kippax, some space that can be used for youth services. We do not have the funding to be able to staff drop in-centres, to fund self-esteem classes. We have been linking with a number of organisations but there is no new money for expanded services for young people. Actually the most pressing thing is immediate funding for the services themselves.

MRS DUNNE: Rather than the buildings?

Mr Ramsay: Rather than the buildings, in the knowledge that buildings take so long and the services are needed straight away. There are some facilities that are available—not many, but there are some.

MRS DUNNE: And you could make do in the meantime with the existing facilities? One of the things that strike me is: would an organisation like Uniting Care benefit from a minibus or something like that, to provide that across-the-hub, across-the-spokes, transport arrangements?

Mr Ramsay: That sort of transport for west Belconnen would be incredibly helpful. We know that there are people who do not come to playgroups and who need to get to playgroups, for example, because they cannot go through the hassles of getting public transport and they do not have cars themselves.

MRS DUNNE: They have to get a bus to Belconnen and back again.

Mr Ramsay: Or even people around local suburbs in our area who find it incredibly difficult, with two young children, to get to Kippax. We know that there are households in Macgregor who pretty much just live in Macgregor and for whom a trip to Kippax is a treat that they may have in school holidays. It can be a very isolated area and small signs—

MRS DUNNE: And seeing that there are no shops in Macgregor.

Mr Ramsay: That is right; so small steps, including things like transportation, would be incredibly helpful.

MRS DUNNE: I have one more question about the health cooperative. Ms Porter and I and other members have been very supportive of the health cooperative. How much of a difference do you think that getting the health cooperative off the ground would make in west Belconnen?

Mr Ramsay: I am not directly on the steering committee—I liaise with members who are—but our on-the-ground experience from people who are, for example, seeing emergency relief and others is that it would make an enormous impact, as I mentioned, to the waiting lists for medical services, the people who are needing to clog up casualty at Calvary, people who are going without medical treatment regularly. I believe that getting the co-op would make an amazingly significant difference for the people of west Belconnen.

MRS DUNNE: If funding was forthcoming, would you care where it came from?

Mr Ramsay: I do not ever care where funding comes from.

MRS DUNNE: I should say: if government funding was forthcoming, would you care which bucket of money it came from?

THE CHAIR: I think that is better.

Mr Ramsay: Yes. I think one of the things that we would be saying in the community sector, especially in west Belconnen, is that we have regularly struggled with the fact that pockets are needed to be found in particular buckets. People do not live their lives in buckets; people live their lives across a holistic need of life. I think one of the difficulties that we have constantly battled with in terms of funding for various projects is trying to find how it is that a particular bucket can work when a person's life is lived physically, emotionally, spiritually, materially, relationally, holistically, and I think that a more holistic approach to funding would be a very, very significant step forward.

DR FOSKEY: I am always interested in the work you do and the activities that you conduct. Your report, *Living on the edge* was, I thought, a real eye opener. It is pretty obvious to me that you fill a really important role in the community.

Mr Ramsay: Thank you.

DR FOSKEY: I am wondering about the lack of a high school in Ginninderra. We talk about young people and their problems. A lot of young people do not like school. School, nonetheless, does provide a centre and a way of organising lives and social networks. How important do you think the closure of the old Ginninderra High School and how welcome the opening of the new high school will be in terms of helping kids get some sort of pleasure, networks, social life and activities in that area?

Mr Ramsay: I think it will be a very positive step. The absence of a local high school has certainly been noticeable in the character and the disposition of young people in the area. There is and has been a sense of dislocation. There have been tensions that have been discovered with young people in the area.

I suppose one of the things, in measuring the positive input from here, is the knowledge that the new high school is being opened up year by year; so next year it will be a P to 7, on my understanding, and then adding one year per year after that. I think what that means is that it will be some time yet before the full impact of that schools is experienced by the community. And that is one of the reasons why we would recommend that there be additional attention paid to our youth services at this stage, because some of the things that a school would otherwise be able to pick up will not be able to be picked up for the next four years.

DR FOSKEY: So there are a bunch of students who fell between the two schools?

Mr Ramsay: There certainly is.

DR FOSKEY: And who need a bit of particular intervention?

Mr Ramsay: That is right.

THE CHAIR: Thank you very, very much for appearing before us this afternoon.

Mr Ramsay: My pleasure; thank you.

THE CHAIR: We can send more questions. We are just checking them out. We will certainly do that.

Mr Ramsay: Thank you.

Appearances:

Conservation Council of the South East Region and the ACT

Harrup, Ms Trish, Director

Wauchope, Ms Genevieve, Climate Campaigner

THE CHAIR: We are obviously running behind time, Ms Harrup; I do apologise. Have you read the yellow privileges card?

Ms Harrup: Yes.

THE CHAIR: And you understand the privilege implications that are contained within it.

Ms Harrup: Yes, thank you.

THE CHAIR: Would you like to make some opening remarks?

Ms Harrup: Thank you very much to all members of the committee for the opportunity to appear today. As many of you know, the Conservation Council is Canberra's peak body for community conservation and environment organisations, and we represent their interests as well as the broader environmental interests of all citizens of the ACT. I am going to talk briefly about the budget and how it relates to nature conservation, waste and planning; then Genevieve will talk about climate change and transport-related initiatives in the budget.

Firstly, I want to comment on the size of the total environment budget. This may feel like *deja vu*; I think I have said it before to this committee. The overall allocation for the areas of environment, sustainability and land management come to a total of \$123.4 million. That is \$123.4 million out of a \$3.3 billion budget, so it represents roughly 3.7 per cent. I probably do not need to remind committee members that that budget allocation is tasked with managing more than 50 per cent of the land area of Canberra as well as meeting all the environmental programs.

We do not think that that is sufficient for the job that is at hand. We urge members of this committee to take that issue into consideration and look at ways in which we could improve the budget allocation for environmental sustainability and land management. There is an incredibly large job to be done with the money; the resources are stretched and the job is growing larger.

We have a growing population in Canberra, which means an increasing potential to impact on the environment. There is also a number of threats to our natural environment—weeds, invasive animals, an extended drought, scarcity of water, growing consumption, climate change. All of those impacts need to be managed, and resources need to be provided to manage them. Also, the Canberra community are increasing in their awareness of and concern about the environment and have a growing expectation about services that will be provided. Again, they need to be resourced to provide and meet community expectations.

In summary, more money is required to meet these demands. The conservation

council's long-advocated environment levy could be a way to provide additional dollars for environment and conservation. Again, I urge committee members to consider that.

I will turn to this year's budget. I want to talk about a number of key areas. I will start with nature conservation. We are really pleased with some things. We are very pleased that there is funding for the predator-free sanctuary at Mulligans Flat, providing not only capital funding for that important initiative but also ongoing management resources. We are pleased that important issue has been funded. We also welcome the study into grasslands by the commissioner for the environment. Our grasslands are under severe pressure. Some \$112,000 has been provided to undertake that study, but it will need to be backed up by funding in the next budget to implement the recommendations. We also welcome funding for the new reserves at Jedbinbilla, Kama, Kinleyside and east Jerrabomberra to progress the commitments made at the last election.

MRS DUNNE: Can I ask a technical question? Where is Jedbinbilla? What is Jedbinbilla?

Ms Harrup: Jedbinbilla is next to Tidbinbilla. It was an area that was burnt out after the bushfires in 2003.

MRS DUNNE: So it is all block 40?

Ms Harrup: And it has a lot of Aboriginal heritage values.

MRS DUNNE: Right.

Ms Harrup: We are very pleased that funding is there. We have some concerns, though. We note from the budget papers that a review of the Nature Conservation Act will be required to be undertaken, but no specific funding has been allocated to that task. That is concerning, as it is a very important piece of legislation. It is the premier piece of legislation guiding nature conservation in the ACT, and it really does need reviewing and updating. It also needs a substantive review in order to take up new and emerging issues that have emerged since it was written in 1980. I note that the land act has been substantially reviewed since that time and in recent years, with a significant amount of funding; it has flow-on effects with other pieces of legislation such as the Nature Conservation Act.

It needs to be reviewed, and that has been noted in the papers, but we think it needs to be a more substantial review. We would also like to see it take up some new initiatives such as off-reserve conservation mechanisms—mechanisms to achieve conservation outside our conservation estate—the issue of how to address the no-net-loss or net-gain principles that have been adopted by the government. We would welcome a more comprehensive review, with genuine stakeholder engagement to enable the conservation community to participate in shaping the next phase of our nature conservation legislation. That will not be possible without some specific funding.

We are also very concerned—and I have talked on this issue in previous years as

well—that there is very little in the way of additional on-ground management resources or any new research and policy positions in this budget. Resources are definitely stretched too far for this task. A deficit of on-ground resources, particularly rangers, is having an impact on the health of our conservation estate.

There are a number of issues which rangers need to be managing. These include weeds, feral animals and human activities in the reserves. Undermanagement of these issues is having a negative impact on the biological diversity in our reserve system and is also creating costs. For example, if there are not enough on-ground resources for rangers to be visiting and present in the reserves—we know that nearby residents are getting into the reserves and building biking tracks and other works that then have to be restored, and that costs a lot of money. We also think that there is an urgent need to reinstate the two specialist ranger positions that were announced in 2004 but have since been absorbed into general functions—the functional review.

The grassy woodland reserves in the ACT are of great national significance and provide an important refuge for species that are disappearing from our landscape. We have an obligation to manage them appropriately and to prevent further decline in biodiversity.

We think that overall there needs to be a shift of focus towards knowledge-based management, to help reverse the trend of declining biological diversity in our conservation estate. A combination of specialist rangers, an increase in the total number of rangers and research and policy officers dedicated to science-based management will improve the capacity for us to manage issues such as weeds, kangaroos and other grazing issues and prescribed burning and will also inform the restoration of the conservation estate.

To support parks, conservation and land, the land manager, in building a knowledge-based management approach to the conservation of the reserve system, the Conservation Council recommends that the next ACT budget should re-establish the two grassy woodlands specialist ranger positions I mentioned earlier, establish six additional ranger positions, and establish three research and policy officer positions to provide specialised scientific advice to support management and restoration.

THE CHAIR: Thank you.

Ms Harrup: I want to move to waste. I will try and be quick.

THE CHAIR: I just want to allow questions; that is all.

Ms Harrup: Yes, certainly. There is some top-up funding for the waste contract and there is the switch your thinking program, which says that it will expand and extend the existing sustainability programs relating to water, energy and waste—streamlining them. It will also engage residents, business, government and schools. I think that is a very big task.

MRS DUNNE: It is a big task for a little bit of money.

Ms Harrup: Yes. I support the idea of streamlining them and spending it under one

program, but we are going to need to monitor whether that is sufficient funding to achieve the task. Also, I would particularly like to know whether this is new and additional funding. For example, apparently the residential area is already funded to almost half a million. If \$1 million per annum absorbs that program, it is certainly not going to be sufficient.

On waste in particular, more needs to be done in this area. The stats show that, whilst we have achieved some really great things, we are starting to go backwards. The amount of waste disposed of to landfills increased by 5,000 tonnes from the last audit, so it is up nearly three per cent. The amount of resources being recovered has started to decline—by more than 12,000 tonnes, just over two per cent. And recycling has just gone down from 75 per cent to 74 per cent. We need a program to re-engage—particularly to get households reengaged—on the issue of no waste if we are to achieve that target.

There are also some major waste streams that we have barely addressed and so present some low-hanging fruit. Approximately 100,000 tonnes, or 50 per cent, of waste to landfill comes from the commercial business and government sector. We believe there should be a dedicated waste officer position to work with that sector to maximise resource recovery. By that, we do not mean education and awareness raising; we mean a dedicated officer who can work with busy businesses to achieve waste outcomes. Also, about 25,000 tonnes, or 12 per cent, of waste to landfill is food waste from households. We would support the introduction of a third bin to collect food waste from households to achieve resource recovery.

I am nearly finished. I am moving now to the office of the commissioner for the environment. For several years now, the Conservation Council has been arguing for the need to increase resources for this office, so we welcome the increased funding allocated in the budget.

I will just briefly touch on planning. In our submission to the ACT budget process, we argued for the need to establish a senior position within the Planning and Land Authority to take leadership on environmental planning. This one position would not cost a great deal—approximately \$135,000 per annum. It is our strong view that planning in the ACT is failing to achieve an appropriate balance of environment, society and economy, thus jeopardising the goals of achieving a sustainable city. So we would like to see established within the department a senior position with relevant ecological and biodiversity expertise—embedded in that department to ensure that those issues are taken into account in planning decisions. Thank you.

Ms Wauchope: It has been acknowledged before in this forum by the Conservation Council that climate change is widely acknowledged as the greatest threat to our future and obviously that is still the case. We were pleased to hear of the \$100 million that was being allocated to climate change in this budget but, when you take a closer look at this, only about \$8 million of it is going to address short-term emissions reductions, and that is the only way, really, to address runaway climate change.

Out of the budget we have welcomed the sustainable community strategic planning program and the \$116,000 indexed for development and administration of a mandatory efficiency disclosure of commercial buildings. I think that is all we

welcome. Unfortunately, \$68 million of this money has been allocated outside the four-year budget cycle, but \$40 million of this is still unallocated. That is on page 13 of budget paper 2 if you are interested.

So, out of that \$32 million, \$8 million has been allocated to water sports fields, \$0.73 million to replace drought affected trees, \$10.6 million for the arboretum and \$4.4 million for tree planting. If you subtract the protection of high conservation areas, which is a really good initiative but not one that is going to prevent greenhouse gas emissions, that is where you get your less than \$8 million to really tackle this issue.

We really must see money on climate change directed towards achieving immediate reductions in greenhouse gas emissions. We recommend that the \$40.5 million that is currently unallocated and sitting in that fifth year is made available in the next budget cycle. And what we recommend is done with that is that the \$20 million that is allocated to energy efficiency in public housing in *Weathering the change*, which is currently for over 10 years, is spent at \$5 million a year over the next four years. These are the houses that the government is the landlord of and that are tenanted by those most vulnerable to the increasing costs of living.

Moves must be made now to ensure that tenants of public housing enjoy a reasonable standard of living and they are protected against price hikes that are related to increasing energy costs. In addition, an education program on energy use for tenants of public housing should be funded. It has the potential to behaviour change that leads to about a 50 per cent reduction in energy use in most houses.

Approximately 6.1 per cent of ACT households are low income earner occupied. Most of these are pensioners and most of them are old age pensioners. This is a group of people who are on a low or a fixed income; they have got no access to capital. They are not able to absorb increased energy costs and they are not really able to make the necessary investments to take any measures that would protect them against climate change or to increase the efficiency of their homes.

THE CHAIR: The time for the hearing has expired. Do you want to table the rest of your statement?

Ms Wauchope: Sure, yes.

MR SMYTH: Chair—

THE CHAIR: I am sorry, Mr Smyth; we really do need to go on to Mr Peters, because we are already 15 minutes late.

MR SMYTH: I appreciate that, but just a really quick question.

THE CHAIR: A very quick one.

MR SMYTH: Opinion on the power station proposal: have the Conservation Council come to a decision on it or do they have any concerns about it?

Ms Harrup: I can only give you a very broad answer, which is that we are very

supportive of the introduction of a co-generation or tri-generation plant in the ACT as an efficient mode of generating energy. Obviously we would like to see that meet all environmental standards and would like to know more about its location, particularly as I believe it is proposed to be located in a wildlife corridor.

THE CHAIR: Thank you very much for that.

MR SMYTH: The other thing was a third bin. You have said you would like to see the third bin. Have you done a costing on what it would—

Ms Harrup: I think it would cost about \$5 million per annum. It would also enable a cost shift, though, because you could collect the large green bin from households every two weeks once you had removed the majority of the food items from that green bin.

THE CHAIR: You could collect mine once a month—hardly anything in it.

MRS DUNNE: Speak for yourself.

THE CHAIR: Thank you very much. I am sorry about this, but we are already running very late. If you would like to table your statements or email them to us, that would be lovely. Are you able to do that?

Ms Harrup: Sure. I am a bit disappointed we could not take any further questions.

THE CHAIR: We have had 20 minutes.

Ms Harrup: Okay.

THE CHAIR: I am sorry. We can get other questions to you. We are checking out at the moment whether we can get questions to you or not. I am sorry, but 20 minutes is all we can spare.

Appearances:

ACT and Region Chamber of Commerce and Industry
Peters, Mr Christopher, Chief Executive

THE CHAIR: I apologise for the fact that you have had to wait.

Mr Peters: It is a pleasure to wait for this committee.

THE CHAIR: You are familiar with the yellow card?

Mr Peters: I am.

THE CHAIR: And you understand the privilege implications within it?

Mr Peters: I do.

THE CHAIR: Do you want to make some brief remarks to the committee?

Mr Peters: Very brief. The chamber of commerce, in October in last year, made a fairly detailed submission in relation to the ACT budget. I am not sure whether the committee has access to that, but I do have a few copies here if you do not have them.

THE CHAIR: Thank you very much.

Mr Peters: We concentrated on the most important issues rather than going on with a lot of them. We ended up with 17 that were the top of our areas of interest. As a result of the ACT budget announcement two weeks ago, 10 of those 17 submissions that we made we were able to tick off as having been achieved in this budget. We believe it is a high-taxing, high-spending budget, but we believe it is a responsible budget. Most of the additional spending is in capital and, therefore, will not contribute to inflation.

There were a couple of key issues for us out of those 17. The most important of them was the skill shortage issue, and that has been dealt with by the \$51 million that was announced just before the budget and by the Skills Commission submission which was released by the Chief Minister. All of those requests, recommendations, to government have been accepted bar two. Those two are simply outstanding. One of them is the parenting leave issue and—

THE CHAIR: Parental leave?

Mr Peters: Parental leave. The government has announced that it is awaiting the outcome of the Productivity Commission's review into that.

The second issue was the skilling ACT proposal of co-locating some facilities. That has not been funded by the government, but it is our understanding the government has not decided against it; it is simply a matter of whether we can coordinate that from other resources. So we are working towards achieving that.

The second most important issue to us was the business support aspects of the budget. Firstly, it was the doubling of resources to the live in Canberra campaign as a way of helping to deal with our skills shortage. The second part, which is also related, is the doubling of resources to the business migration program, which works with small business to enable them to meet the visa requirements for overseas skilled people.

The final one of our major concerns was payroll tax. Small business particularly sees payroll tax as a tax on jobs and it is a hated tax in the business community. We sought two changes: one was an increase in the threshold, which was achieved in the budget; the second was a reduction in the rates to bring us more in line with the rest of Australia, which was not dealt with in the budget.

Overall, we were very satisfied with this budget; we believe it is a responsible budget. As I said, 10 of the 17 topics that we were seeking solutions to have been announced.

THE CHAIR: I am sure members have got questions, but I have a question stemming from the presentation of the previous group that appeared before us. I was wondering what your thoughts were on the suggestion that we should have a dedicated person working with the business community with regard to the issue of waste.

Mr Peters: I guess there are three things that come to mind. One is to do that. The second one is that the no waste advisory committee, since the ACT government cut its resources a couple of years ago, has not met for the last two years. That is a relationship that businesses had an input into.

THE CHAIR: How often did that meet?

MR GENTLEMAN: It used to meet monthly when I was on it.

Mr Peters: It used to meet, I think, four times a year, but it has not met now for the last two years. The second one is the jurisdictional recycling committee. That is a whole-of-governments across Australia operation, and that also has not met for the last couple of years. They are two longstanding fora which have the input of the conservation council, the chamber of commerce and others.

I am not suggesting we need to go back to the stage of meetings of such frequency that used to occur, but I think we do need to reinstate some mechanism of consultation. It has not been happening. So a dedicated officer would be useful to certainly work with the business community to improve waste recycling and waste elimination, but I think that is the second stage. The first stage is to get the consultation process back running to start with.

DR FOSKEY: Can I ask a corollary to that? Were you advised that the no waste advisory committee had been disbanded or was it a sort of process of attrition?

Mr Peters: I am waiting for someone to advise me of the next meeting.

DR FOSKEY: Did you write and ask, did you make inquires?

Mr Peters: No. It just stopped.

MR GENTLEMAN: The last time you went, was it convened at Hume?

Mr Peters: They were generally convened at TAMS, but there were two meetings held at Hume. I think the last one might have been at Hume.

MR GENTLEMAN: And convened by Chris Horsey?

Mr Peters: Yes.

MR SMYTH: I note a number of areas in your submission. Item 14 concerns parking. Have the parking concerns of the chamber been addressed in this budget?

Mr Peters: Parking is one of the seven issues we were not able to tick off in this budget.

MR SMYTH: And what is required to alleviate the process?

Mr Peters: There are two significant problems with parking in the ACT. One is in the city, and the other is in Fyshwick. The city parking problem is simply the inadequate number of car parks available. There are a couple of solutions to that. The one that we prefer is that land be made available for commercial car parking facilities. But at the current cost of car parks in the city, that is not viable; so the ACT government would have to increase the cost of its car parking to make commercial car parking viable.

The second one is the requirement that new developments in the area contain not just sufficient parking for people occupying those facilities but additional parking for the general public. That has been done in the proposed new development across the other side of London Circuit but, as with all of those developments, you lose the ground car parking during the construction process. So you are worse off to start with. Eventually you get it back.

The Fyshwick issue is somewhat different. Fyshwick has been developing quite rapidly now. It has gone away from probably most Canberrans' original view of Fyshwick being bulky goods, light industrial, to now being significant office and retail space. That is requiring greater car parking for people, and the car parking there is inadequate.

In addition, in the Canberra bushfires we lost some informal parking arrangements, with the burning of the pine forests that have not been reopened. So car parking has been reduced, and that facility needs to be re-established and additional car parking provided.

THE CHAIR: Good. I just want to clarify something you said before. Did I hear you say you thought that the government should increase its parking fees in Civic?

Mr Peters: Yes. The challenge at the moment is that it is not commercially viable to provide commercial car parking.

THE CHAIR: So you recommend the government increase their parking fees?

Mr Peters: We recommended two things that are a relatively shorter-term fix for the current problem. One is to provide more of the existing car parking for shorter-term parking, and that has happened. The car parks on both sides of the Assembly, for example, are now four-hour car parks instead of all-day parking. Secondly, we recommended that the fee for those be increased, but that has not happened. That would encourage people who wanted all-day parking to use the areas a little bit further away from the city.

THE CHAIR: Right.

Mr Peters: That would encourage consumers, be they retail customers or people visiting their dentist or their lawyers or whatever, to have access to that car parking. We are getting businesses that are relocating out of Civic because their customers, patients, clients, cannot get adequate car parking.

THE CHAIR: Mr Smyth, I cut you off before.

MR SMYTH: In view of the time, can you provide a list to the committee of the seven areas that were not covered?

Mr Peters: Let me give you the ones that are. On page 2 you will see our list of topics.

MR SMYTH: Yes.

Mr Peters: Skills shortages have been dealt with and affordable housing has been dealt with. Payroll tax, workers compensation, WorkCover and OH&S, business support, infrastructure, sustainability, technical colleges and the live in Canberra program.

MR SMYTH: Lovely.

Mr Peters: The rest of them, including, you might have noticed, tourism, were not dealt with.

MR SMYTH: I was about to ask you about tourism and convention centres. How important are they, and what should happen?

Mr Peters: The ACT has been disadvantaged with the significant reduction in resources to market Canberra, particularly to the rest of Australia. Our destination marketing is crucial to us, and, at the same time as we have had significant reductions in destination marketing, other states have decreased their marketing. Until we get serious about that, we are going to languish. There have also been some studies that have shown that for every year that you are out of the market or not adequately in the market, it takes three to four years to rebuild that. So timing is crucial to it.

MR SMYTH: Thank you.

THE CHAIR: Mrs Dunne has a question and then Dr Foskey.

MRS DUNNE: Thank you, Mr Peters, for your presentation. The chamber of commerce has spent, along with other organisations, a lot of time speaking about infrastructure at the moment. What do you see as the most important thing about delivery of infrastructure in the territory?

Mr Peters: We were keen to see significant infrastructure upgrading and also significant additional infrastructure. The existing infrastructure has been run down over the last 20 years and is in some stages of poor quality. Some of the additional infrastructure required in the form of roads and transport is a part of it. We have seen the concerns that we have all had about, for example, the Canberra airport access, and Canberra airport is only a small contributor to that problem. Most of it is the increase in residents on the north side and on the Queanbeyan side of the border and the additional traffic that has occurred there.

MRS DUNNE: What do you see is the essential component of effectively delivering infrastructure change, infrastructure upgrades or new infrastructure?

Mr Peters: I will just refresh my memory from our paper. We have not come up with a list of infrastructure items; we have dealt with the methods of dealing with infrastructure. For example, we have encouraged that the ACT progress private-public partnerships as a method of joint funding of infrastructure programs. PPPs have a mixed response from around Australia. There have been some issues with some PPPs in New South Wales, but we say that is not a problem with the structure of PPPs but the management of the contracts. So we have concentrated on the structure, not the individual issues that need addressing.

MRS DUNNE: Thank you, Mr Peters.

THE CHAIR: Dr Foskey.

DR FOSKEY: Thanks. We often talk about Civic when we talk about town centres. I am just interested in hearing your opinions about the needs for many of our other town centres, such as Tuggeranong. Let us think particularly about Belconnen and Woden as older centres and the concerns that you have heard from your members who operate out of those centres.

Mr Peters: Certainly. Civic, to start with, has had an issue about the facilities in Civic becoming run down. The extension of the Canberra Centre has done a significant job in addressing that in the part of Civic that is occupied by that area. That has served to only highlight the ageing of the infrastructure, particularly in Woden and Belconnen.

DR FOSKEY: Are they, too, like the rest of Civic, feeling the impact of the Canberra Centre?

Mr Peters: Yes, they are. This is not necessarily a government issue; it is a government and private sector issue. But it does need government to lead the way with the systems in place to enable that to happen. For example, at the moment the height restrictions for commercial buildings in both of those areas make it very difficult to justify redeveloping existing building sites—tearing them down and replacing them. But what is happening at Gungahlin, with the increase in height there

to solve other issues, if that were to be extended to Belconnen and Woden, that would provide the commercial incentive for existing private owners in those areas to replace their buildings with modern facilities.

DR FOSKEY: What sort of height do you think would make it viable for them?

Mr Peters: We are talking about eight storeys on the far north. The property industry appears to believe that is viable. The current limit of four—with some exceptions, but basically four—does not make it commercially viable. It makes it viable to build if you have got vacant land; it does not make it viable to remove an existing building and replace it.

DR FOSKEY: I am interested in further conversations on this matter at another time.

Mr Peters: I would be delighted to have them.

DR FOSKEY: Thank you.

MRS DUNNE: Mine is really a follow-on from that. In relation to perhaps what might be called tired town centres, do you see, or does the chamber see, that there is a role for urban infill—residential closer to the town centres—as a means of sparking some revivification?

Mr Peters: Yes. Our population is ageing rapidly and housing needs are different to what they were 20 years ago. Providing urban infill opportunities, particularly in the more established parts of Canberra but in an environmentally friendly way, would meet the residential needs of the residents without having to relocate them out of where their friends and families are and would provide the somewhere between 3,000 and 5,000 additional houses or apartments that we are currently short in Canberra.

There is an acute housing shortage in Canberra. I referred to our skill shortage problem. On the occasions when businesses can identify skilled people to move to Canberra, they then cannot find housing for them. So, increasingly, to grow Canberra at the outskirts is part of the solution, but it is not a solution on its own, and providing properly planned urban infill will also meet part of that problem.

MRS DUNNE: Thank you very much.

THE CHAIR: Thank you very much, Mr Peters, for your presentation. Did you want to table anything?

Mr Peters: You have got my papers on that.

THE CHAIR: If there are any other questions, members might be able to get those to you, Mr Peters. Thank you very much.

Appearances:

Youth Coalition of the ACT

Hunter, Ms Meredith, Director

Fowlie, Ms Carrie Annual, Deputy Director

THE CHAIR: Good afternoon, Ms Hunter and Ms Fowlie. You have read the yellow card and you understand the privilege implications contained in it?

Ms Hunter: Yes.

Ms Fowlie: Yes.

THE CHAIR: Would you like to make some brief opening statements? I apologise that we have run over time with other previous witnesses.

Ms Hunter: We believe that the 2008-09 budget contained a number of promising gains for young people. We are particularly focused on infrastructure. There are a lot of good projects there. It features a number of initiatives for young people that are aimed at improving access to services and education in the ACT.

There have been some areas overlooked but, first of all, we welcome the park and playground upgrades, the three community hubs, the six neighbourhood halls and new community parks. A particularly important one was the feasibility study for the swimming pool at Gungahlin, which is desperately needed; also the increase in funding to ACTION buses because young people are particularly impacted by poor bus services. There are a number of measures in equity for student learning and students with disability. We are also very pleased to see the integrated Aboriginal and Torres Strait Islander family support service. The design of the mental health unit for young people is something that we have advocated for many years and that we are very pleased to see on the cards. There are also a lot of initiatives and resourcing going into vocational education and training.

They were the highlights particularly that we were very pleased to see. There were some areas that we felt were still a gap in the budget and one of the bigger issues there was the ongoing disparity between community sector wages and public sector wages. The Community Sector Taskforce report has shown about a \$20,000 difference in wages when you compare similar types of jobs. That is going to continue to have a major impact on the community sector's and the youth sector's ability to recruit and retain employees. That is an issue that many of our members have raised with us continually and that we have been putting into budget submissions for some time.

We were, of course, pleased to see that some of the viability issues were addressed through things like the proposed portable long service leave and also with the community hubs, because that will provide some community office space and facilities that previously were not there. But we still would urge all members of the Assembly to take on board this issue around wages for community sector staff because it is so critical that we have that third sector in place if we want to deliver many of the programs and services right across the board to Canberrans but also particularly to those who are marginalised and disadvantaged.

We have gone through some of the initiatives to say where we had our concerns, if you would like us to do a few minutes on that. Strengthening community: we are happy to see the Community Inclusion Board continuing. We are just concerned about what will happen in the future with some of those programs and services that were funded; particularly for us the multicultural youth services, who are quite reliant on that Community Inclusion Board funding at the moment. What is going to happen once that funding ceases, because they are providing a vital service and we are having more and more newly arrived refugees, and young refugees, here in the ACT, particularly Sudanese young people?

Workforce initiatives: I guess I could tackle a number of these in one go and that is to say that we welcomed a number of initiatives that were looking at, say, the ACT health workforce, to improve the skills of people in that workforce. There were also some over in education. But I guess our point would be that, although it is pleasing to see this, we would highlight that there is not a lot of money going into professional development training opportunities for people in the community sector. There is still quite a gap.

I would say that there have been some good steps and measures taken in the areas of alcohol and drugs and in mental health. But there is a big gap in provision and support for places like the youth sector, the homelessness sector and so on. The working with vulnerable children check is obviously an extension of where we started with the working with children type of check. All youth contracts, all people who work in youth services, have to have this check. This is to extend it across to the category of vulnerable people. I guess we are a little concerned here that there is limited evidence to suggest that universal screening alone can protect vulnerable people. We advocate for complementary evidence-based initiatives such as appropriate investment in staff, supervision and training. It is not just down to checking someone's name on the day against a computer; it is about all the things that go to ensure proper supervision and proper recruitment and so on.

We have talked about the wage disparity already. Going on to the prisoner and offender related crime prevention measures, we would say that there are some great measures in here, particularly around some programs into the Alexander Maconochie Centre. We have highlighted, though, that it is incredibly important to ensure that initiatives are put in place to support children of incarcerated parents. We know that whatever can be done to support a family being able to keep that contact, and for parents being able to keep that contact with their family, is so important to the health of everybody but also it has good benefits for society generally, because hopefully you are talking about a smoother transition out of prison at the end of the day and limiting any re-offending.

On a number of them we just said, "Please look at children of incarcerated parents." The prison will be housing people from the age of 18, so we have the 18 to 25-year-olds, who are young people, and we very much feel that there needs to be careful thought around particular programs designed for development—age and lifecycle, where they are at and what they need. You cannot put all the age groups in together, so that is particularly important as far as programs and services are concerned.

One of the things that we are pleased with is that there will be an ACTION bus service to the AMC, because that is important for family contact and so on. One thing that that really highlighted for us is that the Bimberi Youth Justice Centre is going to be opening later this year and there has been no provision for a bus service to Bimberi at the moment. It is critical that that be put in place.

There are some great health programs going into AMC and again I would urge that that be reflected also in the health services that are going to be provided to young people in Bimberi Youth Justice Centre. The sort of words that were put around it for AMC were that the health services should reflect what is provided in the community. So, again, we would say that that also needs to be the case for Bimberi Youth Justice Centre.

Finally, just a comment on the student welfare pastoral care package. We have already had the pastoral care coordinators; that money went out some time ago. They are in place around the schools. We have had good reports back on that program and we have certainly met with a number of those pastoral care coordinators. The new part of the initiative is a further 17 staff to strengthen the provision of alternative programs for students at risk, and we are very keen to hear how this is going to roll out. We are not quite clear. Is this the current alternative education settings that we have? Is this about setting up something outside of mainstream that might be around sending the difficult naughty children off to another place? Or is this going to be integrated into a school where a service is provided and they remain in their school environment?

We are certainly hoping it is the last one but we just need to hear more information to get quite clear about what that initiative means and where it will be delivered. Thank you.

THE CHAIR: Thank you very much. I just have a quick question and I will throw it open to members. You mentioned the police checks. A previous witness that came before us was concerned about the amount of extra work that they might create for them as a workplace. Do you want to make any comments?

Ms Hunter: Yes. There is extra work there and it depends on whether it is going to remain the sort of AFP form we fill out at the moment or it is going to be a longer application process. I am not clear. It may well have an impost in time in the workplace. The other one is around cost. There are some places that put it back onto the employee, or the potential employee, to pay that cost; but for many in the community sector it is the organisation that will pay for that police check. So, yes, there is that cost.

DR FOSKEY: And we were told it has to be updated annually?

Ms Hunter: It should be, yes, so it is an ongoing cost that you will bear.

MRS DUNNE: The other issue with that, Ms Hunter, is the timeliness of those police checks. At one stage it was two or three months. Is that still an issue?

Ms Hunter: From my personal experience, no, it is going a little bit faster than that.

But it is an important issue if you have been desperately trying to recruit someone and finally you have got someone but you have got to say, “I’m sorry. We can’t actually have you walk through the door until this comes through.” Your service delivery is not happening. So, yes, it is a critical thing. If we are going to go further down this track, there have to be some resources at the other end to ensure that there is a reasonable turnaround; two to three months is just ridiculous. Sometimes even a few weeks can make a big difference to a community agency delivering its service.

MRS DUNNE: I have got another question. Earlier in the afternoon we heard Mr Ramsay from Uniting Care in Kippax talking about the need for youth services out in that area and that, while Uniting Care was welcoming budget funding for family support, there seemed to be a sort of a gap in providing youth services in west Belconnen. Could you comment on that?

Ms Hunter: Gordon is right. It has been an area of high need for a long time. One thing that is delivered in there at the moment is U-Turn Youth Services; Belconnen Youth Centre received some money some time years ago. They do provide a service but it is a limited service, only there for so many hours a week. Carrie may know the exact amount of time that they are able to dedicate out in west Belconnen. They have secured some more space, I believe, to be able to run programs out of there. But it is limited; it is not like some sort of full-time position out there.

The other organisation that in the last couple of years or 18 months has moved out there is the PCYC. It has been a great move to have them out in that area because the PCYC are doing some fantastic stuff. They obviously are not dedicated to that region; they do work widely because they do have the Reclink project, which Mr Smyth would know all about, which does travel around, deliver activities and work with organisations. We have a very high level of public housing out there. We have a high population of young people and, when you have poor public transport systems as well—maybe there will be a slight improvement if young people can have regular bus services that do not cut off at 9 o’clock or 8 o’clock on a Friday night so that they can get to Belconnen and go to a movie or whatever—we need to keep an eye on it, to ensure that the right amount is being delivered out there.

MRS DUNNE: One of the other issues that Mr Ramsay touched on was the sort of hub-and-spoke structure of public transport where everything is directed towards the Belconnen interchange so that if you live in Macgregor it is hard to get to Charnwood to the PCYC or somewhere like that.

Ms Hunter: Yes.

MR SMYTH: In your submission to the budget you had 19 requests. How many of them were met?

THE CHAIR: You can take that on notice if you do not know.

MR SMYTH: That is right. I note particularly that there were a couple of suggestions about housing, which I do not think you mentioned. How important is the housing—

Ms Hunter: There were. What we were, I suppose, pushing there was that we have a

very unaffordable housing market here, particularly in private rental, and young people are also discriminated against in private rental. What we are saying is that we need to see more young people being housed in public housing. Quite a small number of young people are actually housed in public housing, so we would like to see an improvement there. Obviously nothing came out in the budget.

Part of that was to say that we felt that young people should be seen as a priority category to be able to get more timely access to public housing. But I would say that, outside of the budget, there have been some good moves undertaken. We have a youth homelessness action plan that has been working on a number of initiatives. One of them is that they are now in the process of recruiting over at ACT Housing to dedicated positions around young people and young tenants, so that they would be able to basically see them from an application process in a sense and also through to the first six months of their tenancy, to provide support or be coordinating and working with community organisations to provide support, to ensure that we give the best possible change of that tenancy being sustainable.

MR SMYTH: Yes, thank you.

DR FOSKEY: You mentioned Bimberi and we have had corrections before us and we talked a bit about Alexander Maconochie and who was delivering services there. You are probably aware that health is now delivering the health service but it is a matter of exactly who and how and that the other community organisations going to be involved have not yet been told but apparently that will happen in about a month. So I am just wondering, with that kind of time line, how things are looking for Bimberi in terms of organisation, decisions about services and who is going to deliver them.

Ms Hunter: Are you aware of that?

Ms Fowlie: I know there has been lots of discussion going on in terms of the services that are going into Quamby at the moment and looking at what will then happen in Bimberi and that there was a kind of internal review going on because there were quite a few services servicing the Quamby population and they were looking at efficiencies and the best people that need to go in there. That being said, I do not believe that there has been any communication back to the sector in terms of what those priorities might be or what the needs of the young people within Quamby are. So, from what I understand, the sector is in a bit of limbo in terms of program planning for Bimberi.

DR FOSKEY: And when is Bimberi opening, or hopefully opening?

Ms Hunter: It will be September when they actually open the doors, so to speak.

DR FOSKEY: Okay.

MRS DUNNE: So is there no bus service that goes out Flemington Road that would service Bimberi?

Ms Hunter: I did check the ACTION timetable, the 08 network. I can see that there is

a bus service that runs along Sandford Street but it is not going down Morisset Road. My understanding is that there needs to be a little bit of roadwork down there anyway. But it stops at Sandford.

THE CHAIR: It is dirt at the moment.

Ms Hunter: It is dirt at the moment, yes.

THE CHAIR: I am sure they are going to fix it.

MRS DUNNE: So that is down there past the dog club?

Ms Hunter: Yes.

MRS DUNNE: I am a member of the dog club, you see.

Ms Hunter: I saw it on the map; that is how I know.

MR GENTLEMAN: We did have evidence to say that they were going to bitumenise that—remember?

THE CHAIR: Yes, it is just dirt at the moment. Okay, thank you very much for appearing before the committee. We are going to see if we can get questions to you; that is part of the process that we are allowed to do because the time has been so short for people. So we will try and do that if we are able to.

Ms Hunter: Certainly, and just to let you know that we did do a budget analysis and we will send it through to you.

THE CHAIR: Are you able to table that or email it to us.

Ms Hunter: We will email that through to you.

MRS DUNNE: Fabulous, thank you.

THE CHAIR: Thank you very much; that is very helpful.

The committee adjourned at 5.30 pm.