



LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON ESTIMATES 2014-2015

(Reference: [Appropriation Bill 2014-2015 and Appropriation \(Office of the Legislative Assembly\) Bill 2014-2015](#))

Members:

MR B SMYTH (Chair)
MS M PORTER (Deputy Chair)
MRS G JONES
MS Y BERRY

TRANSCRIPT OF EVIDENCE

CANBERRA

FRIDAY, 27 JUNE 2014

Secretary to the committee:
Dr B Lloyd (Ph: 620 50137)

By authority of the Legislative Assembly for the Australian Capital Territory

Submissions, answers to questions on notice and other documents, including requests for clarification of the transcript of evidence, relevant to this inquiry that have been authorised for publication by the committee may be obtained from the Legislative Assembly website.

APPEARANCES

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Privilege statement

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Amended 20 May 2013

The committee met at 9.30 am.

Appearances:

Barr, Mr Andrew, Deputy Chief Minister, Treasurer, Minister for Economic Development, Minister for Sport and Recreation, Minister for Tourism and Events and Minister for Community Services

Economic Development Directorate

Dawes, Mr David, Director-General, and Chief Executive Officer, Land Development Agency

Stewart, Mr Dan, Deputy Director-General, Land Development and Corporate Division, and Deputy Chief Executive Officer, Land Development Agency

Rake, Mr Gary, Deputy Director-General, Business, Tourism, Events and Sport Division

Abernethy, Ms Alison, Director, Communications

Kelley, Ms Rebecca, Deputy Director, Sport and Recreation Services, Business, Tourism, Events and Sport Division

Clarke, Ms Liz, General Manager, Exhibition Park Corporation

Guthrie, Mr Neale, General Manager, Venue and Event Services, Business, Tourism, Events and Sport Division

Hill, Mr Ian, Director, VisitCanberra, Business, Tourism, Events and Sport Division

Priest, Ms Jenny, Director, Sport and Recreation Services, Business, Tourism, Events and Sport Division

Reynolds, Mr Chris, Executive Director, Land Development, Land Development and Corporate Division

Community Services Directorate

Howson, Ms Natalie, Director-General

Hubbard, Mr Ian, Chief Financial Officer

Rutledge, Mr Geoffrey, Executive Director, Policy and Organisational Services

Matthews, Mr David, Senior Director, Policy and Organisational Services

Collett, Mr David, Senior Director, Asset Management Branch, Housing and Community Services ACT

Gotts, Mr Robert, Director, Community Sector Reform Project

THE CHAIR: Good morning, minister, officials and members. Welcome to the last day, the 12th day, of estimates 2014-15.

Mr Barr: That is confirmed, is it? No spill-over?

THE CHAIR: There may be a recall day for the Treasurer or somebody on Monday, to discuss issues, depending on his answers today. That said, before we start, in front of you is the privilege statement that has certain protections and obligations. Could you please acknowledge that you have read and understand the privilege statement? All have done so; fantastic.

If any questions are taken on notice, so that we can track them, if words like “I will take that question on notice” could be used, that would be useful. Written answers are

expected by the committee hopefully within five working days. A transcript will be issued. Could you review the transcript and, if there are any alterations or corrections you wish to make, please forward those to the secretariat and the committee will look at that. Members, any questions are able to be put on notice three days after the receipt of the transcript.

We have a certain amount to get through today. I see we have given ourselves an early mark; we are going to finish at 4 o'clock, in honour of the last day. This morning we have Economic Development, tourism and events and Exhibition Park, then we have sport and rec, the Land Development Agency, and Community Services this afternoon.

MS PORTER: We may possibly get through the day without any incidents.

THE CHAIR: We may survive one more day. With that, minister, would you like to make an opening statement?

Mr Barr: No, Mr Chair, I will go straight to questions.

THE CHAIR: Minister, the government in the budget has foreshadowed some changes to the payroll tax legislation, which is causing a great deal of angst and confusion out in the market. What is the government's intention with regard to the payroll tax, bringing it on and any amendments that they have?

Mr Barr: As I indicated when I appeared as Treasurer, in the area that obviously has coverage of responsibility for this particular legislation, the government would consider amending the commencement date for the legislation. The government has given consideration to that matter and the Chief Minister, I understand, announced an intention to move the commencement date whilst I was overseas.

THE CHAIR: What consultation did Treasury have with EDD about the impact on local businesses before this went ahead?

Mr Barr: The government, through the cabinet process and budget process, considers all of these measures, all of these impacts, and makes a final decision.

THE CHAIR: Was EDD consulted about the possible impacts on the firms and the individuals involved?

Mr Barr: The government, through the budget process and the cabinet process, has submissions that are available for various directorates to make comments upon, as is standard cabinet practice.

THE CHAIR: What did EDD say about this?

Mr Barr: I am not revealing the contents of internal cabinet deliberations.

THE CHAIR: It seems that the proposal has got off to a bit of a false start with the government already having to amend the start date. Did EDD make comment about the full impact on those businesses and firms—

Mr Barr: I am not revealing cabinet in-confidence discussions.

THE CHAIR: We can come back on Monday and have a whole session on this if you want. We can do this easily or we can—

Mr Barr: I am not in a position to reveal cabinet in-confidence discussions.

THE CHAIR: You are; you are simply choosing not to.

Mr Barr: No, I am not. I am not revealing cabinet in-confidence discussions. Suffice to say that as Treasurer and Minister for Economic Development I have taken responsibility for this taxation change, and it will proceed.

THE CHAIR: What work was done to ascertain the impact on local businesses and local families?

Mr Barr: In the context of the government's taxation reforms and increasing the tax-free threshold in relation to payroll tax, consideration was given to businesses who would be excluded from paying payroll tax as a result of those changes as well as considerations in relation to the harmonisation of our payroll tax arrangements. The government considered, obviously, that this would impact upon those who were previously not paying—were using the loophole and establishing an interesting series of structures in order to avoid payroll tax. The government is determined to, like every other Australian jurisdiction, no longer allow that loophole.

THE CHAIR: How many businesses and individuals are affected by these changes?

Mr Barr: The estimation is around 1,000.

THE CHAIR: What is the economic impact on those businesses and individuals?

Mr Barr: The expectation on revenue raised for the territory is in the order of \$10 million per annum.

THE CHAIR: If it is 1,000 businesses and it is \$10 million, can one make a simple computation as to the effect?

Mr Barr: Probably not, because there will be different circumstances for different contractors. Some people would of course restructure their tax affairs so as to go below the \$1.85 million payroll tax threshold.

THE CHAIR: Are you aware of some of the firms simply passing on this as a cost to the people that work for them?

Mr Barr: I understand that some may intend to do that. That will obviously be a matter between those individuals who are contracted, the nature of those contracts, and those firms. Others will of course make other arrangements.

THE CHAIR: So you are comfortable with those individuals and their families taking what for some will be a significant pay cut?

Mr Barr: It will not be a significant pay cut, but for some it may well mean an adjustment to the money they receive. Others will have a contract that will allow for their employer—because payroll tax is levied on employers, not employees—to meet this cost.

THE CHAIR: Any advice for those that are about to take a hit to their family budget as a consequence of this change?

Mr Barr: The government recognises the concern that this change has raised with some. We have sought to address those concerns by delaying its implementation.

THE CHAIR: Many of the individuals received notice from the businesses they work for that it will simply be passed on from 1 July. Is that legal?

Mr Barr: No, given that the legislation is still to be considered and the government has foreshadowed a change to the commencement date—no implications from 1 July, no.

THE CHAIR: So nobody should have any payments withheld from 1 July as a consequence?

Mr Barr: Not from 1 July, no.

THE CHAIR: A supplementary, Mrs Jones?

MRS JONES: Yes. Minister, given the steep change that is occurring, is there any scope whatsoever to make this change a little slower?

Mr Barr: Yes, there is, and we have made that adjustment.

MRS JONES: I understand from what I have heard that you are starting the start date a bit later.

Mr Barr: That is correct.

MRS JONES: But is there a possibility of scaling the change over a longer period of time so that there is an introduction of a smaller closing of the gap, and then a year later closing—

Mr Barr: Have different payroll tax rates?

MRS JONES: Having—

MS BERRY: You mean phasing it in?

MRS JONES: Phasing in the change.

Mr Barr: Well, we are phasing in the change.

MRS JONES: Over just 12 months though.

Mr Barr: That is right, yes; otherwise you would have to have different payroll tax rates for different employers.

MRS JONES: As it is at the moment?

Mr Barr: There is one payroll tax rate—an exemption, and one rate. To phase something in, having different rates would require different payroll tax rates for different employers.

MRS JONES: I do not think you would have trouble getting support to do that through the Assembly, to do it slower.

Mr Barr: That is a very generous offer, and I will—

MRS JONES: Seriously, there are people writing in, and they really are quite concerned.

Mr Barr: I understand, Mrs Jones. Any change to taxation, any change to any arrangements in the economy, obviously has some impacts, and the government has sought to ameliorate those impacts by delaying the implementation of the change.

MRS JONES: For example, one person who wrote to me is going to be paying \$15,000 more in tax. They are on a high income; there is no doubt about it. But they were not expecting it. After the announcement has been made, you could then go back and say, “Over the first 12 months it’s actually only going to cost you three,” or something, and then the following year a bit more. You know I am not in favour of increasing taxation in this way, but if this happens, and you have announced it, 12 months is still a short time frame for such a vast change.

Mr Barr: That is why we sought to delay the implementation of the change.

MRS JONES: But it will still be done within the 12 months?

Mr Barr: Within 12 months, yes. But if we extend the delay then you are still going to get the same—unless we have different payroll tax rates for different employees—

MRS JONES: I know it is complicated but I do not think it is necessarily unworthy.

Mr Barr: It would completely undermine the basis of our payroll tax system to change—

MRS JONES: But to favour some people who are going to be dealing with a very difficult change.

Mr Barr: People who have been favoured for a long time by not having any payroll tax levied against them.

MRS JONES: Okay, but they were not expecting the change.

Mr Barr: No, so we have announced the change, and we are going to delay its implementation to give people time—

THE CHAIR: By three months.

MRS JONES: By three months.

Mr Barr: And that will give the partial effect—

MRS JONES: It will give a partial effect.

Mr Barr: It will take a quarter—it will take a quarter off.

MRS JONES: Yes.

Mr Barr: So it will achieve—

MRS JONES: Some.

Mr Barr: part of what you have sought the government to do, to have the first year effect be less than the long-term effect, and that is what that change does.

THE CHAIR: Ms Berry had a supplementary.

MS BERRY: I do. I need a little more information. Are the thousand people the employees?

Mr Barr: Who have an employment arrangement with—they have established themselves in a way that sees them either act as effectively employees of another company who then are possibly employed by another company, and potentially by another company. They have structured their affairs in order to avoid the payroll tax because we apply the genuine employer exemption. We have been the only jurisdiction in Australia that has done that.

MS BERRY: They have been able to set their businesses up, which then allows them to not pay—

Mr Barr: Some have—

MS BERRY: Some have.

Mr Barr: because some are eligible for the concession and others are not. You will have some employment agents who have thousands of contractors on their books, some of whom they have to pay payroll tax on because they do not qualify for the previous exemption and some that would have qualified for the previous exemption. Employment agents are in the position at the moment of having to determine which employees attract a payroll tax and which ones do not.

The removal of this exemption means that across the board we think that there have

only been six exemption categories that are consistent with the other jurisdictions. Some employment agents operate nationwide and so have staff located right across the country. Only in the ACT would certain staff not attract a payroll tax.

MS BERRY: The employment agent, the person who is the sort of go-to person, the company, is the go-to person that has the contract with an organisation to provide a service?

Mr Barr: Yes.

MS BERRY: At the moment that company does not pay tax?

Mr Barr: Depending on the nature of the contract and of the employees; that will vary, depending on the nature of the contract and of the employees.

MS BERRY: Can I come back to this because I am still trying to compute it in my mind.

THE CHAIR: Yes, it is complex.

Mr Barr: It is necessarily complex and, in fact, this change makes it easier because there is not a group of employees who attract payroll tax and a group who do not. That is what every other Australian jurisdiction has undertaken. But given that all of these questions and detail relate to the revenue commissioner and relate to revenue, if there are any questions of detail it is probably best for the committee to put them on notice, because these officials do not have responsibility for this area of taxation administration. We did have a full day on this two weeks ago.

MS BERRY: Yes, I know, but I am still trying to—

MRS JONES: And we are still getting emails about it.

Mr Barr: I understand.

MS PORTER: I have a supplementary too, minister. It is in relation to the panels. Numbers of constituents who have written to me have talked about these panels. I need to understand them a little bit more. They are saying that they can only apply for work through the ACT government and possibly the commonwealth government. I am not quite sure on that. I need some clarity about these panels. This is the reason they have set up their businesses in the way they have going through the particular routes they are going through because otherwise they cannot get any business.

Mr Barr: Some panels nationally and locally have pre-qualification requirements. In some instances that means that certain individual contractors would have a relationship with someone else and possibly a third party before they would then have a relationship with an employer, notionally a commonwealth department or, in much less frequent circumstances, with the territory government.

But then there are other contractors going for exactly the same contracts who have a payroll tax liability. So there is not a level playing field. There is an advantage for

some over others because some have to pay payroll tax at the moment and others do not, hence the need to have harmonisation and create a level playing field. Again, we are the only jurisdiction still remaining offering this very generous tax-free threshold. So we have to a certain extent created the circumstance that has favoured one set of arrangements over another.

In every other Australian state and in the Northern Territory there is a more normalised set of arrangements. The market adjusts and it works everywhere else in the country. It will work here in the ACT, but there is a period of transition and that is why the government has responded to concerns that have been raised.

Equally, a number of people have observed that they are surprised this loophole has lasted this long. It has been very generous of the ACT community to provide tax-free status to a group of its citizens for an extended period of time. That is no longer sustainable. Perhaps if we had not received hundreds of millions of dollars of hits from the commonwealth government in relation to revenue provided to the territory for various programs, if we had not had our local government assistance grants frozen, then we may not have had to consider the range of extra tax measures.

But ultimately what an economy needs is a level playing field. That is what this particular change is about. Again, I reiterate that it relates to a revenue measure and it was the subject of consideration. Otherwise I do not want to take up any more time on this output class talking about something that is not related to this output class.

THE CHAIR: It is related to business, minister, whether you like it or not. It is related to business. Is the government considering requests for a grandfather clause on—

Mr Barr: No.

MR SMYTH: existing contracts—

Mr Barr: No, the government is not—

THE CHAIR: given that they were signed in good faith without this tax?

Mr Barr: No, we have responded to the concerns that have been raised by delaying the commencement date of the legislation.

THE CHAIR: We may return to this. In output 1.1, policy, strategy and infrastructure delivery, the funding has gone from \$3.2 million to \$19 million. The note says “New output comprising the outputs of the former output 1.1 and output 1.6.” Why have you merged two seemingly quite different areas into the one output class?

Mr Barr: The government has restructured the operating arrangements within the Economic Development Directorate moving from a three-stream process into a two-stream process. That has necessitated changes to output classes.

THE CHAIR: So what does output class 1.6, land strategy and infrastructure delivery now do? It just dies?

Mr Stewart: In terms of the responsibilities of the individuals working within the team, nothing has changed in relation to their day-to-day work. It is simply a reporting framework now within an amalgamated output.

THE CHAIR: Can we have a breakdown on how much will go to policy, how much will go to strategy and how much will go to infrastructure delivery?

Mr Stewart: Certainly, I will take that on notice.

THE CHAIR: The structure as well—staffing and what functions move across?

MS PORTER: Minister, on page 2 of the budget statement right up the top of the page there is a priority list which states:

continuing to implement the Government's *Growth, Diversification and Jobs: A Business Development Strategy for the ACT* including a range of programs that support private sector development

This is the fifth priority under a long list of priorities. What evidence is there that this fifth priority can be achieved through the measures in this 2014-15 budget?

Mr Barr: There are a number of initiatives that go to support the continued implementation of the growth, diversification and jobs business development strategy. Included in those is a significant reallocation of resources for the establishment of the CBR Innovation Network, as well as support for the continuation of a number of existing programs in the Global Connect and innovation development spaces.

We have also made provision in the budget through new initiatives to support young entrepreneurs, those who are looking to restructure their small business in the context of an evolving economy and provided some additional funding on top of an existing program to assist those to make a transition out of public sector employment into private sector employment.

Those measures, together with the suite of initiatives in the tourism area as well as the support for new investment into the territory economy, are driven through the Invest Canberra team. They are all contributing not only to improve the outcomes in those key areas that we have targeted for growth but also we received a very strong supportive response from the business community, particularly from small business stakeholders, as evidenced in recent data.

MS PORTER: Minister, you mentioned a couple of things that lead me to think about this recent trip that you have returned from just yesterday, I think it was.

Mr Barr: Yes, that is correct.

MS PORTER: How is that trade mission assisting you in delivering on the infrastructure program that you have been talking about and also to do with private sector investment?

Mr Barr: The trade mission had a number of different elements. It is supported obviously out of this area through the Global Connect programs and provides an opportunity to accompanying businesses to tap into a series of resources supported by the Economic Development Directorate and also into some networks supported by the Australian government through Austrade, our various consulates, high commissions and embassies in the various locations.

This most recent visit to Singapore, as I understand it, attracted the largest ever partnering of ACT businesses. There were 39 delegates attending. It coincided with the major ICT conference in Singapore where a Canberra Fyshwick-based company Intelledox was able to announce a major partnership with a multinational Fuji Xerox.

We had a number of other ACT businesses including OnTheGo Sports sign new contracts to get their products and services into the South East Asian markets, which are some of the fastest growing in the world. There were also opportunities through this particular mission to have presentations to both debt and equity investors. In respect of debt investors, an amount of ACT government borrowings through our bond issuances are taken up by overseas lenders. Their representatives, particularly in Singapore and Hong Kong, were eager to hear about the ACT's future program.

On the equity investment side, perhaps for the first time in the territory's history we have a range of significant projects on a scale that are of interest to international investors. I can say that the particular meetings, both in group and one-on-one format, over the course of the mission both in Singapore and Hong Kong have demonstrated a great deal of interest in new investment into Canberra.

This is not unusual for Australia but certainly it has not been a major feature of the Canberra infrastructure market simply because our projects have not been big enough. But it just happened to coincide that on the day I presented in Hong Kong, a consortia that included Hong Kong's mass rapid transit had won the contract to deliver the north-west rail link in Sydney. Again, it is not uncommon for there to be international-level investment into Australia's infrastructure projects particularly bringing expertise in areas that we have none or experience in project delivery of a particular type when a project like that has never been undertaken before in our city.

There was very strong interest in both Singapore and Hong Kong in a number of our infrastructure projects—transport related, the convention centre, the stadium, city to the lake. Those sorts of projects are very strongly supported. We are already seeing that level of interest in terms of recent land sales. Obviously, we will discuss those later this afternoon in the LDA section. But the recent land sales at Campbell demonstrate a level of international investor interest in the city.

I do note that whilst I was away there were also land sales at Kingston Foreshore that I understand were picked up by local investors. It is certainly encouraging that those opportunities are being taken up locally, nationally and internationally. Having all of those players engaged leads to a more competitive process, obviously, for the ACT government-supported projects and it brings new expertise in the delivery of some of these projects that, up to this point, has not necessarily been aware of the opportunities that there are in Canberra for investment.

I think we can confidently say that after the meetings in this particular trade mission and with the support of Austrade and Australian government representatives in both Singapore and Hong Kong we were able to be put in touch with the right people who have money who want to invest in projects in Australia and particularly projects in Canberra. So that was very encouraging.

MS PORTER: Thank you very much, minister.

THE CHAIR: Ms Berry, a new question.

MS BERRY: Minister, what factors go into whether an infrastructure project is completed on time?

Mr Barr: What factors? A number of different elements contribute. Planning processes are an element. The extent to which a community consultation requires either further consultation or changes to a project will inevitably have an impact on its delivery time frame. There are issues associated with the complexity of a particular project. Some are straightforward, Ms Berry, and we undertake them on a regular basis. Others have a greater degree of complexity and a higher level of a potential risk of delay. Weather is also a pretty significant factor in the territory. We have extremes of weather and that can sometimes impact. A final factor, depending again on the nature of the project, will be capacity within industry to undertake projects. We only have a certain number of people and a certain level of skills and qualifications in particular areas. From time to time labour needs to be imported into the ACT from elsewhere in Australia and on occasion, although less often, from overseas. Those are all factors that can impact on infrastructure delivery. Mr Dawes would like to add to that.

Mr Dawes: One of the key things we do is work very closely with industry stakeholders. One of the things, especially going through some of the times we may be experiencing going forward with cutbacks from the commonwealth, is to try and smooth our capital works program. We reprofile it, and that is very good from a territory perspective. Rather than having all the work come out in one period, if we can smooth those out and provide work and economic opportunities for the whole of the industry that is very, very important. That way the territory then gets a better dollar saving because a number of contractors compete for the contract rather than potentially one if, for example, all the work is out there at the one time. It is very important to smooth it and that assists the companies to spread their workforces over a longer period.

MS BERRY: Not many people's houses are finished at the time they are expected to be finished. What processes does the government have in place for the things the government can control with infrastructure projects? You can have some predictability around the weather to a degree. We cannot control some factors, but there are things the government can control.

Mr Dawes: Again, if you look at this last 12 months, we have had probably the wettest March and April period in any one year for quite some time. Those are the sorts of things that are very much out of our control. But in a lot of instances where we have had some delays, it could be around environmental clearances. As I said, a

lot of that is behind us today, so we can get moving. Overall, when you talk about houses, we do not have a lot to do with doing the built form in the way of residential cottages. That is very much to the builders—

MS BERRY: I was just using it as an example of expectations and how the government manages the control it has on infrastructure.

Mr Dawes: One of the key things we do is, if you look at our capital works program around estate development, we always put into contracts where we have sales, whether it is to builders or the general public, some time frames when we hope to achieve the finished product. We always build in a little factor there to account for delays, whether it is wet weather or whatever. We try and inform the clients as much as possible and keep them up to date with where some of the works are. We do that very much directly to the people from the general public perspective but also through the industry organisations as well to allow builders some time so they can plan where they are going. If you look at the estates we are developing, they are pretty well delivered within those time frames, unless there is something really adverse. That means builders can then get on and build the homes for people.

One project was significantly delayed because unexploded devices were on that particular land. From a work health and safety point of view, obviously we will not allow contractors to go into those areas until we can review all of that and do all the due diligence and have those sorts of things removed. Sometimes, regardless of what the best intentions might be, something like that can come up. That delayed part of the Molonglo capital works program for several months.

One of the good things we were able to do with that contract so that contractors were not standing people down—that is not a good thing, especially when you have a got a workforce—was to move to other parts of that contract to deliver while we got underway. We always try to have some contingencies to make sure there is a flow of work.

Mr Barr: To wrap up on that, it is important to note that the new capital framework the government has released provides policy guidance to all directorates around infrastructure and also places a very high emphasis on forward planning, feasibility, business case development and design elements associated with projects. As Mr Dawes said, you also have to ensure through the development of an infrastructure project that there are appropriate contingencies in place both in terms of time associated with the project's delivery and also cost. The larger and more complex an infrastructure project is, the greater the level of risk associated with both budget and with debt.

MS BERRY: One last question about the developer of a large infrastructure project—it might be a private project like a hotel or a shopping centre or something like that—and the developer's relationship with the existing community. They come in, build their thing and then leave. Has the government ever looked at the sorts of relationships developers have with the existing community and the sorts of commitments they make to be good members of the community while they are visiting?

Mr Barr: What is interesting in terms of procurement methodology is that the more that you can combine design, construction, operation and maintenance of a particular infrastructure project, the more you see that that relationship can be developed between those delivering the project, those running the facility or the project, depending on the nature of it, and the community. One of the strengths of PPP and design, construct, operate and maintain procurement models is that the developer or the project partner has a long-term stake in the infrastructure and is not just building it and walking away as you have indicated.

Depending on the nature of the project and the nature of the contractual arrangements, you can often get much better outcomes because those who are designing and delivering the physical infrastructure also then have some sort of relationship with its ongoing operation. Over the years there have been challenges where a project might have looked great in its architectural drawings then, once delivered, there have proven to be flaws with the design that impact on the operational basis of the project. That is not unique to public sector infrastructure.

I think markets are becoming more mature and industry is seeking to respond to the longer term picture. So rather than being about what is the cheapest and quickest way to construct something it is about what will ultimately lead to the most efficient long-term delivery of a project. What are the annual maintenance costs going to be? If you design it in a particular way, will that ensure that your ongoing operational costs are less than they would otherwise be? They are some of the advantages of a procurement model and flexibility within your procurement model to respond to particular projects.

THE CHAIR: We will move to a new question.

MRS JONES: I have a supplementary to that very important question. You mentioned that consultation can cause delivery time frames to blow out because of community members' input. That was the meaning I took from that.

Mr Barr: Yes, if you need to, as a result of consultation, change the project, or change a process in responding to the community, you are going to need to change—

MRS JONES: Indeed. My question is, Minister Barr: would you necessarily count that as a negative outcome?

Mr Barr: No, I would not, but the media and the opposition often do when going on about on-time delivery of projects.

MRS JONES: I was not asking you, minister, about your view of the opposition; I was asking you whether you believe—and I do not think it is a funny matter, actually—it is justifiable to cut off community input into a project?

Mr Barr: No, it is not, and no-one is suggesting that we do. You have just invented that concept. Is that a new policy position from the opposition now? That on time is the only—

MRS JONES: I believe, Minister Barr, that we are asking the questions, and I do not think that was an inference I made.

Mr Barr: I made no such suggestion, and then here you are raising this as a new issue.

MRS JONES: My question was: do you see that as a negative?

Mr Barr: Changes to a project through a consultation process?

MRS JONES: Correct.

Mr Barr: No, I do not see that as a negative, but I also recognise that, in balancing community priorities, particularly when there has already been consultation on a particular project, there comes a time when it is appropriate to get on with the delivery of infrastructure. And again—

MRS JONES: So once there has been—

Mr Barr: this has been—

MRS JONES: So once—

Mr Barr: the position of the Canberra Liberals for some time. You introduced bills to this effect yourself whilst in opposition on a number of occasions.

MRS JONES: Minister Barr, I am not asking you for a commentary on what the Canberra Liberals have done; I am asking for your views on what the government has proposed. The second part of my question is: Mr Dawes referred to managing projects so that there is a smooth level of government investment in jobs. Can you give us any examples of where that has been done in recent times?

Mr Barr: Yes, with the sequencing of the government's capital works program at a whole-of-government level but also specifically within this directorate in terms of land release and the decisions that were taken recently around acceleration of the Moncrieff estate and the issuing of four different civil works packages in order to meet a short-term demand for work of that nature. That has obviously coincided with the government priority to release that particular site.

MRS JONES: Thank you. Into the next phase of capital works, how are you expecting to manage jobs in that sense? My understanding is that the vast majority of the jobs that have been touted as part of the current announced investment program are coming in a couple of years time.

Mr Barr: The largest ever infrastructure spend for the territory is in the coming fiscal year, and the bulk of that is works in progress. So they are projects that are already underway. They are beyond shovel-ready; they are actually being delivered. Each of those projects will have components through their various stages of development that lead to employment opportunities in the coming 12 months. Projects that were funded for feasibility and forward design three budgets ago will be in a position to hit the market as new projects in the 2014-15 year. Then those that were funded for those early development phases two years ago will particularly hit the market in 2015-16, just as projects that were funded in last year's budget are likely to hit the market in

2015-16 and 2016-17.

The new initiatives that are contained within this current budget that go to the development of projects for the second half of this decade will, of course, hit the market after those projects that are either currently works in progress or will be completed in 2015-16 and 2016-17. There will be a round of new projects ready for 2017-18, in terms of the construction market.

MRS JONES: Have you analysed the actual numbers of jobs you expect these projects to create and in what years?

Mr Barr: Yes. We have got an indication in the across-the-board estimates period of around 1,000 to 2,000 jobs associated. There will be peaks and flows, depending on the nature of individual projects.

In the context of the third and fourth outyears of the budget, there will be difficulty forecasting exact numbers at this point, because the projects are just in the forward design or business case development phase. There is certainly a series of industry indicators around the approximate number of jobs associated with a capital spend. For every \$10 million of spend on a particular type of infrastructure project, you would expect a certain level of employment. That is pretty consistent across Australia, in terms of how infrastructure projects are delivered. I can make something available to the committee—I think the MBA and Infrastructure Partnerships Australia may have done some work on this—in terms of giving a rough estimator. Then, of course, as projects are in their more detailed delivery phase, we get a better sense of the exact nature of which trades, which particular elements, will attract new job opportunities.

That is recognising, Mrs Jones, that there is a pipeline of activity here. A good long-term measure of the success of an infrastructure program will be the overall level of jobs in, say, the construction sector or the professional services sector in the economy. We get fairly regular snapshots of that undertaken by the ABS. I know from looking at these figures over the last five years, in particular, that we have seen growth in a number of construction jobs in the territory economy and that our professional services area is also growing. We publish a construction snapshot that gives a sense of what is happening, and we have a 10-year infrastructure program. And there is reporting quarterly in relation to our capital works.

MRS JONES: Thank you, minister.

Mr Barr: It is the most extensive level of reporting on infrastructure—

MRS JONES: I do not know if it is or not.

Mr Barr: If you are not reading it, Mrs Jones, I cannot help you.

MRS JONES: I do not actually appreciate the inferences. In this committee, I have so far been laughed at; I have had eyes rolled at me; I have been spoken to sarcastically by another minister; I have been told that I am unable to remember what has occurred in a brief by yet another minister. I would expect a certain level of kindness extended to members of the opposition who ask questions.

Mr Barr: It sounds like a pattern of behaviour to me, but anyway.

MRS JONES: I would like to add to that, given what you have just said. Are you stating that the 1,200 is a rough estimate based on MBA calculations or do you have your own calculation as to the 1,200?

Mr Barr: The government has estimated between one and 2,000, not 1,200.

MRS JONES: Thank you. Would you be able to supply the committee with the calculations that you have used to come to that?

Mr Barr: No, I will not supply the committee with the calculations, but I will supply the committee with information that will assist you in relation to how those estimations are undertaken.

MRS JONES: Have you determined in which years you expect which numbers of jobs to occur in the outyears or is that just a nominal level that you have gone to? I am just looking for information, Mr Barr.

Mr Barr: We will provide information to you in a way that meets the intent of the question that you are asking, Mrs Jones.

MRS JONES: I hope so, yes.

THE CHAIR: Ms Berry, a supplementary.

MS BERRY: You talked about spreading that work across the years. What would be the impact of being able to provide skilled labour to those infrastructure projects if they were all done, if it was possible that they could all be done at the same time? And then what is the flow-on to that?

Mr Barr: We would not have the capacity within our construction sector to deliver. If you look at the long run history of ACT government supported infrastructure works, recognising that we are but a portion of the construction activity undertaken in the city, you can get a sense of our share of that activity through things like the construction snapshot and the various economic consultancies who regularly release reports, be they CommBank, Deloitte Access Economics or Dun & Bradstreet, who I think also put out a series of indices. Some of the other banks do too.

We have traditionally delivered—well, up until the global financial crisis—a capital works program of around \$100 million annually. That was stepped up initially to about \$300 million. Then, during the four years of the post global financial crisis—the 2008-09, 2009-10, 2010-11 and 2011-12 fiscal years—our capital program rose to over \$500 million annually. We are seeking, over the forward estimates period, to maintain that sort of level of activity, so we are between about \$500 million and \$650 million.

Trying to go significantly beyond that would be challenging for our infrastructure community. We would need to import labour and skills that would have a potential to

drive up prices associated with the delivery of infrastructure. You do not want to overheat the market. Equally, you want to do what you can, recognising that we are the one contributor to construction in the city—we are not the only contributor—to try and have a smooth and clear pipeline of projects over a forward estimates period and then, beyond that, in terms of the infrastructure plan we put out, give a 10-year horizon on the sorts of projects that are on the government's agenda.

Clearly there is the most certainty in terms of the next 12 months, because you have a budgeted program. Budgets often, though, scale delivery or allow for the delivery of a project over multiple years. As you see from this budget, consistent with our previous budgets, we have the maximum certainty in the first year, a significant amount of certainty in the second in terms of construction, and then there are a number of other projects that are in the development pipeline that will come up for construction funding in a subsequent budget. That is not only good practice in terms of infrastructure delivery but also ensures a smoother pipeline for projects into the future.

MRS JONES: I have got my substantive question. I will go to output 1.2, page 8 of the portfolio statement. Regarding innovation, trade and investment, has there been a restructuring of business in industry development?

Mr Barr: Yes, there has.

MRS JONES: When did that occur?

Mr Barr: When?

MRS JONES: Yes. What was the background to it and what have you tried to achieve?

Mr Barr: I will get Mr Rake to outline this in some detail in a moment, but in short, yes, we sought to expand our investment and innovation focus through the establishment of invest Canberra and the Canberra innovation network with our industry partners. That has led to a renaming of this output class and some restructuring of programs. Mr Rake has control of this area.

Mr Rake: We have restructured. The restructure only came into effect in May of this year. The primary intention is to make sure that we are aligning the support that is available to business to best suit the future opportunities that we have here in the ACT. We have aligned those around supporting those industries that are in an innovative space, recognising that we have great research and innovation capacity here. We have NICTA, the CSIRO and several leading universities, including both the ANU and the University of Canberra.

On the trade side, we have businesses that are already exporting services at a rate better than our proportion of national exports. We want to make sure that those businesses get the support they need from government to open doors, to leverage opportunities. On the investment side, as the minister mentioned earlier, we have some great projects coming through. We want to make sure that the territory is well positioned to receive investment, that we are able to sell those opportunities to investors and that we are able to demonstrate that this is a low risk environment in

which to make investments.

MRS JONES: Yes, but practically speaking what has been the change? I assume you were trying to achieve all those things before as well.

Mr Rake: In a practical sense, it makes sure that the teams are working in the most effective way to achieve all of those outcomes.

MRS JONES: But how? What changes?

Mr Rake: The management structure has changed.

MRS JONES: How?

Mr Rake: We now have three senior officers, one responsible for each of those streams, rather than separating programs across a range of management teams. So we have closer collaboration, better working arrangements. We have brought the business team—

MRS JONES: Does that mean that if a business is looking for assistance they know where to go? What is the practical change?

Mr Rake: Yes. Businesses know very clearly where to go now. The innovation network is probably the best example of a new program that is enabled by this restructure. The innovation network brings together the resources of government with the resources of the ANU, the CSIRO, NICTA and the University of Canberra, and provides a gateway triage service for those businesses. They can come in through one front door and get access to support—everything from mentoring to introductions to investors.

MRS JONES: So you are making the pointy end easier for business?

Mr Rake: Absolutely.

Mr Dawes: I think the other important change is that, as we have gone from that three-divisional structure to a two-divisional structure, we have moved business under Mr Rake, where there is very much the VisitCanberra portfolio and the venues and events portfolio. So there is better cohesion between those different entities, because they are working side by side. Over the coming months, they will be brought into the one building as well, so there will be better cohesion there. That is what we were trying to do as we looked at going forward—how we actually integrate the teams more efficiently and effectively. That will mean that we are working even more closely with relevant business and the stakeholder groups, which I think is a great positive.

MRS JONES: As a result of the changes, are you expecting to make any savings or any staffing reductions while the efficiencies are being put into place?

Mr Dawes: That was part and parcel of the objectives. One of the key things that we did not want to do is cut programs and cut services back to the industry. With the

realigning from the three-division structure to a two-division structure, we did find some efficiency gains, and that was part and parcel of the element.

MRS JONES: And what is the FTE reduction that you are going to achieve?

Mr Rake: The FTE in 2013-14, so this current financial year, was 26.15. Our forecast for 2014-15 is 25.88. So it is a reduction of less than half a position in aggregate.

MRS JONES: Yes, a small amount. Are you hoping to continue that for savings purposes or is that the end of it?

Mr Dawes: We believe at this point in time that it is the end.

Mr Rake: We have not forecast any further savings.

MRS JONES: Okay. The reduction was fairly small. How was that achieved? Was it that someone's contract came to an end or was it voluntary reductions or—

Mr Rake: Two senior managers took voluntary redundancies, and there has been some growth at a lower level, so work is being done at the right level. And there has been some reduction in the management area.

MRS JONES: You were very fortunate that you had two senior managers happy to take a voluntary redundancy. Thank you very much.

THE CHAIR: I will follow up on some of those questions and then we will finish this area and move to tourism, themes and events. On pages 10 and 11, where would one find the indicators that tell how business has improved rather than the things that the department has done? In 1.1, table 9, indicator "k." shows that a four-year indicative land release program was published. What does that tell us? You have published a program but where is the indicator that says that we actually delivered?

In output class 1.2, for trade development missions, you had two and you went on two. Therefore, the objective was achieved. But what was the outcome of the mission? Did it lead to contracts? Has it created jobs in the ACT? They are pretty mundane indicators of the success of almost \$30 million worth of expenditure.

Mr Barr: There are a number of different matrixes obviously that can provide information in terms of the success or otherwise of a particular approach. In relation to output class 1.1 that is a policy and strategy area. By necessity its outputs are going to be production of particular policy advice or particular programs.

As to 1.2, I understand the direction of your questions. There are a number of output indicators there that go to new client connections, the successful grant applications to delivery of particular services particularly in relation to grant programs delivered, a number of lead responses generated from Invest Canberra program activity in relation—

THE CHAIR: Take that one. The target was 15. You had 43 leads. How many of them ended in a contract?

Mr Rake: A lot of these have a very long lead time. So it would be difficult to match very directly the activities we undertake this year and report in the following year the lead. Sometimes the lead time is two, three, four years. We also have to—

Mr Barr: Take IKEA for example.

Mr Rake: But we do also look at—

THE CHAIR: But ultimately there is an outcome. How do we know whether the money was well spent and achieved something? I accept the long lead time, but of the 43 leads can you tell me have any generated a contract in perhaps the last two or three years, if you could? What was the value of the contracts? Have the contracts led to job increases? What industries were they in? I am happy for you to take those on notice if you want. Invest ACT has how many staff?

Mr Rake: I think it is six.

THE CHAIR: And the budget for that area?

Mr Rake: If you are going to ask broad questions, then I invite Mr Cox to come to the table.

THE CHAIR: We are going to run out of time. I am happy for you to take that on notice.

Mr Rake: I will take it on notice.

THE CHAIR: There are accountability indicators for Innovation Connect. Where are the accountability indicators for, say, Trade Connect?

Mr Rake: They fall within Global Connect in general for trade. Trade is part of our Global Connect.

THE CHAIR: But again, there is nothing that says what the success was. Two missions overseas, that is the easy part.

Mr Rake: There are a range of other measures that we can bring in that are not directly collected by the ACT. Our service exports are sitting at \$1.2 billion for the year ended June 2013. That is an increase of \$42 million, about a 3.4 per cent increase. We can pull those out of ABS data. It is difficult for us to forecast precisely how our services exports will grow from year to year. What we are looking for is long-run trends that confirm the programs are assisting business and that the performance of businesses is improving and improving in the long run.

THE CHAIR: It might be. I suggest you might want to look at things that actually tell us the effectiveness of the money spent, not how the money was spent. On that page there is—

Mr Barr: We can pick up those opportunities in annual reports and obviously we do

from—

THE CHAIR: That is true but what is the aspiration? What is the target? An annual report tells you something that might have happened but what are we aiming for?

Mr Barr: Given lead times that is—

THE CHAIR: I understand the lead times. Having long lead times does not mean you still cannot report on it. For instance, in output 1.2, table 10, implementation of the task force to facilitate the rollout of the NBN, I notice that is now discontinued.

Mr Barr: A bit like the NBN?

THE CHAIR: We will see what happens. For instance, residents in Casey have complained that they still do not have the NBN. When will it be rolled out?

Mr Barr: Ask Malcolm Turnbull.

THE CHAIR: So it has got nothing to do with the task force?

Mr Barr: No.

THE CHAIR: You have an implementation task force to facilitate the rollout of the NBN in Canberra?

Mr Barr: Yes, but we do not control the rollout of the NBN. But if we did, we would have a national broadband network.

THE CHAIR: You had a company called TransACT but it languished under your control, minister. We were ahead of the game.

Mr Barr: Yes.

THE CHAIR: We were leaders in this country for broadband.

Mr Barr: You and the Canberra Liberals were the great visionaries, and it is a pity that that did not translate through to the great tech head of all time, Prime Minister Abbott, yes.

THE CHAIR: But we did start well before most other jurisdictions. I think time is over for that area, unfortunately. We will now go to output class 1.3 VisitCanberra, 1.5 venues and events, and Exhibition Park. Minister, on page 90 there are a number of initiatives in this area. Brand Canberra has \$800,000 for transforming the city. What will we get for \$800,000?

Mr Barr: You are on page?

THE CHAIR: Page 90 of BP3.

Mr Barr: This particular initiative includes, as the budget description indicates,

upgrading the website and social media programs, logo placements and further development of partnerships in relation to the brands. That also means being able to work with a number of our strategic partners—the Convention Bureau for example being one—with the rollout of the brand across their different public spaces.

Mr Rake: Essentially this program is available to support anything that demonstrates Canberra is a city that, as the brand indicates, is confident, bold and ready. It can help, as the minister said, the Convention Bureau in its work bidding for business events. It can support branding opportunities, for example at the airport. And it is about taking the message that this a good place, a place with again, as we say, brilliant possibilities, and spreading that message externally.

MRS JONES: Are there criteria that you use to assess the decisions made in this area about that money?

Mr Rake: We put a general effectiveness test over it, but the first criteria is to make sure that it meets one of those key positioning messages. We do not want to be laying money over the top of an area that already demonstrates confidence. It is really to support everything from retail and small business through to innovation space to make sure that the city has a reputation for being a place for business, a place for seizing opportunity and making the most of it.

MRS JONES: So the type of plan could be something like signage at the airport?

Mr Rake: Signage at the airport targeting business investors, business people who are coming in for meetings with government. It would be pitched to make sure that they understood that perhaps instead of hosting their office in Sydney they should think about having their office based in Canberra if they are not already here.

MRS JONES: And who decides exactly how that money is spent? Who is the decision-maker in the department?

Mr Rake: Depending on the nature of it, if it is operational and program it would be me or the officers that work for me. If it is a matter that requires ministerial decision we would refer it through to the minister.

THE CHAIR: Why is it only for one year, minister?

Mr Barr: We have made a number of program allocations for one year only and we will review their effectiveness before making any further allocations.

THE CHAIR: Canberra Day has also received an additional \$300,000 for one year. Why one year in that case?

Mr Barr: Thus aligning with centenary of ANZAC celebrations. There is a particular program to support that.

THE CHAIR: How much will go to symphony in the park?

Mr Barr: I understand it is a bit more than \$100,000. Yes, \$150,000, I am told.

THE CHAIR: And the total GPO and total cost has dipped. Is that a consequence of the centenary year?

Mr Barr: Centenary program, yes, there was a significant increase for the centenary.

THE CHAIR: Rather than, in a way, walking away from it, should we not be reinforcing what was achieved in the centenary year?

Mr Barr: Yes. That is why there are some new initiatives this year in a number of those areas.

THE CHAIR: Ms Porter, a question in this area.

MS PORTER: Minister, you launched the Invest Canberra Agency last year, I think it was?

Mr Barr: Yes.

MS PORTER: To promote and attract national and international direct investment. That belongs to the previous output class?

THE CHAIR: That is in output class—

MS PORTER: I cannot ask that here?

THE CHAIR: It is your time.

Mr Barr: It is related but we are seeking new tourism investment. Go for your life on that one, Ms Porter.

MS PORTER: Go to tourism and investment and then I will ask what I was going to ask in a minute.

Mr Barr: One of the areas that we are focusing on through our work in Invest Canberra is facilitating new tourism investment. With respect to a number of the stakeholders that I have met with and that the team have met with in both domestic and international investment facilitation, new tourism sector investment has been a high priority. That includes investment in new attractions, investment in new hotels and co-investment in other areas of infrastructure that will enhance the city's tourism capability.

That can be as broad as my discussions with SMRT in Singapore—Singapore Mass Rapid Transit—in relation to how they integrate their taxis, their buses and their rail products. Certainly there is a clear and emerging view that enhancing the integration across your different transport platforms is of benefit to tourists. There is also a sense that the smoother and more efficiently functioning your city is, and the easier it is to get around, the more attractive it is as a tourism destination.

We also took the opportunity whilst in Hong Kong to have an initial engagement with

Aquis investment, who have recently purchased the Canberra Casino. It is part of a series of acquisitions—

THE CHAIR: Well, they are in the process.

Mr Barr: Yes, seeking final approval. I understand that they are progressing with a project in Cairns that is of a significant scale. It was an opportunity to get a sense of what their intent was in relation to their intended Canberra product, and to provide an opportunity to present the city to the lake project and to give them some initial insight into how that might present an opportunity for them to do with their new acquisition and possible future investment.

There are significant synergies, Ms Porter, between the work of Invest Canberra and the tourism portfolio. New attractions, particularly from the private sector, are important for our overall tourism product, so it was pleasing to hear, for example, of a recent partnership between CH Corporation and the Shaw estate in Murrumbateman around a new high-end tourism product for the Canberra wine district. That has certainly come about as a result of introductions through Invest Canberra for the CH Corporation into this marketplace. I had another opportunity to meet with the principals of that particular Chinese company whilst in Hong Kong.

There were a number of other representatives from across a number of different internationally branded tourism operators, from the Starwood Group through to the Ovolo Group Hotels, who have made recent acquisitions in Melbourne and Sydney, and there was the chance to interest them in opportunities in Canberra.

We are seeing, through the airports partnership with Toga Far East Hotels, new products there. I understand that South-East Asian based interests have acquired the Hyatt. So there is already a significant flow of international investment in the tourism area into our economy. We think the work that is being undertaken now in introducing projects and opportunities will allow for further expansion of that.

That is also of interest to Tourism Australia in their efforts to market Canberra as a destination, in partnership with VisitCanberra, in Singapore and Hong Kong, in particular, because where there are investment flows, products and opportunity that are familiar to those large South-East Asian markets that certainly assists in selling Canberra as a tourism destination.

MS PORTER: VisitCanberra, from table 11, seems to be going very well.

Mr Barr: Yes, I think the centenary year, the quality of the program and the resources that were available and the opportunity that that once-in-100-year series of events provided gave VisitCanberra the chance to innovate. We are absolutely delighted that that innovation was recognised in an Australian tourism award for the human brochure campaign, for best marketing initiative, I understand. It has allowed us room to be, as I say, a little bit more innovative.

One of the challenges for our market is to break out of the more long-held, conservative positions about the city of Canberra. The branding project goes to this question as well, that we are a young, vibrant and engaging city and all recent reports,

be they the OECD or otherwise, have viewed us very favourably.

We have an opportunity now, off the centenary year, to launch a new range of tourism initiatives. Mr Hill is certainly leading a team that is at the forefront of innovation, recognising that we are a small jurisdiction. We need to be innovative. I will invite Mr Hill to outline a couple of those particular initiatives.

Mr Hill: Visitation numbers have been pretty strong into the ACT over the last 12 months. Our international visitors were about 179,000, almost 180,000. There was some good growth out of China and Singapore, and South-East Asia as an aggregate. The UK was fairly flat, the US was down a little bit and New Zealand is up. Overall there are some strong numbers—up three per cent for December, year ending.

For the domestic numbers I think we are up about 5.1 per cent, so just over two million domestic overnight visitors. Again it has been a really strong result. I think there were a number of things driving that. Obviously the centenary year, as the minister outlined, was a great year in terms of events that were being held in the city. There were things like the British and Irish Lions tour, we have had some fantastic cricket games and netball. So there has been a very strong sporting event calendar in particular.

We ran some dedicated activity around the centenary, including the human brochure as well. We are continuing that now with the 101 local human campaign, which is about using local Canberrans to be advocates for the city.

There is probably a bit of an underlying movement going on regarding some of the international commentary about Canberra. TripAdvisor recently rated the Australian War Memorial as the best landmark in Australia, which I think is a significant achievement for the Australian War Memorial because it ranked above the Sydney Opera House and the Harbour Bridge. So we are getting a bit of global recognition in TripAdvisor, and TripAdvisor is today's currency for opinion shaping about destinations. I think it is a great bit of advocacy for the ACT and region.

Hotel Hotel has recently won a TripAdvisor award for the best hip hotel in a city environment, so that is great. Tim Kirk has been named the *Gourmet Traveller* best winemaker of the year, which is again fantastic. He is doing some additional work at his cellar door. And the Canberra Airport has been named the best Australian airport in the awards.

I think a combination of all those things, along with campaigns, as well as a bit of a changing of the tide about the opinion of Canberra externally, is really helping.

MS PORTER: I want to ask about the number of missions that you have been undertaking to Singapore and other places, in relation to priority No 2 on page 1, which talks about continuing to develop and implement partnerships to support the establishment of direct international flights into Canberra. How is that progressing, minister, in relation to visitations and so on? Of course if you have direct flights there will obviously be more visitors.

Mr Barr: Mr Byron, Mr Rake and I met with representatives of Singapore Airlines on

the Singapore leg of the trade mission. We have some further work to do with Singapore Airlines around the details of our proposition. They obviously have to consider a number of different factors when determining new ports in which to fly. It is fair to say that our continued efforts are to ensure that, when their board and senior management make decisions about new opportunities, we are front and centre of their thinking in relation to flights to Australia. They have been very generous in providing an opportunity to speak with senior members of their executive. They have also made available route planners, business development managers and the like to work with us.

Tourism Australia have also been of tremendous assistance in terms of stumping up cash to support marketing efforts around the new route, so that we can go to Singapore Airlines and be confident that not only will we have our own marketing support through the funds that we have made available but that Tourism Australia will support that. I met with the new chief executive, John O'Sullivan, prior to my departure just to reinforce our agenda in relation to today's matters. There is a continuation of support from Tourism Australia.

Ultimately, these are commercial decisions for airlines. All you can do is ensure that your destination is in front of them and presented in the best possible light with the unique circumstances that are in our favour—no curfew at the airport, very strong business and government travel inbound and outbound in our market, and the capacity to work in a long-term partnership to grow the leisure component of direct flights.

Again Singapore Airlines have welcomed that ongoing engagement. There are slightly different time work, financial year arrangements and the like in Singapore that mean there are times when they consider new routes and times when they do not. I am pleased with their level of engagement with us and the consistency, unanimity and dedication of the entire team Canberra effort. From all of the different stakeholders there was a very strong focus.

I am pleased to say all of the delegates who were on the trade mission were certainly reinforcing the desire to do long-term business in Singapore. They made a point of mentioning the efforts of the delegation and particularly of the aviation-focused component in all of their meetings. To support our efforts in Singapore the Brumbies were playing at the launch of the World Club Rugby championship, at the opening of the new Singapore sports hub, with high-profile Canberrans like David Pocock taking on a significant role. We were in the market with a significant campaign to promote our city, including some strategically placed advertisements in the Singapore Airlines in-flight magazine—again, wanting to demonstrate to the marketplace our desire for and commitment to this outcome.

MS PORTER: Is it a case of watching this airspace?

Mr Barr: In terms of Singapore, yes, although it is obviously more developed because we had been working on this for a period of time. We also took the opportunity whilst in Hong Kong to introduce ourselves and the airport upgrade to the senior management of Cathay Pacific, who have a desire to fly more to Australia but have certain restrictions on the four major ports, so they cannot fly anymore at the moment. They cannot fly anymore into Sydney, Melbourne, Perth or Brisbane. So if they want to expand, under the current requirements they need to look at different

ports. They were broadly aware that our airport had been upgraded but they were not aware of the details of it, so we took the opportunity to begin that dialogue with them. Again, it was encouraging. They are certainly willing to work with us in developing a proposal and it will go through the commercial considerations that their lines undertake.

MS PORTER: Thank you. I was going to ask you if you had made contact with them while you were there.

THE CHAIR: Members, we are still on 1.3, 1.5 and EPIC. Ms Berry, any questions?

MS BERRY: I have a couple of supplementary questions to Ms Porter's substantive question. I glanced at a photo of the trade mission in Singapore and I noted—because this is what I do—that it looked like there were only two women in that photo.

Mr Barr: Was it the one at the sports hub?

MS BERRY: It might have been, yes.

Mr Barr: There might have been a particular gender bias there. A lot of the people who were in that tour were locals or the hierarchy of the stadium.

MS BERRY: I could not actually recognise anyone's faces but I could see that there were only two women. I did not know what the make-up of the trade mission was or whether the business community in Canberra is working, along with the government as part of that, to bring more professional women into that space.

Mr Barr: Off the top of my head, I can tell you that the president of the Canberra Business Council, Michelle Melbourne, had a major outcome for her business. Chris Faulks was also in attendance.

Mr Rake: Alicia Shepard from OnTheGo.

Mr Barr: Yes.

Mr Rake: Inga Davis from the University of Canberra. All of those had very prominent roles. In fact Alicia's company was one that was able to actually do business while in Singapore rather than establishing new leads to follow up later. They closed deals.

Mr Barr: You would be right to say that there were certainly more men than women but it was not that there were only two.

MS BERRY: There were just two in that photo, I think. I do not know. It was hard to tell but I just noted it and thought I would ask the question while we are here. The other thing is that there are lots of good things happening around bringing tourism to the ACT. I can see that but I was thinking about some of the town centres. During the centenary year the Belconnen arts centre held an arts project called one river and it brought visitors from all around the region into Canberra. There is one hotel nearby but there is not really any accommodation in Belconnen. There is the new University

of Canberra sports hub, the Brumbies and the Capitals. There are all those opportunities there where people can come to Canberra to visit. They stay here in the city. I am wondering how we can share the economic benefits of tourism across the city.

Mr Barr: Fortunately there is good news in that there is a major new hotel proposed for the Belconnen town centre in an iconic building, an iconic design. That certainly is encouraging. I suspect that there will be, off the back of that, some increased interest in the Belconnen town centre. We still have some blocks available that have a mixed-use capability. I think you can anticipate there being some further development opportunities in the town centre.

In terms of other tourism infrastructure within the Belconnen town centre then, yes, the arts centre is acknowledged as having a capacity now and a greater potential in the future. It will clearly be of interest in coming budgets in terms of future government investment there.

MS BERRY: It certainly will. And I think that covered my questions.

THE CHAIR: Mrs Jones, a new question.

MRS JONES: I am not sure if we have actually been to exactly this but I will take some feedback. On VisitCanberra in BP 3, page 92, there is the tourism industry growth partnership. I am sure you referred to them in general terms but can you explain how the government will spend the \$750,000 and who is managing that initiative and what is expected out of it?

Mr Barr: As the budget descriptor indicates, there will be some new signage for the territory to align with the brand. Money will be spent on upgrading our exhibition display capability. There will be an element of this that will support the experience of conference delegates. We are working with the Canberra Convention Bureau on the delivery of that. Mr Hill, do you want to add anything more?

Mr Hill: There is probably about four or five really key bits there. One is the major signage, gateway signage, into the ACT.

MRS JONES: You mean at the end of the Federal Highway or—

Mr Hill: Multiple points, we are looking at. We are mapping out the four or five key entry points for the drive market that comes into the ACT, some major signage that creates a more favourable impression of the ACT.

MRS JONES: Will you be using the CBR logo?

Mr Hill: We will certainly be innovating a brand in that execution, yes.

MRS JONES: Maybe billboards or something?

Mr Hill: Yes, correct.

MRS JONES: Not necessarily neon lights CBR?

Mr Hill: Not necessarily, more like the hero images of the ACT and the experiences that are available here. We are also looking at running a program with the taxi industry. We get some fairly consistent feedback around not so much the service but the experience the taxi providers provide. They are often one of the first points of contact for a visitor, whether it be business or leisure.

We currently run some programs with the taxi industry. We do some breakfast briefings around what is on in Canberra at that particular time. We are looking to really beef up that program over the next 12 months and spend a lot more time with the taxi industry, essentially becoming a concierge Canberra-type approach so that we can share information and they can share information to clients.

MRS JONES: They certainly are an important information hub, yes.

Mr Hill: A new cab rank obviously at the airport is great but we want to get a bit more transfer of information. We are also doing an audit of—this is more in line with the digital capability of the city and information transfer to consumers—our own visitor centre. We are having a look at the airport itself. We had a discussion with the airport owners. There is also the bus centre and some of our national attractions and some of our hotels that pick up the vast majority of visitors and how can we use foyers, concierge programs, to transfer more information about what is on here and now in the ACT.

A lot of people come here for business. Their experience can be plane, cab, hotel, Parliament House and then that in reverse. We are looking at trying to get a bit of conversion out of that, for repeat visitation for leisure. One of the ways to do that is to really inform people of what actually is on in the area.

MRS JONES: And can you explain to us what the entry points that you are looking at for the signage are?

Mr Hill: Can I take that on notice? We are looking at the main entry points. I have not got the specifics on the exact sites that we are looking at but, as you can imagine, it is the main points coming in from Sydney, from Yass and from the southern areas.

MRS JONES: And I think yesterday we had some discussion about when people reach Civic there is not necessarily a strong understanding that they have reached the city heart.

Mr Hill: There will be major signage but we will be looking at digital ways to enhance the dispersal in and around the ACT through some digital executions. That could be mobile phone apps and the like.

MRS JONES: Are you in conversation with the taxi companies about information that they have on hand in taxis and also about drivers' presentation, as in dress uniform?

Mr Hill: Absolutely. We have been doing that for the last probably two years,

particularly prior to the centenary. The money that is being made available here for this program will specifically allow us to lift the quality standards there. The taxi industry is really keen to engage on it too, as are we. We are looking to provide some better tools for them, potentially things that are in the cabs that consumers can take with them or download. It could be a QR code-type activity.

THE CHAIR: As a supplementary to that, you mentioned the Convention Bureau. Has any funding to the bureau ended?

Mr Barr: Yes. They had, I think, a three-year program that concludes at the end of this fiscal year. Last year, though, they were given a further \$200,000 program supplementation for this year and next. That was meeting an election commitment of providing them with an extra \$400,000. We spoke with the bureau about how best to deliver that. We had originally intended four by \$100,000 and they suggested they would prefer two by \$200,000. We agreed to change our funding arrangements and our election commitment in order to still honour the level, being the extra \$400,000, but to deliver that in two by \$200,000.

THE CHAIR: Given that part of this funding is to enhance the conference delegates' visit to Canberra, is it not important to continue that funding to the bureau, and are you aware of what that has meant to the bureau in terms of staff losses?

Mr Barr: Yes, I am aware that, with the conclusion of the three-year program, the contracts of some staff associated with that program conclude. That is the nature of a three-year funding commitment. It was not a forever funding commitment, it was to target a particular outcome for a particular period. We then provided additional funding that we largely left with the bureau board to determine how best to utilise it. The board can make a decision, if it wants, to continue elements of the previous program. Of course, this bureau is privately funded too. So it is up to them, obviously, as to the extent to which they seek to raise additional funding from private sources. I think we have provided at times up to 70 per cent of their revenue. That is unsustainable.

Most bureaus sit better with a fifty-fifty funding arrangement, but in recognition of the need to boost particular areas we have chipped in more than you would normally anticipate in order to support the bureau. They have access to some opportunities that have come from some of the other funding, but in the end their number one priority was for the government to invest in progressing the new convention centre project. We have put in \$1.5 million in the coming fiscal year and made provision for, I think, up to \$8 million to progress that project. And that is the bureau's number one priority. It has been expressed to us throughout the last two or three years. So we are doing that.

THE CHAIR: So how many staff were lost at CCB?

Mr Barr: You will need to raise that with CCB. That is a matter for them, as I have no control over their staffing. I just give them a bucketload of money.

THE CHAIR: A bucketload?

Mr Barr: Yes.

THE CHAIR: It is a bucketload?

Mr Barr: It is.

THE CHAIR: I am sure they will appreciate the bucketload of money.

Mr Barr: Which they use very effectively, but I do not control their budgets or their staffing.

THE CHAIR: The new tourism strategy will be available when?

Mr Barr: It has been released.

Mr Hill: Yes, it is available today.

THE CHAIR: It goes through to 2020?

Mr Barr: That is correct.

THE CHAIR: Will the new signage connect with that and link it all together?

Mr Hill: Yes.

THE CHAIR: And the targets in the strategy, where do you see the industry going and how will you measure that progress?

Mr Barr: We have a series of indicators available to us that we report against and are made available. I understand that budget cuts to the ABS might cut out some of the indicators that the tourism industry has relied upon. We will see what happens there. I do not think any of them directly impact upon the targets that we have set in the strategy, but we will double-check that because it is only a very recent thing that has happened as a result of the federal budget. I will certainly continue to report against those objectives.

We have a role to play within the national tourism strategy as well. There is reporting at a national level on how individual jurisdictions are faring and then reporting at a jurisdictional level on the different elements that contribute to the overall outcome, which is around growing the value of tourism to our economy. There is a very strong link between the increased value and level of employment in that sector, and that obviously contributes to the territory's overall economic performance. There are a range of measures, for example the growth in service exports, that indicate the success in recent times of the government's policies in relation to tourism.

Mr Rake: Our 2020 strategy is consistent with the national 2020 targets as well, the national approach. We are pretty strong participants in the latest Tourism Australia campaign, restaurant Australia. In fact while we were in Hong Kong, Tourism Australia were running ads in the market promoting restaurant Australia, in particular featuring regional attractions. The Poacher's Pantry was one of the key destinations within that advertisement.

That is a campaign that is going to enable very small businesses to connect with the territory and national campaign probably better than ever before. It is a bit hard for our small businesses to connect with a campaign that is focused around the beaches of Hamilton Island but when we are talking about food and wine and hospitality experiences, we can connect very quickly.

MRS JONES: Can you just explain quickly what restaurant Australia is? I have seen some advertising for it, and I have to say I have not quite understood exactly what it is.

Mr Rake: Restaurant Australia is the new Tourism Australia campaign. It is built on research that demonstrates that, in worldwide surveys of people who travel, Australia as a destination for food and wine rates down around sixth for people who have not yet visited Australia. By the time people have visited Australia and seen what we have, we rank second. We rank above Italy. Restaurant Australia recognises that it is a unique strength. It is a growing market worldwide, and for us it is a campaign to very strongly be part of.

MRS JONES: To attract a particular type of tourist?

Mr Rake: Tourists who are interested in a food and wine experience. When we look at our strongest markets, particularly in South-East Asia—China, Singapore, Hong Kong—these are markets where people will travel for food and for wine. Even in Hong Kong, we heard from the Tourism Australia in-market experts that, despite Hong Kong having some of the finest dining available, their residents take the view that once they have been to those experiences once they are looking for something different. They will come to Australia, and they will come to Australia time after time, to get access to the different experiences we have.

MRS JONES: Thank you.

THE CHAIR: As part of the strategy, the focus on events, and there is funding with the world cup, how is the \$2.5 million being spent for the cricket world cup?

Mr Barr: Neale, do you want to answer that?

THE CHAIR: Mr Guthrie, in his final appearance at an estimates hearing for the ACT.

Mr Guthrie: The \$2.255 million that was allocated will contribute towards a range of activities to support the delivery of the three cricket world cup matches at Manuka Oval in February and March next year. They are basically related to match day expenses. Part of our bid to the cricket world cup group to host matches in Canberra was basically shopping the venue and what support we could provide back. That ranged from match day expenses to promotional activities. We are also looking at live site activations to promote the event; support around security costs et cetera at the event; and facilitation of all of the activities that go with such a large event.

It will be the largest event held in the world in 2015. It is quite significant. It is a lot of liaison back with commonwealth and coordination, plus the benefit of some

legislation that is currently taking place that supports it, such as major events legislation around IP protection, ticket scalping, and also some pitch invasion activity—not so much pitch invasion activity, but laws that prevent or discourage people from considering those activities.

THE CHAIR: It could be a new tourist initiative! How does the relationship with Cricket ACT affect the world cup, given the cessation of their tenancy agreement?

Mr Guthrie: Contractually the relationship comes from the ICC to the local organising committee. The event is held across Australia and New Zealand, so there is an LOC that is split between the two, and there is a CEO and deputy CEO that look after Australia and New Zealand and cooperate between the two countries. Then it goes down to the 14 host cities. Then, within the host city, there are also host venue and training site agreements which are coordinated through the city. In our case it is very simple, because all of the training sites, the venue and the host city are under the one government so it is reasonably controlled. As to Cricket ACT's responsibility, they are contracted to us and to ICC through their cricket community. So effectively my team has responsibility for delivering the event, and Cricket ACT also contract to us to support that.

THE CHAIR: So them not being a tenant does not affect it?

Mr Guthrie: I did not—

THE CHAIR: Cricket ACT not being a tenant, the end of their tenancy does not affect it at all?

Mr Guthrie: No.

Mr Rake: It does not compromise the world cup, but we have been working very closely and directly with Cricket ACT to make sure that they have got temporary accommodation in the meantime. We need to make the space they are currently using available to host the event. I have met very recently with the chair, deputy chair and chief executive of Cricket ACT, and we are all very confident we have a good plan for them.

THE CHAIR: AFL New South Wales lost their tenancy, for the same reason?

Mr Guthrie: That is right.

THE CHAIR: What happens to them? What happens to the space after the event? Do we expect them to come back in?

Mr Barr: Probably not, because we will undertake the next phase of redevelopment of the facility. The space that is freed up then can be made available. In this way, we will improve the commercial viability of the venue, which, as we are all aware, is substandard compared with other Australian venues; hence the need for public subsidies of any events there. Manuka Oval in its current configuration does not return particularly much to users.

THE CHAIR: These events will be televised, so we will cash in on come to Canberra, CBR?

Mr Barr: Yes, there will be significant elements there. There will be strong programs working with the embassies, looking at perhaps even hosting some of the teams through their warm-up and other phases of activity. But also, given the strength of the program now over the summer, for cricket it is very good.

THE CHAIR: What will the government be doing in regard to parking at Manuka? Will there be increased parking for these events?

Mr Barr: There is a parking plan in place for major events at Manuka. That involves a number of opportunities to increase parking within a walking distance or within a short park and ride distance. That includes spaces such as the car parks at the Kingston foreshore. There are park and ride provisions that have been made within town centres. Fyshwick fresh food markets made their sites available. There are thousands of street car parks within a reasonable walking distance, and we have a range of arrangements in place on match days for that parking. But our preference is that people use public transport; that is why, generally speaking, it is free public transport to attend the venue.

THE CHAIR: In regard to other events, I understand there is a proposal for a national caravan rally to come to EPIC. Has the government been approached to support the national caravan rally, and is it going to do so?

Mr Barr: I will invite Ms Clarke to come up.

THE CHAIR: Have you had any representations about this?

Mr Barr: I will need to check. Not that I recall, not front of mind, but there may well have been a letter; as you would understand, I get hundreds, if not thousands, of pieces of correspondence. It is not one that has come to my attention, but Ms Clarke may be able to assist.

Ms Clarke: In 2016, we have got two caravan rallies. One is contracted to come to Canberra. With the other, we are in contractual negotiations at the moment. I would like to ask the chair which rally you are actually referring to.

THE CHAIR: If you tell me the two names, I will tell you which one. I just know it as the national caravan rally.

Ms Clarke: The national caravan rally is in contract with us. Last year I went to Rockhampton to represent the corporation at the rally that was being held at Rockhampton, encouraging attendees to come to Canberra in 2016.

THE CHAIR: What is the name of other rally?

Ms Clarke: I would like to take that offline if that is all right. I can talk to you; it is just that we are not in contract yet.

THE CHAIR: Okay; that is all right. So there are plenty of caravanning opportunities?

Ms Clarke: There certainly are. In 2016 the return to Canberra will be quite significant if we can also get this additional rally. For the first one that is in contract, we have got probably over 800 caravans coming. That is about 1,600 people attending the site for over a week. We are in discussion with tourism to work out programs for the other patrons coming.

THE CHAIR: Ms Porter, I think you had a question for EPIC.

MS PORTER: I have a couple, actually, thank you. On page 4 of your statement of intent, there are a number of so-called risks for financial sustainability. Dot point 2 talks about progressing a low-cost tourism accommodation project. Could you tell us where that is up to, please, and why you thought it was necessary to go into these negotiations to build this facility.

Ms Clarke: The corporation certainly is looking at alternative revenue streams to support the financial return, not only to the corporation and the venue but also to the ACT. We have been working with government and EDD to assist in developing low-cost tourist accommodation for not only visiting school groups but also visiting school groups and patrons who would be attending our venues events. We have a preferred tenderer called FreeSpirit, who are the identified developer and tenant, to build and operate low-cost tourist accommodation.

MS PORTER: Where is it up to?

Ms Clarke: Currently the services to the block are being progressed. The time frame for that will be the end of September. That is going to plan. FreeSpirit have commenced advertising for accommodation for next year. They are proposing to have the development up and running by the first school term in 2015. Obviously we are helping as much as possible to get that development up and running. As the committee would perhaps know, there have been delays in getting that block. That is mainly because we have had the largest colony of legless lizards in the world—not really, but we have had some challenges with the legless lizards and getting commonwealth clearance. That has all been finalised, and we are working very closely with EDD and government to get this happening.

Mr Barr: Cue school kids in the background.

MS PORTER: We have got some competition from outside with the anklebiters.

THE CHAIR: First-graders, I would say—a big day in town on a bus.

MS PORTER: In regard to accommodation, we know there is a very successful national folk festival held there every Easter. Are you able to accommodate the folk festival still? I know it is growing in size. Are you still able to cope with the number of people who want to visit at that particular time and perform at the festival?

Ms Clarke: Absolutely. For us, Easter is a great time to have that event. We have had

that for a number of years now. Just two years ago they changed their footprint for the venue. They have actually created a more vibrant event, I would say, by moving where the activities are for the external activities. There are a lot more marquees. We had over 50,000 people attend that event last year. It is hugely successful, and for Canberra it is a great economic benefit.

MS PORTER: My last question in this area is in relation to the next dot point on that page, which talks about external studies. One of these is the government's review of co-locating Canberra's Thoroughbred Park, harness and greyhound racing prior to finalising your master plan. Could you let us know where that is up to, please.

Ms Clarke: Absolutely; I can. I have been advised that the study is in draft form, but it is shortly to be finalised. Minister Burch has provided a commitment, as part of the government's response to the Assembly committee reports on agency annual reports, that she will table the study once the feasibility study has been completed. The corporation obviously does not want to finalise our master plan until we actually know exactly what is going to be happening at the venue. But that does not mean that we have stopped business. As you will see from our statement of intent, we are certainly increasing our revenue and in our forward years we are getting to a very positive position.

MS PORTER: Thank you very much.

THE CHAIR: Ms Berry, a quick question and then a quick question for Mrs Jones. We will finish at 11.30.

MS BERRY: I have a couple of questions regarding some of the major events that the ACT government delivers in the ACT like Floriade, NightFest, the Enlighten festival, the New Year's Eve celebrations and some of the others. What has been the overall community response to some of these events? Personally, I have had pretty positive feedback but overall has it been—

Mr Barr: Yes, in relation to Floriade and NightFest, they continue to attract a very strong local following. In recent times with not too many days or nights adversely impacted by poor weather, they have been achieving record or at-record level attendances. Enlighten, I think, has been the real success story in recent times and has now very firmly established itself as our major autumn event. Attendances there have been significantly increasing even in poor weather. I think this year's event had pretty ordinary weather on the first night but had the strongest ever first night attendance in the history of the event.

It is now well established and growing the number of partners in the delivery of the event—new organisations wanting to come on board to be part of it. The High Court made their forecourt available for activities. There is a desire to continue to evolve and enhance the projection element of Enlighten to get more animation and interactivity, I guess, between crowds and the projections. We have had the opportunity to involve local industry and local artists in some of that work.

The other events that have obviously been major parts of the events calendar that continue to have very strong followings include New Year's Eve, the Nara Candle

Festival and Canberra Day-related activities that, again, are being closely integrated with the Enlighten festival and taking opportunities as they present from time to time. With 2015 being the centenary of Anzac, there will be a very strong program of events in Canberra. We are taking the opportunity to align some of our events with those opportunities and themes. Neale, did you want to add anything more?

Mr Guthrie: I think that has covered it.

THE CHAIR: Perhaps a quick question from Mrs Jones.

MS BERRY: One more thing: it is just a comment. For New Year's Eve, is there any chance you can roll out grass on the—

Mr Barr: In Civic Square?

MS BERRY: Yes, even the fake grass, because everybody sits on the concrete. It is just a suggestion.

Mr Barr: Yes, I have had that feedback and have had discussions.

THE CHAIR: Mrs Jones?

MS BERRY: It would be cheaper than chairs, probably.

MRS JONES: I turn to page 12 of the budget portfolio statement. The top table relates to the national average of room occupancy rate of 85 per cent and to visitors to the Canberra region. Can you please explain the meaning of that table?

Mr Barr: There is national data produced by the ABS on room occupancy rates for hotels—

MRS JONES: In the ACT?

Mr Barr: Nationally and in the ACT. They obviously fluctuate from month to month, quarter to quarter and year to year depending on activities occurring around the nation. This output class targets that the ACT's room occupancy rates will be—we are targeting a performance greater than the national average, which is a significant stretch target given the range of tourism offerings, business destinations and the like that there are around Australia. We have generally been ahead of that national average over recent times. We have been achieving this and it is our intention to continue to achieve above national average performance for the accommodation sector.

Obviously there are two factors there: supply and demand. As more hotels come online and there are more hotel rooms in the city, you would expect the accommodation room occupancy rate to drop a little, but you also then hope that the new players and our efforts grow demand as well so you can offset that.

MRS JONES: So that is why the 69 this year?

Mr Barr: Yes, that is right. That is above the national average, which is 65 I am told

at the moment. But that average will change at any given point. You have a major event on in a city and it will go to 100 per cent.

MRS JONES: Yes, I think it is hard to find accommodation on budget night, for example. Not the ACT budget, though.

Mr Barr: In terms of satisfaction levels with the Canberra and Region Visitors Centre we set a target at greater than 85 per cent, and we achieved it. It was 96 per cent satisfaction last time.

MS PORTER: Is the visitor's centre going to stay where it is?

Mr Barr: No.

MS PORTER: Where is it going, minister?

Mr Rake: We are looking at a range of options. It is probably too early to make strong commitments, but we are looking at partnerships with other organisations, including my former organisation, the National Capital Authority, who have a major role in helping explain the significance of Canberra to Australians and visitors. To the extent that we have an interest particularly in visitors, we think we could see some opportunity to work together.

MRS JONES: Is your preferred location sort of near the lake or something like that?

Mr Rake: One obvious opportunity would be to look at Regatta Point and whether we could work together in that location. From our perspective, it is the first place that we send visitors after they have been through the visitors centre. It also offers an opportunity to deliver more visitors into Floriade to share experiences. You can literally point out the major attractions from the view out the window.

MRS JONES: That is a good point.

MS PORTER: Well, anything—

Mr Rake: It is an opportunity we would be very pleased and proud to work with.

MRS JONES: And you come off the main road into the car park.

MS PORTER: Anything that is more central would be very nice.

Mr Barr: Yes, that is understood and we are looking—

THE CHAIR: Sounds like a recommendation.

Mr Barr: It does.

THE CHAIR: Minister, when was the last time occupancy rates fell below the national average?

Mr Hill: I would have to take that on notice. I am not sure, to be honest.

THE CHAIR: Yes, it is a fair while.

Mr Barr: It would be, yes.

THE CHAIR: We will finish there. We have now completed output class 1.1, policy, strategy and infrastructure delivery; 1.2, innovation; 1.3, VisitCanberra; 1.5, venues and events, Exhibition Park Corporation. We will return at quarter to 12 to do output class 1.4, sport and recreation.

Sitting suspended from 11.29 to 11.46 pm.

THE CHAIR: Members, we will recommence. We welcome the Minister for Sport and Recreation back to the table, along with his staff from the directorate. Many were here this morning. So I will quickly run through the housekeeping. If you are taking a question on notice, just for clarity if you could say words like, "I am taking that question on notice," it will make it easier to track in the transcript. The proceedings are, or course, being recorded, transcribed and broadcast. When we have a transcript we will forward it to you so that you can peruse it and make any corrections you feel are required. In front of you on the table is the privilege statement. If you could please confirm that you have read the statement and understand its protections and obligations? Everybody seems to understand. Minister, do you have a short statement on sport and recreation?

Mr Barr: No. We have only got 45 minutes. So go for it.

THE CHAIR: Let us get into this. I will defer to the shadow minister for sport and rec. Mr Doszpot can have my questions.

MR DOSZPOT: Minister, I have a series of questions on one of your favourite topics, diesel. Can you tell us how many sportsgrounds in Canberra are marked in diesel fuel?

Ms Priest: Of the 884 individual fields, 66 are marked in white paint and the remaining 818 are marked in diesel.

MR DOSZPOT: What is the annual cost of diesel line markings as a result? What is the annual cost of marking these grounds in diesel?

Ms Priest: The annual cost of diesel? We would have to take that as a question on notice in terms of having an absolute figure for that.

MR DOSZPOT: How many times is diesel applied in one calendar year to these grounds?

Ms Priest: With the diesel line marking, my understanding is that it is about every eight weeks that we apply the diesel line marking.

MR DOSZPOT: So for an average ground that would be how many?

Ms Priest: Sorry, every ground has a diesel line marking application every eight weeks.

MR DOSZPOT: The constant application of diesel obviously has quite an effect on the ground. It kills the grass, it degrades it and it eats away the ground itself. Has any study been conducted as to how long diesel can be applied without any remedial work having to be done on the ground?

Ms Priest: I will have to take that as a question on notice. I know that there has been some research done but in terms of giving you any detailed response to that, I would have to take that as a question on notice.

MR DOSZPOT: Could you take that on notice in two ways? One is: has there been any ecological study done on that? Also, just from a physical point of view, how deep does an actual furrow have to be for you to be concerned about the state of the grounds? This could apply to a number of areas such as multi-use grounds where there are a great deal more lines on a field and it has quite an effect on the ability for people to play sport on those grounds.

Ms Priest: I am happy to do that and come back with a response.

MR DOSZPOT: I understand that the use of diesel was, in fact, stopped by a former Labor minister, I think it was Mr Hargreaves, around 2005. Can you confirm for us when that was done and why was it reintroduced? Why was it stopped and why was it reintroduced?

Ms Priest: Again, I will have to take that on notice and come back with absolutely clear detail on that.

MRS JONES: With the notice answer, could you give us a difference in cost between the paint option and the diesel option?

Ms Priest: We can give you some information on that now. We have had some preliminary costings done. The estimated total cost of switching to white paint marking as a starting point would be about \$500,000 per annum in addition to what we currently spend, and that was about six months ago, based on the asset base then. Obviously as assets return, come back on line, that figure changes. But that does not include the cost of survey for those grounds.

One of the complications with white paint marking and cost factors involved in that is that it obviously does not last as long. It is about a two-week lasting for white paint marking. I think it is even shorter than that in the summer when you have got growth and mowing happening much more regularly. The issue is that each time that white paint marking is lost, each ground would need to be resurveyed and that comes, again, at a significant cost.

MRS JONES: Is there a third option of chalk or not? Is that a third option that is used in some places?

Ms Priest: Chalk?

MRS JONES: Chalk dust?

Ms Priest: I am not absolutely certain.

Mr Barr: Do you mean lime?

MRS JONES: Is it lime? There is another method I have seen somewhere. I just wondered what it was.

Mr Barr: It was lime, yes.

THE CHAIR: Chalk is lime.

MRS JONES: Has that been costed as well? I think that lasts longer than paint, does it not, but it has its own issues as well obviously?

Ms Priest: I think lime does have its own issues as well, but we could provide some clarification in regards to lime. I will take the lime issue as a question on notice.

MR DOSZPOT: I have a couple of supplementaries to Mrs Jones's question about the fact that white lines are applied on certain grounds and diesel on others. Would it be fair to say that on all grounds that are used for first division, top-level matches white lines are used, and diesel is only used on junior grounds?

Ms Priest: We provide the option for all clubs and it is a choice of the clubs to do white line marking if they want to. If they do choose to do that and they choose to do that for some of their premier leagues, the arrangement is that we do the first survey. We make the first line marking and they are responsible for it thereafter in terms of cost et cetera. The option is there. It is a choice and a decision of the clubs in terms of how they apply that.

MR DOSZPOT: Has any study been conducted seeking information on whether there is any other paint available these days, with the advance of technology, that will last longer than the three weeks or so that currently the white paint lasts?

Ms Priest: Not that I am aware of. Certainly in terms of the growth issue and when we mow and cut the paint away, I think irrespective of the product used, you are still going to have that same issue.

Mr Barr: You would need a grass-growth suppressant product.

THE CHAIR: Mr Doszpot, a final question.

MR DOSZPOT: My final question is: what level of injuries has been reported on diesel-marked grounds that you are aware of?

Ms Priest: Very low. Again to get an exact figure for you, I would have to come back but I would have to say that in my time in the role injuries reported as a result of

diesel line marking is not something that has been brought to my attention or that I am aware of as a high-risk or high-issue thing. In fact, of recent times there is not one that I am aware of, but we will go back and confirm whether or not there have been any.

THE CHAIR: Ms Porter, a new question.

MS PORTER: On page 12 of budget paper 3 it mentions the Lyneham sports precinct stage 4 tennis facility enhancement. I wonder if you could—

Ms Priest: Sorry, can we just make sure of the page?

MS PORTER: Sorry, page 77. Sorry, numbers are not my strength. It was question 12 for me and page 77. Sorry to confuse you. Lyneham sports precinct stage 4, it is about halfway down the page.

Mr Barr: Tennis facility enhancement, is that it?

MS PORTER: That is right. That is the one. I just want to know what benefits this upgrade will give for us in promoting Canberra's sporting image in relation to tennis.

Mr Barr: The headlines here are that this is a partnership between the ACT government, Tennis ACT and Tennis Australia. And this infrastructure grant will enable the upgrade of facilities at the Lyneham sports precinct to achieve a level, for a number of courts, of facility that will bring Canberra back into the major tennis tournament circuit. This particular investment not only provides a year-round, high-quality facility for the community but also, through the partnerships with Tennis ACT and Tennis Australia, our spend here involves commitments from them to bring content to Canberra and some supporting funding out of Tennis Australia's nationwide infrastructure funds and really does cement that growth path for Tennis ACT.

Given the overnight success of Nick Kyrgios at Wimbledon, it is a timely opportunity for tennis to grow in the territory. Jenny, do you want to add anything? Have I missed any key point?

Ms Priest: That is the key element of it. That is additional to the funding that has been provided to date. It really is ensuring that the delivery of the infrastructure there comes in a single stage and includes elements such as a four-court indoor tennis facility, 12 clay courts, junior development courts, centre court broadcast lighting and other major event infrastructure.

MS PORTER: If we go back to the question we had before in relation to parking at the cricket, has there been some upgrade? There has been a lot of development there over time, has there not? Numbers of different sporting codes have had some facilities upgraded there. Has the parking also been upgraded?

Mr Barr: Yes. Upgrades to part of the broader precinct works that stretch as far back as the hockey centre have involved increased parking capacity and the creation of an internal road network for major events that allow for public transport access as well. It is not a rat-run from Ginninderra Drive through to Northbourne Avenue. But on major

event days, it does provide the capability for connectivity there.

The other elements of the project have included additional playing fields, upgrades to the netball courts. That was a few years back now. There is obviously the partnership that Tennis ACT have with the Next Generation group around a new club facility on part of the site where the old national indoor sports centre used to be. There is squash and some new swimming pools and the like coming as part of that private redevelopment.

MS PORTER: That is still to come?

Mr Barr: Yes, the construction on that. Some of the demolition is underway and there will be a new facility emerge there. Then on the block next to that, which is the subject of the government's support, is the community tennis facilities, and then the partnership with Tennis Australia has allowed for some of the other add-ons in terms of the major event capability, including the indoor courts, the extra clay courts, the lighting et cetera.

What we are getting at Lyneham, through the various stages, is a multi-sport precinct. It has netball, futsal, archery, volleyball, all of the hockey-related activity. Hockey's hall is then used for a number of other sports such as tennis, squash. All of the football codes have access to the district-level playing fields that are part of this development, and there is a new volleyball facility coming as well.

MS PORTER: I was going to ask you about volleyball. We heard before, when you were talking in another output class, about upgrading the Manuka facility. Are there any other first-class sporting facilities for Canberra that you have in the forward estimates?

Mr Barr: We are looking across our asset base at both publicly and privately owned assets to seek to leverage, through new spend from government, either a portion or a significant portion of new spend from a sporting group, a national sporting organisation or other partners. A good example of that is the Narrabundah Ballpark upgrade that brings in not only the Cavalry baseball but also the national body and Major League Baseball, who are the ultimate financial supporters of baseball in Australia. They are partnering with us in the delivery of that upgrade and they obviously bring a lot of value-add in terms of the design of the baseball park from their experience of doing this extensively in the US, obviously, and elsewhere in the world.

That is a good example but there are others. With respect to a government grants program, asset repair and maintenance is one in this budget. It is largely for improvement of private sector assets. An example that has been raised with me—and I hope that they take advantage of this—is the Phillip ice skating rink. They would be able to put in an application for some upgrades to the facilities there that would be eligible under one of the programs. That would not previously have been eligible because it was a privately held asset, but because there is a public benefit and public use of it, we have created this new grants program to assist.

Other organisations which have taken advantage of that have included the hockey area,

where we have been able to resurface some of the once-in-10-year style projects. There was a government contribution to the artificial playing surface, for example, and now we are at the point where that original investment needs renewal and we have that capability through this particular program.

MS PORTER: Are there ongoing discussions and thoughts around the stadium?

Mr Barr: Yes. The stadium project has been part of the presentations associated with city to the lake. It was obviously of great interest to the sports component of the Singapore trade mission delegation. Jim Roberts and Graham Carter from ACTSport were part of that delegation.

We were hosted at the Singapore sports hub, which is more than just a stadium, although that is the central element. It is a community sports hub and it is a fascinating way of delivering that sort of project through a public-private partnership. But the government's role in Singapore has had a very strong emphasis on community engagement and community usage. Within the broader precinct there are a range of other sports facilities that have day-to-day community use and then they use their national stadium for sporting events and for major cultural events. Because of the design of it, with a movable roof, they are holding their major national day celebrations in the stadium. A big performing arts troupe were coming in a couple of weeks for the first really big event at the new stadium. It provided an interesting model as to how you might go about delivering—although not on the same scale—that type of infrastructure in Canberra.

THE CHAIR: A supplementary from Mrs Jones.

MRS JONES: With respect to the delegates for the Singapore trip, some of them have been mentioned. Are you able to table the list of the whole lot?

Mr Barr: Yes.

MRS JONES: Thank you. My supplementary is: when is the final date of completion expected for these Lyneham changes?

Mr Barr: In relation to the tennis centre ones?

MRS JONES: Yes.

Mr Barr: I will take that on—

MRS JONES: Do you have a precinct date by which you are really trying to get the whole thing completed?

Mr Barr: No, because I think they will be ongoing. We have four different stages. Stages 1 and 2 are complete now, aren't they?

Ms Priest: Yes, it is essentially three main stages. The tennis centre element is another element of the Lyneham precinct envisaged by the master plan. Stage 1 is complete and stage 2 is almost complete. There are only minor tinkering happening.

MRS JONES: That was more around parking and roads?

Ms Priest: Yes, that is right, just finetuning—nothing that is really preventing the operation of the precinct as a whole. The element that is outstanding in terms of the Lyneham precinct work is the new amenities hub, and that is the element that is outstanding. That will be done over the coming budget periods. That is the central amenities hub, and we are doing the design for that this year.

MRS JONES: Perhaps you could take on notice the time frames for the different stages so that we are aware of them—as much as you have.

Mr Barr: Sure.

MRS JONES: Regarding asbestos, has there been asbestos remediation as part of that? Has there been any commonwealth government involvement?

Ms Priest: Not in the asbestos remediation at the Lyneham precinct. There has been asbestos remediation at the precinct, but at this stage there has not been any commonwealth government contribution or involvement in that.

MRS JONES: I do not suppose you know whether you are really done with asbestos on that site?

Mr Barr: It has been through its assessment.

Ms Priest: It has been through a detailed assessment, and there are asbestos remediation plans being finalised as part of the stage 2 work at the moment. In terms of actually having done the testing, having identified where the asbestos is or potentially is in terms of any future work and the work that has been done, there will be asbestos management plans.

MRS JONES: Costed in?

Ms Priest: Yes, and that is all covered by the current cost of works.

Mr Barr: It is important to note that, given that all building products until a period in the early 90s contained asbestos, at every site where any building material was either legally or illegally dumped, there will be some bonded asbestos, which has a risk, obviously, but that risk is significantly lower than loose—

MRS JONES: Yes, we have had broad ranging discussions on that in the committee with all sorts of different people.

Mr Barr: That is the nature of this city. Most houses have asbestos in them.

Ms Priest: Old irrigation systems were made of asbestos piping, and that is where a lot of the problem comes from.

THE CHAIR: A quick supplementary from Mr Doszpot and we will move on to a

new question from Ms Berry.

MR DOSZPOT: Minister, has there been an additional cost for the beach volleyball project as a consequence of asbestos removal remediation or was that cost factored into the original grant?

Mr Barr: I think the cost associated with asbestos remediation on the site occurred regardless of what that site was ultimately used for. So it is not related to beach volleyball; it is related to the site.

MR DOSZPOT: I understand that, but there is no additional cost now that you are developing that beach volleyball site that you are aware of?

Mr Barr: Not asbestos related, no.

MR DOSZPOT: What other factors are there?

Mr Barr: The beach volleyball site has a contribution from Volleyball ACT. It has a government contribution that comes in two ways—from the sports grants program and there is precinct work related to one of the earlier stages of the Lyneham upgrade that provides connectivity and lights for that area, which would have been there regardless of whether it was another oval or any other form of recreation space. So that is provided in the precinct. But specifically related to the beach volleyball, no; the components there are Volleyball ACT's contribution and then the grants program over two years as part of that independent process.

MR DOSZPOT: Beach volleyball's contribution, I understand, is about \$250,000; is that correct?

Mr Barr: That sounds right, yes.

MR DOSZPOT: When is that due and payable?

Mr Barr: It is over two years, so—

Ms Priest: Yes, that is right. They will contribute as the project progresses. Their funding is available to contribute.

MR DOSZPOT: You are comfortable that the money is covered?

Mr Barr: Yes, they have given that assurance. They had to in order to even apply for any grant funding in the first place.

MR DOSZPOT: My final question is: with the management of the new tennis facility that you spoke about, will that be contracted out or will Tennis ACT or Tennis Australia take on management, including financial management, of that project?

Ms Priest: The redevelopment of the tennis facility has two components. One is with the commercial partner, Next Generation Australia, and there will be a sublease to that entity to manage that component of the facility, and Tennis will manage the other

component.

MR DOSZPOT: Is that a local entity?

Ms Priest: No, it is a national entity.

MR DOSZPOT: Based in which capital city?

Ms Priest: I am not absolutely sure. I would have to take that on notice and let you know. Next Generation Australia have properties and investments all over the country.

MR DOSZPOT: I understand. Could you get back to us with that? Thanks very much.

THE CHAIR: Ms Berry, a new question.

MS BERRY: Minister, on page 4 of the report it says that somewhere around 80 per cent of ACT adults participate in sports and recreation. The chief officer's report states that only 59.6 per cent of people are sufficiently physically active. I do not know whether you have seen it, because you were away when it was released.

MS PORTER: The health officer?

MS BERRY: Sorry; the Chief Health Officer's report.

Mr Barr: So you are referring to those levels of participation?

MS BERRY: Yes.

Mr Barr: And the question was?

MS BERRY: Can you explain what "sufficiently physically active" is? Do you know what that is?

Mr Barr: In the context of what the Chief Health Officer has said?

MS BERRY: Yes.

Mr Barr: I would presume that would be the 30 minutes of exercise daily—or is it five times a week? I will check on exactly how many times a week it is, but I think that is the measure that the Chief Health Officer would use. The measures that we use are consistent with all of the ABS nationally collected data. So in order to ensure consistency, we do. Gary, do you want to add anything?

Mr Rake: We report our results based on ABS data. It is participation. I guess there is potentially a nuance as to whether one participates enough. One weekly round of golf, for example, probably would not be enough to sustain a healthy lifestyle.

MS BERRY: That was my next question. If people are not exercising sufficiently, what is the ACT government doing to redress that? The other thing that I was having a look at was the percentage of children five to 14 years. I know that in the ACT it is

slightly higher than the average; I think it is around 23 per cent—between 20 and 23 per cent, according to the Chief Health Officer's report. It says it is between 20 and 23 per cent of children, which is slightly higher than the national average. What are we doing to get whole-of-community healthy exercise, meeting physical activity needs across the whole of the community?

Ms Priest: We have an active 2020 strategic plan; that is our blueprint through to 2020 and beyond. It was developed in close collaboration and consultation with the sports sector and key players in that sector. ACTSport at the moment have responsibility for, and provide the secretariat and driving force for, active 2020. There is a leadership group that presides over that, which is a combination of people from industry and from government, chaired by ACTSport. There is a whole range of initiatives occurring.

The Sport and Recreation Services business plan—everything we do—is closely aligned to the strategies and objectives of active 2020, which is principally designed to ensure that we get high levels of participation and we maintain that. We do enjoy the highest levels of participation in the country at the moment, as you would be aware. And we have that ongoing. It deals with infrastructure; it deals with programs with the sports. It is co-owned by us and the sector. The idea is that we co-own it and we co-partake, I guess, in the activities required to deliver on the outcomes under active 2020. That is an ongoing thing that we are doing.

Mr Barr: I guess one of the other things that we have looked at is how we can restructure our delivery of recreation space to allow for a more diverse range of activities for the community to undertake. The problem with the neighbourhood oval in isolation of any other equipment is that it is geared towards team-based sports rather than individual or family group type participation.

The new model that we have been rolling out in Gungahlin, and we have a process underway to extend into west Belconnen on the Higgins side, is the community recreation irrigated park that contains walking trails, cricket nets, half-court basketball, outdoor gyms and that range of activities that are broader than just a concrete cricket pitch in the middle of an oval.

I think you need that now, given the diversity of recreation activities people like to undertake. In particular, for some, organised sport is not for them. They need recreation activities. The portfolio is sport and recreation. We have a very strong focus and partnership with the sporting sector, who, to be frank, engage the bulk of Canberrans, as is outlined. But they do not engage everyone, and they acknowledge that. We need to ensure that our recreation opportunities are enhanced. That is what the new model for neighbourhood-level provision provides. We have a program for that being a model in new suburbs as well as being able to go back and, if you like, retrofit facilities with new outdoor gyms. There is a new outdoor gym going in at Theodore, for example. And then we look at opportunities that present themselves, at Higgins, for example, for a more significant investment in recreation facilities for a community.

MS BERRY: I am particularly interested in the work that you have identified on page 90 of budget paper 3, which talks about the active kids challenge. Can you take us

through that project. And I wanted to ask another question. I understand what you are saying about the outdoor recreational parks, but is the government looking at ways that kids from low income families can participate in team sports—people who cannot afford it—and not just push them into outdoor parks for free sport and recreation.

Mr Barr: In relation to that question, through our inclusive sport projects we have opportunities to partner with sports to deliver their sports programs to communities at risk of not being able to fully participate. That program has a number of different elements. There has been support for recently arrived migrants, young people with a disability and people from lower socioeconomic backgrounds who struggle with meeting some of the costs of participation in some sports. Some sports are reasonably affordable; others have a much higher level of equipment need and the like that makes that challenging.

We also partner with the education system to deliver through the school sport network opportunity and access to that range of services. That is a key part of our grants program each year.

MS BERRY: And I just had that question about the active kids.

Mr Barr: Yes, about active kids. Active kids is one of the major deliverables for the children's physical activity foundation. It was initially established by me when I held the portfolios of education and sport; I think I was also minister for children and young people at the time, from memory. We established the foundation, with an excellent board, strong leadership, good partnerships with the private sector to bring in skills and capability, and also financial resources to support the foundation.

One of the key outputs that the government supports through a funding commitment is the active kids challenge. This focuses on primary school aged kids across the entire ACT education system, and has been a really successful part of the activity foundation's programs. We have now brought in support for that. It has been on rolling two or three-year funding arrangements. We have now put that into the base of the sport and recreation department to be able to provide that out of our existing grants money. So there is now a longer term commitment to that program, with contract renewals according to performance over the forward period.

MS BERRY: My final question—

THE CHAIR: Quickly.

Ms Priest: Sorry, can I just add something to the minister's response to that? That is that we have been working with a whole range of providers in the sector, including the physical activity foundation, and we are looking at having the foundation, as part of their ongoing role, hosting a portal for primary education support—some of the changes that are happening in terms of how schools are being funded to get PE and sport happening back in the school setting. It is through that vehicle that also children who perhaps cannot access sporting opportunities otherwise will be given greater opportunities as well.

MS BERRY: In the actual schools?

Ms Priest: Yes. And that ties into the Chief Minister's healthy weight action plan initiative that is underway. We are cross-pollinating with education and one of the issues that they are working on under that healthy weight action plan.

MS BERRY: I know the ACT government has been doing some great work with the skating community in the ACT, but I wondered if there had been any connections with newly emerging sports like parkour.

Mr Barr: I will take that on notice.

THE CHAIR: We will move to Mrs Jones.

MRS JONES: I have a supplementary to that. I am glad to hear about outdoor gym equipment. I was in South Korea recently. I have got a photo I can show you or give to the committee afterwards of some outdoor equipment that they had there where they are pushed for space. Also, I might be a bit behind the times but do we have apps for people to find an exercise buddy within their suburb?

Mr Rake: Not that I am aware of—certainly not as one of our programs.

MRS JONES: Maybe the minister will consider something like that or encourage the private sector to do something like that because there are a lot of mums—

Mr Barr: Sounds like a great one for the private sector.

MRS JONES: who would be really happy I think to find another mum. You do not always know who is in the street next door.

MS BERRY: There are the Heart Foundation walking groups. They do have that.

MRS JONES: Yes, but I think apps for finding an exercise buddy would probably help a lot of women post-baby. Sports House tenants is the subject of my substantive question. My understanding is that ACTSPORT is being encouraged to move to UC. What is the current state of the relocation of the tenants? What was the cost-benefit of such a move?

Mr Barr: At the top level ACTSPORT have been lobbying for new headquarters for quite some time. Mr Doszpot, Mr Rattenbury and I attended an anniversary function to celebrate a significant period for ACTSPORT but also it was the opportunity for them to have a purpose-built facility as part of the UC sports hub.

MRS JONES: So it is more of a change of facility.

Mr Barr: When you say “encouraged”, yes, they have been encouraging the government to fund them and have a new facility developed for them. They have been managing Sports House at Hackett with a number of different tenancies, some sports related and some not. Some of the non-sports related tenants probably will not wish to follow them to the UC sports hub. That is understandable but a number of the sports-related tenancies obviously are very keen to move into new facilities.

Mr Doszpot: I have a supplementary on that. Will ACTSPORT still have the opportunity to get revenue from other tenants where they are moving to?

Mr Rake: They will have a sports common they can sublease. We have been working with them to provide information and to conduct site inspections for organisations that would like to join.

Mr Doszpot: Is the amount of space available to them commensurate with what they had?

Mr Barr: Yes.

Mr Rake: It is sufficient and then some.

Mr Barr: The quality is—it is an old primary school versus a brand new purpose-built facility, yes.

Mr Rake: It also gives an opportunity for sports that go over and co-locate to draw on other expertise from within the commons environment. For example, the Brumbies will be sharing a building with them. We have worked with ACTSPORT on that and we understand that they will be moving in the very near future.

Mr Barr: I should also say that there is room for the first time for the ACTSPORT Hall of Fame to be appropriately displayed.

THE CHAIR: Have a hall?

Mr Barr: Yes, to have a hall in an area that is more publicly accessible than the corporate suite area of the Meninga stand.

THE CHAIR: We are running out of time. Mrs Jones, you are finished?

MRS JONES: I am done.

THE CHAIR: Mr Doszpot, you have got three minutes.

Mr Doszpot: Minister, Labor made some election promises in 2012 around \$5 million for further upgrades to the Narrabundah Ballpark. Can you tell us how that is progressing?

Mr Barr: Yes. A provision has been made in this budget for the forward design work for that project. We have a partnership with the baseball community locally, nationally and now internationally in the delivery of that project.

Mr Doszpot: Has the timeline been altered on the various deliveries?

Mr Barr: No, I do not believe so, although obviously in this forward design phase we will look at a range of different design models. The involvement of the ABL and the major league baseball has brought a new dimension to the project. They have

indicated a desire to bring considerable in-kind support to the project. My hope is that it enhances what we can achieve within the available budget.

Mr Doszpot: What about the planning issues or the management of Narrabundah Ballpark from a parking point of view? Has any work being done there?

Mr Barr: Yes, that is certainly a part of the design work that will be undertaken, recognising that there is a reasonable amount of space surrounding the ballpark, but obviously some people are reluctant to park too close to the venue because a home run means a broken windscreen.

Mr Doszpot: I move on to Woden Park. The Woden athletics facilities are being upgraded at the moment. Is that going to be completed in time for Woden football to start their training and competitions next year?

Mr Barr: That is my understanding, although we need to wait for the weather to warm so that the synthetic track will set. Once that is done, I think that takes two weeks, does it not?

Ms Priest: Two to three weeks, yes.

Mr Doszpot: What is the completion date now?

Ms Priest: By the end of the year. Our anticipated completion date for the Woden Park redevelopment is by the end of the year and that is really—

Mr Doszpot: Calendar year?

Ms Priest: By the end of this calendar year, yes.

Mr Doszpot: What assistance has been offered to Woden Football Club to meet the additional cost of their relocation to Kaleen, which is a long way from their normal home ground?

Ms Priest: Sorry?

Mr Doszpot: What financial assistance has been offered to the Woden club, it having been relocated from their current home ground of Woden all the way to Kaleen?

Ms Priest: I would have to take that one on notice, Mr Doszpot.

Mr Barr: I understand that you have raised this before.

Mr Doszpot: I have raised this with the minister before.

Mr Barr: I understand that Capital Football were also engaged. A number of different options were given for relocation—

Mr Doszpot: Without getting into too many details, I think the questions I put to you last time were about the canteen, the fact that the canteen takings were going to be

considerably down. There are a lot of additional line marking that they have to do now, which they did not have to—

Mr Barr: We will look at all of that, Mr Doszpot.

MRS JONES: Is that taken on notice?

Mr Barr: Yes, that is correct.

Mr Doszpot: I guess a very important aspect of that whole development is the parking, which is an issue I raised with you in the past. I know how bad the parking situation is with about 100 cars there. With the potential for around 3,000 people coming to major grand prix events the athletics club will have, it is going to have quite an impost on the whole area, not just the ground. What communication or consultation has been done with the community and with Roads ACT?

Mr Rake: With every major sporting event—this would also include the earlier questions about the Lyneham Tennis Centre—we have Mr Guthrie's events team available to quickly jump in and bring their expertise in logistics. That is everything from parking management plans, traffic management plans and public transport plans. We can help the event organiser communicate with their expected audience. The best plan may be to travel by public transport and to advise where to catch it. If it is a major event we would look to support the provision of public transport. We would make sure that there was a temporary bus stop nearby if need be to support that event.

For those that need to travel by car, particularly those with disability, we would make sure that there was priority parking available as part of an event management plan. For those who wish to travel by motor vehicle, but who do not necessarily need to, we would make sure that there was an event plan that indicated that it might be better to park at Woden and walk around the cemetery on the walking trails that are there to the athletics track, or park down near Edison Park.

Mr Doszpot: Mr Rake, my question is related to direct active planning between yourselves, Roads ACT and TAMS, for instance. The issue is very serious. It is not a matter of just jiggling a few people about. There is no available—Minister Barr indicated that Canberra Hospital is an option, which I do not think should be considered. There are problems enough there already.

Mr Barr: There are car parks on the athletics track side of Yamba Drive. Since the nine-storey car park at Canberra Hospital has been installed they are not heavily utilised or as heavily utilised as they once were.

Mr Doszpot: I have been to the hospital. I know how much room they have got.

THE CHAIR: We are going to have to leave—

Ms Priest: I was going to add to that, just to wrap it up, that like we did for the Gungahlin enclosed oval and in respect of the Gungahlin Leisure Centre when that opened, we did provide a bit of a precinct plan that showed where all the parking options were. We are certainly intending to do something very similar to that for

Woden Park for when the redevelopment is completed.

In regard to that, I think one of the things that I wanted to draw out is that the *Canberra Times* fun run commences at that site. The number of participants and the parking that needs to be accommodated there, which does happen, is for up to 5,872 run entrants. So that sort of size of event is commencing within that area and parking—

Mr Doszpot: Whereabouts in the area?

Ms Priest: Edison Park is the starting point for that.

Mr Doszpot: That is further down, yes.

Ms Priest: Yes, we are just saying that there are some events that are going on already that do start in that proximity that do have to cater for parking. Notwithstanding that, and picking up on the points that you are raising, we are certainly planning to prepare a parking plan that shows people what their options are.

Mr Dawes: Just as a follow on if I may, Mr Chair, with Gary's discussion around the events committee it is important to note that TAMS is involved in that particular committee. The police are involved in that committee. It is not just an EventsACT committee. It is a broad ACT government committee that looks at all of those options and all of those logistics. It is ensuring that all parts of government are working together for the appropriate outcome.

Mr Doszpot: Glad to hear that. Thank you.

THE CHAIR: We will call a halt at this stage. Well done, Ms Kelly, for all your erudite and expansive answers. You have done very well for the last 45 minutes. Minister, that is output 1.4 sport and recreation done. I thank you and your officials for attending. For any questions taken on notice, we would appreciate a written answer within five days. A transcript will be forwarded to you for perusal and correction if required. Members, for any other questions on notice, you have got three days after the arrival of the transcript. There ends the penultimate session of the estimates committee for 2014-15.

Sitting suspended from 12.32 to 2.00 pm

THE CHAIR: Good afternoon, and welcome to the ultimate session of the 2014-15 estimates inquiry.

Mr Barr: Apparently not, though, I hear.

THE CHAIR: Well, for this week; apparently not. There you go; I know how happy you are to come back! This afternoon we are looking at the Land Development Agency and functions in Community Services. Minister, would you like to make an opening statement?

Mr Barr: It is a temptation to give a 55-minute one, but I will not.

THE CHAIR: No, a brief opening statement.

Mr Barr: No, we will roll into it.

THE CHAIR: What is happening with the revenue for LDA, minister?

Mr Barr: It is declining as a result of decisions taken in the commonwealth budget that are certainly going to impact upon our expectations.

THE CHAIR: When do you expect Denman Prospect will start bringing in revenue?

Mr Dawes: Denman Prospect currently has the first stage of the estate development plan, the EDP, on circulation. We are hoping to have that approved very shortly as we go through that planning process. We will then be putting that out to the market for tender for the first civil packages in around September, we anticipate. That is the rough date.

THE CHAIR: September this year?

Mr Dawes: Yes.

THE CHAIR: You would expect the construction of residences to commence when?

Mr Dawes: Normally, if you look at the time a civil package is let and then completion of the blocks, it is around that 10 to 12-month period, for the civil works to take place, with all the clearances, the leases being ready for issue and for settlement. So it is around that 10 to 12-month period.

Mr Stewart: We currently have releases forecast in Denman Prospect across each of the four years in our release program.

THE CHAIR: But the construction of homes is another 15 or 16 months away?

Mr Dawes: Traditionally, that would be the case. If we are letting the contract around that September time frame, September-October, it would be in the hands of the builders in October 2015 and they would be able to commence construction. It is probably a little longer than 12 months so it would be about 16 to 18 months before they would start building.

THE CHAIR: Approximately two years before people move in?

Mr Dawes: Correct.

THE CHAIR: Ms Porter.

MS PORTER: Minister, would you like to talk us through the general principles around the decisions on land release at the moment? I do have some specific questions as well, around “providing a variety of land and housing options”, which is the seventh dot point from the bottom on page 53, under “priorities”, as well as setting

“benchmarks for quality and timeliness in sustainable building and design”, and also “contributing to diversity in the supply of new housing in the territory, reflective of current and anticipated demographic change”.

We have heard from a number of witnesses here about the particular pressures that exist, in relation to older women particularly, and the fact that they are often in a lot of financial stress, so they are looking for affordable housing options. Could you talk about the general policy and those specifics that I have mentioned?

Mr Barr: Each year we release an indicative land release program. It is available—

MS PORTER: Exhibit A.

Mr Barr: Exhibit A; it is available online and also in printed and other forms. This indicative program outlines the four-year program for the government’s intentions around residential, commercial, industrial and community land use. Commensurate with this indicative program is a series of policy objectives that it seeks to achieve. This includes but is not limited to the promotion of the economic and social development of the territory, contributing to visions set out in the Canberra plan. It is also principally focused on meeting the ongoing demand for residential land in the territory. We are keen to establish an inventory of serviced land. We want to facilitate the provision of affordable housing and we need to maintain sufficient flexibility in the program to ensure that our land releases reflect market conditions and do not contribute to rapidly changing land prices. We also recognise the importance of providing a variety of land and housing options, to pick up on the points that you have outlined.

In terms of the demand drivers and assumptions that go into the program, the level of economic growth and prevailing interest rates in the economy are a factor, as are the territory’s population growth and employment levels. They all tend to be very significant indicators of the level of underlying demand for new housing in the territory. It would be fair to say that the matrix on population growth, economic growth and employment for the territory all took a downward hit, as a result of decisions announced in the commonwealth budget. The direction of those decisions was anticipated. The magnitude of them could only really be assessed once they were announced and then—

THE CHAIR: But these cuts were made in the previous federal budget. The majority of the cuts were in the previous federal budget.

Mr Barr: Yes, and the program was adjusted, and we have adjusted it further as a result of deeper cuts with greater impact on the ACT. What was not a consideration under the previous government was the holus-bolus relocation of certain jobs out of the territory, like the 600 that have gone to the Central Coast, and if Senator Abetz—

THE CHAIR: A number of jobs, IT from ATO, went to Melbourne. Other bodies were set up in Sydney and Geelong.

Mr Barr: Is this a conversation or are you just interjecting on my answers?

THE CHAIR: No, I am just assisting you.

Mr Barr: You are assisting me, right! Is this a new role for committee chairs, to assist ministers in answering questions?

THE CHAIR: I have always been happy to help; you know that.

Mr Barr: I am not sure where it sits in the standing orders, though—the chair interrupting a minister giving an answer. If that is the new standard then that is fine, but—

MS BERRY: I guess it depends on who the chair is.

THE CHAIR: There have been no complaints this week.

Mr Barr: Do I need to say it would be my preference, chair, if I could complete answers without having your helpful assistance on the way through.

THE CHAIR: Mr Barr, you are getting very prickly.

Mr Barr: Given that the form of these hearings is apparently the subject of some interest from other committee members, with backgrounding journalists and the like, if that is the way that we are going to play this particular game then that is fine.

MRS JONES: Mr Barr, is there a comment that you would like to make here? Are you concerned about something?

Mr Barr: I am making an observation. I have been asked to respond to comments made by a committee member about the conduct of hearings, and yet here we have the chair intervening over a ministerial answer.

THE CHAIR: Goodness me!

MS BERRY: Minister, would you be able to—

Mr Barr: I take “goodness me” to mean an admission of guilt in this instance—

THE CHAIR: No, I am just amazed at the prickliness of the minister.

Mr Barr: and a level of uncomfortableness, really, with the approach.

THE CHAIR: Please go on, minister; continue.

MS BERRY: I am interested in Minister Barr’s answer and I actually have some questions myself.

Mr Barr: To conclude, the assumptions that underpin the changes to the land program are driven by factors that are beyond the control of the territory government in large part. Some of those factors obviously have turned more sharply negative than we anticipated, as a result of decisions undertaken in the federal budget that have

implications for the rate of our future population growth, the rate of employment growth in the territory and, clearly, as a result of the dramatic downturn in consumer confidence in Australia, which is also particularly the case in the ACT following the delivery of the commonwealth budget—an almost collapse in consumer confidence in this nation as a result of that. It has impacts across a number of different sectors of the economy, and this one is particularly exposed to that.

MS PORTER: Thank you for that, minister. This morning, in some evidence you were giving in relation to investment, you mentioned that there was some international interest in investing. You mentioned development of some land that was sold, I believe, in Campbell. Do we have a lot of interest in similar sized land from local investors as well? I think you mentioned that; I am not quite sure.

Mr Barr: Yes. With the auctions at Kingston foreshore this week, the land was sold to local consortia. They have seen a degree of local involvement in the Campbell 5 land sales, with Terry Shaw headlining the local representation there. Approaches to market in recent times have been successful in achieving sales either at the reserve price or above. So there is still a degree of confidence particularly for development sites that are seen as highly desirable. The recent approach to market in Moncrieff through the builders ballot has been successful. Mr Dawes might care to comment further on that process.

Mr Dawes: With Moncrieff, we worked very closely with the industry as well. Obviously, builders were quite concerned that they were being shut out of potential developments because some developers had preferred builders that they exclusively market their land to. With both the HIA and the MBA we came up with a system where we sold 522 blocks to builders in ballots. To try and cater for some of the industry concern we had small packages of up to three blocks and then medium size packages and some of the larger packages. That meant we could package those 522 blocks into 78 lots. It gave people an opportunity, depending on where they were and the capacity they could afford, to purchase those blocks.

Also, with work across the whole of government here, and with those blocks going to builders, we have provided them with what we call “put and call” options. That means they can sell them now that they have possession of those sites. They can sell them to individual home purchasers and convert them into contract home sales, which, again, is assisting in affordability because there will only be the one stamp duty paid in that type of transaction. We have had clearance about that approach from our Revenue Office.

The other thing with Moncrieff is that we are planning to have another ballot for the general public of 500 blocks in August-September of this year, to get that out. As people are aware with Moncrieff, that was part of the stimulus package that we were providing to industry. I signed off on the second contract for the civil contract there, which was with a local contractor. We are out with the third package as well, which closes in another 10 days. That will then conclude the third package there and we will then be going out with the fourth package in about three weeks time. That will mean that we have quite a bit of activity.

There has been fast tracking. I think it is fair to say there are not too many developers

in Australia today that would be embarking on doing a whole suburb at once, like the LDA is. It is a matter of having that out in the market.

Obviously, as the minister said, we are cutting the cloth about the land release program. One of the things that I have assured industry is that we are not stopping being planning ready. From my previous life I know it is very important to have the inventory so that we can go and kick the kerb and people can walk on their blocks before they purchase. That is the end game, and I can see that starting to appear. We are getting a little bit of inventory—not as much as we would like, but that is the end game. Also we need to ensure that we have approved estate development plans that we can take to the market in a very timely fashion and allow a contract to be let straightaway.

The other key thing that we have been doing with industry is that we have been working with them around what we call super lots, as part of the package. We trialled that recently in Coombs, which attracted a lot of interest. So we are putting in the infrastructure and we are allowing the industry to innovate. On the package that we sold, you could get up to 90 to 100 dwellings on it. But they could break it up and deliver different packages, because they understand what the market is. So they would be able to do some multi-storey or high density product as well as stand-alone housing on that particular lot. That has been well received and we are looking at working with industry to do that again.

MS PORTER: I need to tell you that as far as your show-and-tell is concerned, I would love to have one of those little packets, if that is possible. Committee members would probably like one of those.

Mr Dawes: I am sure we could pass those around. I have only got four, but I can get another one.

MS PORTER: There are only four of us.

Mr Dawes: That is for the land release program.

Mr Barr: A USB, I think.

MS PORTER: Thank you very much. I need to tell you, minister and Mr Dawes, that yesterday we had a koala doll and a high-vis vest.

MS BERRY: A community liaison officer.

MS PORTER: Sorry, a community liaison officer.

MS BERRY: Cassie Koala.

MS PORTER: A Cassie Koala doll and a vest. So you have got a way to go yet.

THE CHAIR: We will move along. Mrs Jones has a supplementary, then a new question from Ms Berry.

MRS JONES: I have read a figure, but I am not sure if I am correct, of how many blocks we are short of target over the last year.

Mr Dawes: Yes, we can actually go into some detail about our land release, what we have done and what we have delivered. I will just find the appropriate block. We did have an indicative plan of 4,800 that we were to deliver this financial year. What we did was reduce that after again working with industry and looking at what was in the marketplace. In that 4,800 blocks that we had to take to the market, there were more than 1,000 additional dwelling sites to go on the market in Belconnen as well, again, as I said, after consulting with industry.

We run a couple of the committees within EDD and LDA—there is a residential advisory committee and a commercial advisory committee—where we do a bit of road testing with industry as well. Each of the industry organisations has representation on that. It works quite efficiently and effectively.

I know that I and others as well look around at what sales are occurring in different precincts and we track what is happening quite closely. And we agreed that putting another 1,000 dwelling sites on the market in Belconnen when there was a saturation of unit developments there at the present time was not an appropriate and a sensible way to go about it. We withdrew that there. So there was an adjustment there.

MRS JONES: Given all of that background, how many short of the target were we by the end of the year?

Mr Dawes: It is around 1,450. Say 1,500 in round figures, if you want.

Mr Barr: A thousand of which are apartments in Belconnen.

Mr Dawes: The other major one, if you look at numbers, was Throsby, and that was 300. And with Throsby, that was subject to the Gungahlin environmental clearances. Even though we had all of the clearances, by the time we had those approvals through that process, we had not had the opportunity to finalise what we call the estate development plan. And what drives us taking blocks to the market is at least to have that estate development plan approved so that with confidence we can take that to the market.

MRS JONES: And how are the indicative targets set? Is that based on a perceived need?

Mr Dawes: It is. We again work with industry. It looks at all of the factors as well. Actually, when we do these indicative land release programs, the same as we have done with this one here—it is a four-year indicative land release program—we are very much looking at, especially in the outyears, a bit of where we think the market might be as well. So we make some judgement calls.

Obviously, as the minister has pointed out, there is quite a robust process that we go through as well with all of the indicators that he outlined earlier. But again, it is actually getting the market intelligence as well. We work quite closely with the industry stakeholders but also I make sure that we get a broad cross-section. Quite

often I will see various agents. And different agents, if you talk to them, will have different opinions and different views of where the market sits. We make sure that we are talking to each of them so that we can gather all of what I call market intelligence, which will feed into the process.

MRS JONES: And what is the subscription rate for a new block? I remember being told a couple of years ago about ballots that were very oversubscribed. What is the situation now?

Mr Dawes: Some of the ballots have been oversubscribed but not to the extent that it was a year ago or especially two years ago.

MRS JONES: Can you, maybe on notice, come back with the change—

Mr Dawes: We could give you some examples.

MRS JONES: And what the number of bids was per block?

Mr Dawes: Yes.

THE CHAIR: Ms Berry, a new question, then Mrs Jones.

MS BERRY: I have a question about the LDA. Why is the LDA separate to the government and how is it separate to the government? Does that question make sense?

Mr Barr: Yes, it does.

MS BERRY: It is one of the questions we get a lot in the community. Is it the ACT government doing this or is it somebody else? “Doing this” is not a bad thing, but just who is making the decisions and how does that happen?

Mr Barr: The LDA has a governance structure that incorporates a board and a chief executive. Mr Dawes fills the responsibility of chief executive and is answerable to a board. The board is appointed by the cabinet and has a relationship with me as Minister for Economic Development and, I guess to a lesser extent, with me as Treasurer. The LDA pays a dividend to government. So there is a level of interest from the Treasury portfolio as well as from Economic Development.

The LDA undertakes a range of activities on behalf of the government. To the extent that there could be public confusion, it is reasonable to say that the LDA is a government agency. I do not think that is problematic, because in the end the profits that are made from land development by the LDA are returned to the community through dividends which allow for the provision of government services or go to finance public infrastructure. The LDA’s work in terms of the new estates and the infrastructure that is delivered there then becomes public assets that are handed over to the territory to maintain in the future but also sit as assets for the territory on our balance sheet.

I guess the area that tends to cause the most tension is the role the LDA has in land development and the extent to which it attracts a level or achieves a level of developer

profit that goes back to the community through its dividend. The private sector would like a greater share. They would prefer 100 per cent of all developer profit. They are motivated by profit, and that is what it is. That is not to cast aspersions on those motivated by profit, but they are motivated by profit. Their dividends do not go back to the community, they go back to their shareholders.

The government has an approach to land delivery, to land servicing and to releasing blocks that allows for the combination of land release, that is, estates undertaken and delivered entirely by the LDA, those that are delivered in partnership with the private sector, joint ventures—Crace is an example of that—and then we also make available englobo land sales where we effectively just sell the land and leave it to the private sector to undertake all of the servicing. The private sector then attracts the development profit from that.

They have an interest and lobby very hard for a much greater proportion of land release to be undertaken by englobo sale, because it maximises their profits. Joint ventures have worked well for the territory in bringing a degree of private sector entrepreneurship and innovation but also allowing again for a share of the development profit to be returned to the community.

But to compare the LDA with other land developers around Australia is to compare it very favourably. The LDA undertakes development in an efficient and effective manner and, when benchmarked against other state government land development agencies, performs very well. I think we have got the model right but I can understand that there is confusion at times. But ultimately ensuring that you have a mix of responses—LDA estates, joint ventures and englobo releases—ensures that there is sufficient competition in the marketplace, sufficient innovation, but also that the community, through its Land Development Agency, gets a share of the economic return which is then reinvested back in community infrastructure and in community services. That is a good outcome, I think.

MS BERRY: What is the LDA's relationship, if there is any relationship, with the Riverview development at west Belconnen?

Mr Barr: That is an example of a joint venture.

MS BERRY: The indicative land release program includes a whole bunch of things around bits of land that are being looked at for release and that are subject to TPVs, territory plan variations, right?

Mr Barr: Yes.

MS BERRY: When you are looking at land to put up as a land option or whatever, do you look for easy land? It seems like a territory plan variation is a harder piece of land than land that is—

Mr Barr: The short answer there is yes, and you will see the bulk of the land release program is for land that is not subject to territory plan variations. However, some is, and it becomes the subject of a process. We obviously prefer that process to be expedited and, depending on the particular land and what new zoning is sought for it,

that process can be complete in three to six months or it can be 12 to 18 months, particularly if it is a highly contentious rezoning that involves the planning committee and potentially a disallowance in the Assembly and all of those questions. We seek to engage before that.

We receive opportunities for rezoning from the planning authority who had earmarked parts of the territory for future urban release five years ago, and when it comes to time to release that land we then go through a territory plan variation process, then an estate development process. That is why there can be quite long time frames and pipelines associated with land release. But why we think it is important in this coming period is that it ensures that we continue that planning process in order to minimise the risk associated with bringing land to the market.

Mr Dawes: And if I could just add to that, if I may, minister, as well, if you look at the indicative land release program as well, you will find more territory plan variations in the outer years. That means that we have got time to do appropriate consultation and go through those particular processes that there tend to be. We highlight what the four-year program is so that right across the whole of government we do not lose sight of the processes that we need to go through.

Mr Barr: And just quickly, a lot of them are related to industrial land and we are simply seeking changes in the sort of industrial zone that applies.

MS BERRY: On that, a couple of years ago the Hawker shopping centre redevelopment had a decision made that there would be a moratorium or a calm your farm period when people would have some time away from the fight. I do not want to start getting people excited again on it—for or against—

Mr Barr: The commercial reality is that investors are now looking elsewhere in the territory, because now there is—

MS BERRY: Okay. It was too hard.

Mr Barr: Yes. There are a variety of other opportunities that are progressing. There was not a consensus around the Hawker project; there is a consensus elsewhere. In the end, regions of Canberra compete for private sector investment just as much as Canberra competes with other destinations.

Tuggeranong now is very keen for new investment and development. There is a territory plan variation process underway around height limits. The community council is gearing up and really encouraging renewal of the town centre. Similarly, in Gungahlin, the community council there—I can summarise without wanting to put words in their mouth—are very keen to see the continued development of their town centre. Some other parts of the city are pretty much saying, “No, we do not want any change.” There is only so much investment opportunity and so many investment dollars that will flow into this economy, and they are going to go to the places that want it.

Ultimately, public opinion will adapt to changing circumstances, and there will come a time when Hawker’s time will come again. I am certain of that. But how certain that

is will depend on what the community response is—whether they want renewal or not. Some communities want it more than others. That is pretty clear.

MS BERRY: That is right. That brings me to the issue of land auctions. It seems that there has been success around the commercial success of previous auctions. Why do you think that is?

Mr Barr: We certainly are now attracting national and international level investment interests with the establishment of Invest Canberra, some of these trade missions and the opportunities that Austrade have. The investor luncheon I presented at on Wednesday involved some of the largest investors in Australia and South-East Asia. A lot of them had not really ever considered investing in Canberra. They have now. There is interest. There will be follow-up opportunities. And, through Austrade, we have access now to a much broader network of potential investors to market our future releases to, and that is important. There are some players who are entering the Australian market, or only just have, who are just arriving on the scene, who were at that particular event or at the earlier ones that were held in Singapore—and in Sydney and Melbourne: this is not just international; it is national-level investment as well.

For the first time in our city's history, we have got a range of projects that are interesting enough to attract some of these players who want to do interesting things. They can put their capital anywhere, but they see some interesting opportunities to be part of Australia's national capital at this point in our city's history and they are keen to be part of it. That extends nationally and internationally.

MS BERRY: Thank you.

THE CHAIR: We might push on. A new question, Mrs Jones?

MRS JONES: Actually I—

MR DOSZPOT: I have a supplementary.

THE CHAIR: A very quick supplementary.

MR DOSZPOT: Minister, the ACT government's budget has forecast, for LDA, revenue for 2014-15 of \$354 million; for 2015-16, \$453 million; and for 2016-17, \$497 million. Can you tell me what the total of land sales revenue expected by the LDA for the proposed Canberra brickworks and environs development is, and how much of that revenue do you expect in the forward estimates period?

Mr Barr: How about we will look that up, come back to you, and Mrs Jones can—

MR DOSZPOT: I have a couple more questions to go from there.

THE CHAIR: No. That is a new—

MRS JONES: You will get your substantive.

THE CHAIR: That is a new area, so we will go to Mrs Jones. They are going to get

the detail, and we can come back to the request. Mrs Jones.

Mr Barr: Hang on; it looks like we have something.

THE CHAIR: They are quicker than we thought.

Mr Stewart: I do not have the revenue numbers, but we are not expecting any of the revenue in the current forward estimates. The settlement time frames for any of the Canberra brickworks land are outside the current budget period.

THE CHAIR: Mrs Jones, a new question.

Mr Stewart: I will have to take the quantum on notice.

MR DOSZPOT: Are you still taking the rest of the question on notice as well?

Mr Stewart: I will take the total on notice if I may, but I will state that the settlement is outside the current budget window.

THE CHAIR: New question.

MRS JONES: I have a supplementary on that one, briefly. With the three different types of development—the private, the mixed and the government development of land—what is your preference for the proportionality of those three? Do you have a third, a third and a third, or do you have something different that you try to achieve?

Mr Barr: For the foreseeable future, I would anticipate there being slightly more than a third undertaken by the LDA itself, more than a third undertaken as joint ventures and less than a third being englobo. But due to the market not absorbing a large englobo sale, we have gone back and talked to them, and they would prefer a series of smaller parcels. So, as Mr Dawes has outlined, there are super-lots.

MRS JONES: Less risk.

Mr Barr: Less risk, yes. And we have what we are calling mini-englobos just for the 300 to 400 lot sites, which—

MRS JONES: Is the idea that when things are going well you go to a third, a third, a third?

Mr Barr: As a rule of thumb, but not an absolute. I am not in any year going to go, “Sorry, the LDA has hit 34 per cent; therefore that’s it.” It is my intention, and I have said this to industry, that there will continue to be joint venture and englobo releases, but, in the context of the program that we have outlined, it is as it is.

MRS JONES: Thank you. My actual question is around development in the Gungahlin to the city corridor. What role does the LDA have in creating a specific development unit to oversee this development of this area?

Mr Stewart: There are a number of areas within the LDA that are responsible for

contributing to the release of land within the Northbourne corridor. It is largely an area of focus for our urban renewal team. At this point we have not got a Northbourne corridor land delivery unit within the LDA. We have an urban renewal team where resources are assigned to particular projects. At the moment those resources are focused on the Dickson flats site that has been discussed recently. Also some of the effort is being allocated towards the city to the lake project. We are also working across the broader portfolio or the broader directorate in relation to the studies that were mentioned earlier regarding the co-location work up around EPIC and the racecourse. Then there are teams within the LDA who deal specifically with the release of land in Gungahlin. They have responsibility for any sites that come up along the Flemington Road corridor.

So there are a number of different areas that will deal with sites, depending on their geographic location.

MRS JONES: So there is not a specific unit being set up for just that process?

Mr Stewart: We do not have a unit within the LDA for capital metro land release, no.

MRS JONES: Thank you.

THE CHAIR: Will there be a unit set up for that?

Mr Dawes: It is something that we are reviewing. We are looking at a number of different structures within the LDA as well. As we ramp up some of those projects, we believe that there will be a need for specific focus in areas. We have a specific team, for example, in Gungahlin, because there is quite a lot of activity within Gungahlin. As we move down to Northbourne Avenue and in the city area, we believe there is that opportunity to have a dedicated team to carry out that work. It is something that we look at and monitor. I know that the board takes it quite seriously as well.

THE CHAIR: Mr Stewart?

Mr Stewart: Mr Smyth, may I just correct the record on the brickworks revenue? I apologise, Mr Doszpot. It is \$13.5 million anticipated settlements in 2016-17 and \$6.8 million in 2017-18. I apologise for my incorrect answer earlier.

THE CHAIR: That is okay. Mrs Jones, do you have another one?

MRS JONES: I am done.

THE CHAIR: Mr Doszpot, a new question.

MR DOSZPOT: Minister, just going back to the Canberra brickworks and environs, what are the anticipated total costs of proposed development, including earthworks, provision of all services, roadworks, relocation of existing services, upgrade to existing roads and infrastructure, and upgrade of connecting arterial roads and transport routes?

Mr Barr: That is a long list. We will take all of that on notice.

MR DOSZPOT: That is smart; thank you. What funding will be allocated or is being considered to bring the brickworks to a make-safe state, including asbestos remediation, and over what period? And what does such make-safe work entail? Could you please provide details of the breakdown of the costs for that?

Mr Barr: It is sounding like an on notice one too, but we may be able to get some information.

Mr Stewart: There are two aspects to that funding. An amount of funding has already been allocated to the Territory and Municipal Services Directorate. I believe that is about \$3.5 million; that is for the decontamination of the site. The LDA has also allocated a further \$1.5 million with regard to the make-safe works that you refer to. That is essentially to tidy up the immediate area around the heritage assets within the brickworks facility and to secure those assets to preserve their current state.

MR DOSZPOT: There is concern that the make-safe does not take in a large enough area. You are aware of that?

Mr Stewart: I am aware that concerns have been raised, yes.

MR DOSZPOT: Do you intend to do anything about that?

Mr Stewart: Once the consultation process has been completed in mid-July, we will take all of the comments on board.

MR DOSZPOT: What consideration has been given to the concern of residents that the Robson cost assessment for asbestos remediation does not take into account consideration of the extent of the area to be remediated? It is another way of asking my previous question.

Mr Stewart: There has been a good deal of analysis and testing of the brickworks facility. At this stage the advice that we have received from a number of consultants over a number of years of testing and analysis is that the areas where the decontamination has been identified and the funding that has been allocated towards that decontamination will be sufficient. If that is not the case, we will have to, of course, revisit those assumptions. At this point we are relying on the best advice available.

MR DOSZPOT: In the event that the area requiring asbestos remediation is far more extensive than what has been budgeted for, what impact will that have on the other aspects of the development?

Mr Stewart: That is a question we would have to take into consideration when we look at the economics of the larger project.

MR DOSZPOT: How many visitors attended the public information session at the brickworks on 31 May?

Mr Reynolds: It was around 300.

MR DOSZPOT: Why were there no Roads ACT officers present at the open day to explain traffic management issues associated with the development?

Mr Dawes: This was purely an LDA interface initially to talk a bit about what the plans were. Obviously, any feedback around roads and any questions being raised by the community would then be taken on notice to come back and then feed into that broader consultation.

MR DOSZPOT: It seems to be a fairly basic element of the planning for that, though, because the roads will have a big impact. Most of the questions—I was there—related to that. I guess a lot of people expressed reservation. How many people have indicated support for the present strategy, minister?

Mr Barr: We have not undertaken a city-wide survey on that yet. We may well.

MR DOSZPOT: What is the rationale behind the increase in the number of dwellings from an indicative 900 to 1,100 dwellings in 2010 to the current strategy of approximately 1,600 in the current one?

Mr Barr: The interface with existing Yarralumla has been dramatically scaled down. There is really one and two storey-level. With the dwellings that are directly opposite or where there is a park separating existing Yarralumla from the proposed new development, the height on all of that has been reduced significantly. In order to make the development viable, there has been an increase in height in some buildings in west Deakin on the transport corridor on the other side of Yarra Glen, I think—certainly, Adelaide Avenue moving into Yarra Glen.

MR DOSZPOT: Now we are looking at an eight-storey maximum in west Deakin. It is a big difference from what was originally planned.

Mr Barr: That is correct, yes.

MR DOSZPOT: A four to eight-storey maximum along Adelaide Avenue has been introduced when it was only a four-storey maximum, and a three-storey maximum for the remainder in 2010. Now a range of two, three and six-storey maximums apply across the whole range—

Mr Barr: Yes, that is right. In some parts of the development the height has been lowered and the density has been lowered significantly, so that any areas that have any interface with the existing Yarralumla have all been scaled down to effectively the same density as Yarralumla.

The newer areas that are in another suburb have a higher level of density. So yield has been reduced in one part and density reduced in one part. In another part of the development that is in another suburb there has been an increase, because that area is on a major transport route. Our public policy approach to building up density on transport routes has been to accommodate any taller buildings there.

To put it in some context, that is less than Northbourne Avenue. Northbourne Avenue is 10 to 12 storeys, depending on the nature of the building. So the height on Adelaide Avenue is not inconsistent with other development that has occurred elsewhere along the avenue. I think the Ambassador in Deakin is at that height. So there is already a development of that height on that side of the road.

MR DOSZPOT: There is, but the number of dwellings you are talking about now will have a major impact on the traffic flow in the area. I would like to know what sorts of studies have been taken on that. Have the LDA taken into consideration the capacity of the existing roundabout near the Equinox building to cope with the increased traffic flows, which are going to be substantial, and along Kent Street, Novar and Adelaide Avenue with the additional development being planned?

Mr Barr: Yes, that is right. All of those issues are taken into account. Steve, do you think all of these professionals are going to completely ignore all of the transport issues?

MR DOSZPOT: Not at all.

Mr Barr: No, exactly.

MR DOSZPOT: I am hoping that they have looked at it. But the question is: can the people who are concerned, the citizens in the area—

Mr Barr: Get further information about that, yes.

MR DOSZPOT: Can they see some of the information that has been—

Mr Barr: Yes, certainly, and that is—

MR DOSZPOT: They are asking for it, and they are not getting it at the moment.

Mr Barr: That is part of the consultation process. Further information on traffic and the implications are certainly part of the consultation process and will ultimately be part of any development. Any supplementation to the transport network will occur as part of a development.

MR DOSZPOT: My last question on this is: given the recent advice that traffic management changes on Cotter Road are unlikely to proceed due to cost, what impact has this had on traffic management and mitigation planning for that area?

Mr Barr: This is obviously part of the consideration of the broader development, sequencing and time frames of land release associated with any new development. The decision has been taken to scale back the nature of development associated with part of that area as a result of some of the issues that were raised in the previous series of consultations.

This is obviously the second range of consultations, as we were discussing this morning. From time to time there will be a need to both extend and undertake further consultations on a development proposal. This is an example. In round 1 a range of

concerns were raised. In this subsequent round of consultation—and this proposal that has been put forward—we have taken account of as many of the issues raised last time as we could. There have been some new issues raised. We will seek to respond to those at the conclusion of the consultation process. If it is necessary to undertake further changes in what we put forward as a final territory plan variation, we will.

There will then be a third—and, depending on how far back in history you want to go on this project, there will be possibly a fourth or even a fifth round of consultation in relation to it. Ultimately, when the territory plan variation is put forward, the Assembly, the planning committee and everyone can have another look.

MR DOSZPOT: The consultation part of it is appreciated and the community is happy about consultation. However, there is great concern that consultation was made in 2010 and they feel that the consultation results have not been listened to. So they have great concern about that.

Mr Barr: I acknowledge some people do. There will be some people for whom any development at all will be opposed. They just will not support anything; and I acknowledge that. That is true; that is a reality. There will be some people who will only be happy with a very small level of development. There will be others who will want to live there and have a very keen eye to the sort of amenity and opportunities. There is a whole bunch of Canberrans who think the brickworks are an asset that could be utilised much more heavily.

I could characterise this entire debate as there being a range of interests that are pertinent to existing Yarralumla residents that are acknowledged and understood. We have altered arrangements to try and ensure that the impact on existing Yarralumla residents is minimised and, where there is an impact, we can make that a positive one by way of increased amenity. But there are broader interests for the entire city.

One point I would like to make very clear today is that our consultation is critical with Yarralumla residents, but it is also critical with the rest of the city. It is not just a project for Yarralumla; it is city-wide.

MR DOSZPOT: I understand, minister. The point I want to make is that it is not just Yarralumla residents; the people who are expressing great concern come from Yarralumla, Curtin, Hughes and Deakin. It is wider than just—

Mr Barr: Yes, I understand. We will, through the consultation process, seek to look at all of the issues that are of concern or could be of concern. That is what this process is about—to raise all of those issues. We will do our very best to respond to all of them. Inevitably, any new development will involve some compromise. That is the nature of development. That is the nature of a growing city. That is life; that is change.

I know, and I acknowledge here, that there are some people who do not want any change in Canberra at all. I will be clear and put my cards on the table: I am not in that camp. I would like to see our city grow. I would like to see new job opportunities. I would like to see this area reach its potential. But I also acknowledge that we need to do so in a sensitive manner that provides a positive outcome for the community, and that is what we are seeking to achieve.

THE CHAIR: We will move to a supplementary from Ms Berry and then I have a couple of supplementaries as well.

MS BERRY: I was quickly having a look at the page and I cannot see where there is any public housing in that development.

Mr Barr: In Yarralumla?

MS BERRY: Yes.

Mr Barr: No, it is unlikely. The land is—

MS BERRY: A bit too posh?

Mr Barr: I think it would be too posh, yes.

THE CHAIR: Given the changes that have been announced to the traffic arrangements that were originally proposed, will a new traffic study be done?

Mr Barr: Yes.

Mr Dawes: We are currently undertaking a renewed traffic study as we speak; it is currently being done.

THE CHAIR: What is the status of the spec study that was done?

Mr Dawes: It is being updated. I believe it is a few weeks away. I would have to take that on notice to be exact. We embarked on a review and refresh of some of the work that we have undertaken previously.

THE CHAIR: Across the road from the Cotter Road are the Curtin horse paddocks. What is the future of the Curtin horse paddocks?

Mr Barr: As horse paddocks.

THE CHAIR: They will remain as horse paddocks?

Mr Barr: For the foreseeable future, yes. I do not know what they will be like in a hundred years, but for the foreseeable future it is certainly not part of this proposal.

THE CHAIR: Ms Porter, a new question.

MS PORTER: On page 53 mention is made of a strategic priority to provide timely support for direct sales of land by the government. Can you clarify what is meant by “timely support”?

Mr Barr: From time to time the government will undertake a direct sale for a particular outcome. That can be as diverse as a direct sale to a community group for a new piece of community infrastructure from time to time. It could relate to

infrastructure or land made available to a religious organisation. I can probably give some other examples. We have had community, we have had religious and we have had business-related.

A recent contemporary example is the work with IKEA in relation to a development site suitable for that business to locate in Canberra. It is a wide range. The government will often be approached, either directly through members of the Assembly or organisations will come directly to the Chief Minister, myself or to another member saying, "We are interested in acquiring land for purpose X, Y or Z". There is then a formal process around consideration of an organisation's eligibility for a direct sale. Depending on whether they are a community organisation, there is a different process. We examine their means to be able to develop land, if we were to sell the land et cetera.

That process then results in advice to the cabinet on approval of a direct sale and the LDA is required to provide input into that process. That needs to be done in a timely manner in order to ensure that the territory does not miss commercial or social opportunities that come from a direct application, but also that the cabinet is informed in a timely manner to be able to make an informed decision on the direct sale.

MS PORTER: Is the Higgins site part of the LDA's responsibility?

Mr Dawes: Currently with the Higgins site that is on the land release program. We are out consulting with the community to get feedback. What we are trying to do, before we lock some of these sites into land release programs and things, is to make sure that we have gone out and adequately met with the community, taken the community's concerns on and then put them into the program. Higgins is an example of that.

MS PORTER: So the school site—there are two sites, aren't there? There is the oval and you mentioned the ideas of the—

Mr Dawes: The community recreation park, yes.

MS PORTER: The recreational area. But on the school site there is currently a preschool site there. It currently has tenants in it.

MS BERRY: Possums Playgroup.

MS PORTER: Possums Playgroup. In relation to the children who are enrolled for next year, they will require some kind of forward notice. Is it possible for some support to be provided to engage with them to assist them? Obviously, whatever happens they necessarily will have to move for a while, even if they can come back. Will there be some engagement with them?

Mr Dawes: Certainly; actually, I think the property owners there at the Higgins shops are very keen to work with us as well as part and parcel of that and the same will go for the childcare centre to look at opportunities for how they can enhance that whole precinct. Obviously it is an opportunity for that local centre to be upgraded and enhanced over time. They are looking at making some investments there based on

whatever the outcomes might be. Certainly it is not just the community, but it is those immediate stakeholders that will be involved in all of those discussions.

MS PORTER: You will be engaging with those to assist them. Thank you for that.

MS BERRY: I had a supplementary on Higgins. You guys might not be the ones that can answer this question for me, but I have had people from the Higgins community talk to me about the school oval site being an old floodway. When it does rain heavily in the ACT, while it does not get flooded now, because the water course has changed, the flooding now goes down into the stormwater, and the stormwater floods the houses down the bottom end of the oval. That still happens. To do any redevelopment on the oval, you would have to redo all the flood drains and things down there because they have flooded for years, apparently.

Mr Dawes: Part and parcel—

MS BERRY: The community experts on this tell me that that would cost lots of money.

Mr Dawes: This is part and parcel of some of the feasibility as well because we have not got any preconceived ideas about what we do with the oval. We wanted to test some of those—

MS BERRY: Find out what the feelings are, yes.

Mr Dawes: Exactly, with the community. If, for example, any development was to take place we certainly understand that. That has actually been fed back through some of the community information sessions. I know that when I popped out to Holt on that Saturday myself, a couple of the residents raised that as a bit of an issue as well.

Again, that will come back in when we do that further due diligence as well. Some of the engineering would then actually look at doing that. If, for example, that is the case today, some engineering solutions may mitigate against that for those particular residents. That is a bit more work that we will do as we move down the track with those engineering studies.

MS BERRY: Just to confirm, the oval and school site are separate developments, are they?

Mr Dawes: Correct.

MS BERRY: What are the next stages for consultation on Higgins?

Mr Dawes: What we will be doing is gathering all of that information and absorbing that. The way I like to do the community consultation is to go back with the results of that community consultation and have further discussions with the community.

MS BERRY: One last question: how many people altogether have attended or were part of those community consultations? Were they all from Higgins or were they from other suburbs around?

Mr Dawes: That exact detail I am not aware of, but we can actually take that on notice and get the exact numbers. We did keep quite accurate figures. I am getting a nod there. Alison, did you want to give the number very quickly. Then we do not have to take that one on notice. But the numbers have been quite good.

Ms Abernethy: We had approximately 60 people attend the first drop-in session and 50 people attended the second drop-in session. We had 60 people attend the workshop. I am sorry, I am not sure of the exact number of surveys received as that process is still open, but we have received in excess of 150 to date.

THE CHAIR: We might finish the LDA there. Minister, thank you to your officials for your time this afternoon. I remind you that a transcript is on its way for any corrections that you feel are necessary. We would be very happy to receive them. For any questions taken on notice, there are five business days as of today for answers to those. Members, if you have any further questions, you have three days from the arrival of the transcript. With that, we will move to the minister's last obligation for the period, and that is community participation, output class 3.

Mr Barr: This will be my penultimate appearance.

THE CHAIR: This will be your penultimate appearance. I have just received an email saying that you are coming to visit us at 11.30 on Monday. Oh joy, minister; oh joy!

Mr Barr: Yes.

THE CHAIR: Thank you to the EDD officials, and we will move to Community Services.

THE CHAIR: Minister, as officials wander in, we will do the introduction. I am sure they have all heard it before and could repeat it without my assistance. Welcome, minister, to you and your officials from the Community Services Directorate. On the table in front of you is a privilege statement that offers obligations and protections. Could officials confirm they understand the protections that are offered by the privilege statement. Yes, they have; that is fantastic.

Mr Barr: Yes.

THE CHAIR: If all mobile phones could be either switched off or put on silent, that would be kind.

Mr Barr: Put it to your most entertaining ringtone.

THE CHAIR: We have only had one entertaining ringtone.

MRS JONES: Then the chair got caught.

THE CHAIR: I remind members that this afternoon is being broadcast and will be transcribed. The *Hansard* will be made available for correction. And could you please

confirm when you have taken a question on notice.

Minister, do you want to make an opening statement about output class 3, community participation, Community Services Directorate, ACT budget 2014-15?

Mr Barr: As tempting as it is to break from my tradition of not giving opening statements, I will not; please fire away.

THE CHAIR: The committee is grateful, minister. I will throw my question to Ms Lawder.

MS LAWDER: Thank you. I would like to ask about indicator f on page 14, “Number of grant programs administered (Seniors grants)”. That has been discontinued this year. Can you explain why it has been discontinued?

Mr Barr: Ms Lawder, I am advised that this is in Minister Rattenbury’s area but that Ms Howson can provide you with information.

Ms Howson: This particular indicator is discontinuing because in future years we would like to be able to report to the Assembly on some more meaningful measures. This particular measure has now been rolled into, I think, indicator a. Mr Hubbard might just assist me with that. In terms of the number of community capacity building projects supported, we are now looking at our grants programs being part of that. Certainly the seniors grants programs are about community capacity building, so we will be reporting on that target of 15 in the future. And in our annual reports we will be disaggregating grants programs, so on an annual basis we will be reporting quite specifically on what we do within each of those measures.

MRS JONES: With each grant?

Ms Howson: With every grant program that we administer; we will be reporting on those separately in our annual report. We are simply trying to find some more meaningful output measures. It is a work in progress, but we are continuing to improve the meaning of those.

MS LAWDER: So in a, which I think is where you said it may be subsumed—

Ms Howson: Yes. I will just ask Mr Hubbard if that is correct.

Mr Hubbard: As Ms Howson said originally, we are trying to make the indicators more useful than just reporting on one grants system. With the number of capacity building projects, it is a different grants program in itself, with different projects involved. If you need the details of the actual projects, we can give you those.

What we are trying to do is amalgamate our grants programs and give you better reporting or more detailed reporting in the annual report, where we have a lot more room to give you specific reporting on each of the grants programs and what the money is spent on. So rather than use a measure of how many grants programs—three or one—we want to give you some more detail in the annual report, which is more narrative.

MS LAWDER: So was that a “Yes; it is now part of a” or a “No, it is not part of a”?

Mr Hubbard: The seniors grants will not be a part of a. There will be a separate grants program.

Ms Howson: I am corrected there; I think that is a no. We simply stopped reporting on that particular measure because we do not think it has a lot of meaning. Administering more grants programs is not telling us a lot about what we are actually achieving in relation to the Office for Ageing.

THE CHAIR: A new question?

MS PORTER: I will give myself a new question.

THE CHAIR: Perfect timing.

MS PORTER: Hopefully I am in the right place and asking the right question. I am looking at table 3.2.2 on page 76 in budget paper 3, under initiatives, summary of expenses by portfolio, under this portfolio area, about two-thirds of the way down the list.

Mr Barr: Yes.

MS PORTER: It mentions family and sexual violence support, the Domestic Violence Crisis Service and the Canberra Rape Crisis Centre. Is that support for those organisations to do their particular work?

Mr Barr: That is correct, yes. These organisations previously received funding from a number of different sources, but some funding, I believe, was related to NAHA. Is that right? Yes, I am getting nods there.

MS PORTER: What does NAHA mean?

Mr Barr: It is the homelessness funding agreement.

MS PORTER: Affordable housing?

Ms Howson: Yes, affordable housing.

Mr Barr: The national affordable housing agreement, yes. There have been some changes, as people are aware, to various national partnership programs. The commonwealth has determined, in many instances, to no longer fund a number of these areas, which is disappointing. Following representations from DVCS and the Canberra Rape Crisis Centre, the territory government has provided some funding to assist them in a period of transition. We would then intend to pick up their future funding requirements through the directorate more broadly, through an existing community funding stream.

MS PORTER: So this is just short-term assistance?

Mr Barr: Yes. This gets them through to when we can get them into an existing program.

MS PORTER: Obviously they are all very important services, so there will be no difficulty in getting them into an existing program?

Ms Howson: No, there will not be any difficulty. We have already made the administrative changes to ensure that their funding source is secured through the community development programs. We are just going to take the next 12 months to recalibrate that program to ensure that we continue to support them to the levels that they currently are receiving.

MS PORTER: Thanks for that.

THE CHAIR: Ms Berry, a new question?

MS BERRY: On page 18 there is a new initiative under budget policy adjustments, the better human services blueprint. Could you tell the committee what makes this policy new and unique.

Ms Howson: Do you want me to go for that, minister?

Mr Barr: Go for your life.

Ms Howson: I have to say thank you for the question. This is something we are very excited about in terms of this particular project. What makes it new and unique is that it is the first time that we have actually taken a whole-of-system view of human services and worked in a collaborative fashion to co-design what a single human service system should look like with the non-government sector.

There has been a very strong partnership, with us essentially asking, if we want to achieve better outcomes for the Canberra community and we are frustrated with some of the characteristics of the way we currently deliver services, what an integrated service system would actually look like. We worked on that with the non-government sector and across the ACT government, particularly with Education and Training, Health and Justice and Safety—I do not think we have seen that level of cooperative approach before, certainly in the time that I have been within the ACT government—to come at the issue of integrating services and improving service delivery in this way.

We start off with a very strong and sound level of commitment to the vision of what a better human service system should look like and, as well as the commitment that the government is bringing to facilitate this change, a very strong level of support from the non-government sector to bring their capacities to the table, if you like, to make this project work.

We have three elements to the blueprint in the next financial year that are a feature of this budget. One of those is a single human service gateway, which will bring at least the entry points, if you like, into community services together into one portal for the ACT community. That will have universal application right across the community.

We also will have the opportunity to enhance our strengthening families project, which we have reported on to the Assembly previously. That provides a new way of working in an intensive way with very vulnerable families that genuinely places them at the centre of government and other service responses to their needs. We will have the opportunity to take what has been a program of around 20 families up to 50. If we can continue to prove the benefits of that approach with particularly targeted families, we hope that we will be able to do more of that.

The third dimension is what we are calling a localised trial of this new design in the west Belconnen region. It goes to a number of the drivers of reform and change, most importantly our concern that we need to get better outcomes, particularly for the most vulnerable in this community. It is quite intriguing that we are the top of the OECD in terms of health and wellbeing as a city to live in, and yet, from the work that we do, we know there are still a large number of vulnerable families in Canberra that need support to be able to benefit from all the opportunities that everybody else has in this community.

Outcomes are important. It is getting better value for money, essentially; it is a genuine attempt at better effectiveness and efficiency. There is a very common agreement across our colleagues in the non-government sector, as well as across the government sector, that we do not necessarily need more resources; we just have to use them in a more clever way and in a more targeted way to get better outcomes.

We are also experiencing increasing demand for many services, so we need a service model that will tackle that issue of moving people and averting people away from crisis supports, which are the most expensive in any human service system. It is about being able to intervene early. We are tag-lining that as the right service at the right time for the right duration and to the right people. The more tailored our service response can be, the more effective it will be.

It will have all those characteristics, but probably the thing that makes it most unique is the level of buy-in that we have got from all of the providers within the system to really make this work, and the very strong relationships that are existing. I have been quite surprised. It is very rare for a director-general to have people come to meet with you and put some offering on the table. It is usually the other way around; people come to me and ask for things. But in the last two weeks I have had providers in the primary healthcare system and in the community services system come to meet with me with ideas they have about how they can actually make the blueprint come to life and what resources they will bring to the table. That has been incredibly encouraging.

MS BERRY: How will it practically work on the ground?

Ms Howson: I might ask David Matthews to talk about that. David is leading the charge on that at the moment, so he can talk you through that.

MS BERRY: Before you go ahead with that, I want to know—and you might still be working this through—how it is going to work practically. As a human listening to the launch of the human services blueprint, it was a launch of something.

Ms Howson: You do not quite know what it is.

MS BERRY: It does not really make sense. Can you try to explain it, if you can, in a human way—do you understand what I mean?—as a person?

THE CHAIR: And quickly.

Mr Matthews: And quickly. Ms Berry, you are right. The objective of this whole effort is to make sure that the citizen experiences something different. We need to do some work behind the scenes to get the architecture, the systems and the programs working but ultimately it is about how the citizen will experience something different. And we talk about a better service experience being the start of that. How are services responding to people when they access support? How are they treating them? How are they making sure that they do not have to tell their story multiple times? And how are they helping them find the services that they need rather than requiring each individual to access a complex service system by themselves in isolation?

How that would work practically in west Belconnen where we are hoping to do this work with the community is that we want to make sure that we get some agreement across all of those local community service providers that when people present to their services they are supported and guided to the right service delivery response. And the way that those agencies work together is very much through a collaborative partnership and meeting the needs of the individuals that are presenting to their service, not making them go through different program guidelines or multiple eligibility assessments to get what they want but making sure those services are responsive to their needs.

Then I guess it is critical about how the continuity of service is provided to those people, that they can meet with people that already know their story, that they have already got a rapport with them, that those people can broker those services and continue to engage with them to get what they need for as long as they need it, that if people then have their immediate needs met they resume their normal life and that if they need help again they have got a way of quickly re-entering the system and know where to go and not having to start from scratch in terms of their engagement with services.

What that is going to require is services working together, finding arrangements, working differently, looking at some innovative pilot work. There is some seed funding in the budget innovative that will allow services to work together differently and that is the challenge that the service system has collectively owned, which is: how do we change so that we can provide that type of service to the community?

Mr Barr: I guess you could sum that up very quickly by saying what you do not want to hear out of government is, “That is a Housing problem, go and see them.” Out of education, “No, you have got to raise that with the school. That is not our problem.” The way that government is structured is highly silent. And from the consumer perspective they do not care which department delivers the service. It matters to us because we have got to present the budget in a way that allows this level of scrutiny.

MS BERRY: In a way that we can understand, yes.

Mr Barr: You know which minister to ask the right question of and which bureaucrats will have an understanding of the area that you are asking the questions about. But ultimately my barometer on this is: end the buck-passing, and people in the service system take responsibility. Even if it is not their area, they find the right person to help.

MRS JONES: You might have a standardised, formal entry process no matter where. It could end up huge.

Mr Barr: Yes.

Mr Matthews: That is right, in common working arrangements, so that you are talking about, as you say, application form assessments.

MRS JONES: Standardised work processes.

Mr Matthews: That is right, all of those things, so that we can jointly share some of those assessments. Again, we do not want people to have to tell their story multiple times.

MRS JONES: And privacy protection as well as all of that.

Ms Matthews: One of the elements is about information sharing and how we can improve those practices.

MRS JONES: Or the tick-off for people.

Ms Howson: On a consent basis, yes. We are pretty sure we can overcome most of those things.

MRS JONES: Would you use a centralised website or something for people in the different organisations to fill out the initial contact form or something?

Ms Howson: In the beginning of the process, we will be getting the way that we work right but we do expect to ultimately be able to translate some sort of technology platform to support that. It is even more efficient.

MRS JONES: It would be good if every provider had the same app.

Ms Howson: Yes. It is things like that. Ideally what we have done with strength in families, for example, is developed this idea of a family information profile. At the moment it is in almost like a scrapbook that the family carries of their information, and they can take that and share it with whomever they choose. But you could imagine that being translated into some sort of app and—

MRS JONES: Yes, and you could just scan your device in and, “This is me.”

Ms Howson: Exactly, yes, a digital Canberra. We will get there.

MS BERRY: A bit like a “fix my street” for people, is it not? You go, “I have got a problem.”

Mr Barr: I guess in the highest level descriptor, yes, that is—

MS BERRY: I am just trying to explain it in a way that makes sense.

Mr Barr: But it is about breaking down silos, stopping buck-passing and a greater level of responsibility being taken on by the various government agencies. I think the key thing here is the community sector engagement. It is not that someone presents across the road from the child and family centre at UnitingCare and they will be able to hook into this network as well.

I think so much of the culture is how we have to present budgets. How individual agencies operate is about siloing. Ministers have portfolios and there are shadow ministers who have portfolios. When you get an area you specialise in, off you go. That does not necessarily accord with how humans interact with government. If this works it will be a significant achievement because I do not think any other government, in Australia anyway, has been able to achieve it.

Frankly, if you cannot do it in Canberra, in this community with a government of our size, then I am not sure where you can do it. We are going to have a crack. It is one of the more exciting and interesting projects that I have had the opportunity to be involved in in eight years in the Assembly. I hope it works.

MS BERRY: It is still being worked through and I am really excited about it. I think the need is in west Belconnen and I think it will be fantastic. I am going to wind up in just a moment. It is one of those things which, if it does work here—you are right, minister—it will probably be used across the country, maybe even the world. But anybody who has had a child and has had to deal with commonwealth departments—Centrelink or the Human Services area—will know what a nightmare that is. It is not really that big, compared to some of the challenges for people in the community.

I just want to check in with the strengthening families program. I know that has been running over in Tuggeranong with a couple of families, is that right? Am I right? When will that start in west Belconnen?

Mr Barr: More than just Tuggeranong.

Mr Matthews: The strengthening families program will operate across the ACT but we will be focusing on west Belconnen families as part of that work as well. Essentially it will start after we have employed the people, and we are in the process of doing that. There is existing infrastructure in place that will be able to stand up very quickly. We are just completing our employment process. We have good existing partnerships. We have got well-documented processes and procedures. So we are ready to go.

MRS JONES: So you have done a trial and you have got the system ready to go?

Mr Matthews: We do.

THE CHAIR: Mrs Jones, a new question.

MRS JONES: I would like to go to indicators “d.” and “e.”. On page 14 of the portfolio statement, the funded organisation satisfaction of government contract administration is set to increase from 85 per cent to 95 per cent, presumably because the target seems to be expected to be met. What is the rationale behind the change there and why the wonderful increase?

Mr Barr: Why do we expect there will be an increase? In short, I have announced a series of changes to contract management between government and community sector organisations that fit under the banner of red tape reduction and simplification. I have reduced the reporting requirements from twice annually to annually.

We have changed the nature of the financial relationship away from the previous model to a model of grants. This has allowed, I think, a much greater level of certainty for organisations, particularly those for whom we have had an ongoing relationship over, in some instances, the entirety of self-government. We know they are low risk, in that they are not ones who are going to skip town with the money. They deliver, they do all of those things and have done so consistently for 25 years in some instances.

There is a different level of relationship with those organisations than there might be with a brand new community organisation that has recently appeared and that would need more assistance to establish themselves and, I guess, a greater level of oversight and engagement in the start-up phase, as opposed to UnitingCare Kippax who have been delivering services for a long time.

MRS JONES: The questionnaire that gets put—did you say it was twice annually and now it will just be once a year?

Mr Barr: No, this is reporting back to the department. For community organisations that had contracts and were required to provide annual financial reports as well as six monthly reports, we are now requiring them once a year and aligning the reporting requirements and simplifying them to make them consistent with other reporting requirements so that what is provided to the ACT government is consistent with what is provided currently nationally to the ACNC, although there is an agenda emerging out of the new federal government to abolish the ACNC, which is disappointing.

MRS JONES: What is the ACNC?

Mr Barr: Charities and Not-for-profits Commission. That allows those organisations—

MRS JONES: To work as a group.

Mr Barr: Yes. Areas that were managed by the tax office are managed by the ACNC. If the ACNC is abolished, then all of these not-for-profits go back to the tax office where they do not get the level of support that they do from the ACNC.

MRS JONES: Does your satisfaction figure then come from a survey and how often is that conducted?

Mr Matthews: That is right. It is an annual survey. It has had a consistent survey instrument for a number of years. I would be happy to report to the Assembly the interim result on that. It exceeds 95 per cent, is the result. So it is a very high level of satisfaction with the number of people that are surveyed.

MRS JONES: Are we able to have a copy of that survey, that standardised instrument?

Mr Matthews: We can provide the instrument.

MRS JONES: I want to ask about e, which is the next indicator. There is a target of 85 per cent for successful completion of the work experience and support program for migrants, which I think is a great program. Why isn't the directorate aiming to get that up higher as well? Obviously it is a different kettle of fish but you can look at the numbers as they are next to each other.

Mr Rutledge: This falls within the Multicultural Affairs portfolio. As you know, Mrs Jones, it is quite a successful program. Normally, about 20 people come in to the work experience program. They do both on-the-job training and now a CIT qualified certificate. But in any program that has 20 people, if three drop out during that process then you end up with 85 per cent.

MRS JONES: Because it is small numbers?

Mr Rutledge: Yes, small numbers and people always drop out. We would hope that we would hit 100 per cent, but from what we have done—and the program has run for many years—we know that two or three drop out of every program, so that is why it is like that.

MRS JONES: I had one of these participants in my office last week, and it was a very positive experience for both of us. Do you survey participants? Is there surveying of the participants to work out why they might drop out? Do they fully realise the commitments as they begin?

Mr Rutledge: No, we do not do a formal survey; that is the short answer. The longer answer is that it is a small cohort. We get pretty good feedback throughout the process and officers support and talk to them a lot. One improvement we have made from feedback is moving it to a CIT certificate rather than just an ACT government certificate. So they get two certificates out of that. As we talked about earlier in estimates, you provided a reference. I think you mentioned that. That was a good suggestion that I think we should push.

MRS JONES: We gave the participant a number of copies of the reference because it is hard sometimes for people to access photocopying. Is there any attempt to include in that program resume assistance? I know that Defence ran a program of resume assistance for defence wives, and it changed my career. If you are not 100 per cent good on your English—that is really bad English; maybe I will win the award

today!—and if you are not completely fluent in both the language and the culture, it can be very difficult to work out the next step to take in order to access the jobs market.

Mr Barr: It would be hard for English speakers to be fully across the English language.

Mr Rutledge: That is part of that program.

MRS JONES: I think it made sense. I am not sure it would have won me a job in a job interview.

Mr Rutledge: That is certainly part of that program—both job preparation and job readiness. There is making sure that their resume is up to date and how to do that. We provide support both through the program directly and by introducing them to the CIT, where there are a lot more supports around students.

MRS JONES: And they learn about another education program?

Mr Rutledge: Yes.

MS LAWDER: I want to ask about indicator i. on page 14. You have four regulatory and process reform initiatives that are expected. Can you give us an idea of what is included in that?

Mr Barr: Absolutely. Robert Gotts, your moment has arrived! This is, of course, the most exciting area of Community Services. I am very passionate about red tape reduction in this area. Robert has been doing an outstanding job. I would like to put that on the public record.

THE CHAIR: It has taken you until the last 27 minutes to get Mr Gotts to the table.

Mr Barr: I know, but I am so pleased he is here. Robert, talk about the great work that is being undertaken.

Mr Gotts: We are undertaking great work. We have a red tape reform program in place that is looking at how we can reduce the impact of the government on community sector organisations. We are addressing that in a number of ways, and these are the things that make up the indicator. We are addressing it through changing contractual arrangements. The minister indicated some of that earlier. We are changing it through new relationship management arrangements, so that community sector organisations have a single relationship manager within CSD.

We are changing it through the reporting arrangements. The minister has indicated that we have reduced financial reporting from twice a year to once a year. Through work that we are doing on outcomes, we are finding ways to reduce reporting there as well. For example, reporting in the homelessness area has been reduced by about 40 per cent, with an increase in the reliability and quality of the information and a reduction in the actual amount of the information. That results in better information management and reduced effort in reporting.

The measures that we are looking at are also being considered on a whole-of-government basis. That means, for example, we are working on new contractual instruments that will apply across the government. Right now, there is a team of community sector people and a team of ACT government people working on new service funding agreements that will replace the existing ones when we have finished that work. Again it is about reducing the effort on community sector organisations and increasing quality of the information that we get.

We are reviewing the procurement prequalification process. Currently, all community sector organisations are required to be prequalified. While that will remain the case, we are reviewing that process as well. They are some of the components that make up that particular measure.

Mr Barr: The exciting thing that goes to our earlier conversation from a community sector organisation's perspective is that rather than having eight different contracts or four different contracts, sometimes with three different areas of the Community Services Directorate and then they might have a contract with Health, or with the justice area, they will have one ACT government contract across the entirety. So we will adjust our working in order to have one contract relationship with an organisation that might provide a range of services that would be traditionally coming from community sector, education, health, justice et cetera. Again it is an opportunity, and perhaps a unique one, for the ACT to be able to pursue.

From the perspective of a community sector organisation, it means rather than having to write eight different reports, you can get that down to one with standardised outputs in terms of the information that we collect. From our perspective, for staff within the ACT government and more broadly, there is one set of reliable information rather than having to go back to so many different sources when you want to pull together a picture of what is happening in service provision in a particular area.

It will improve the efficiency of ACT government, too, which will free up our capacity to add more value in our relationship with the community sector and it will be more than, "Thank you, we've got your six-monthly report on contract 1. I will need your six-monthly report on contracts 2, 3 and 4 within the next period." You get a much better relationship focused on—

MS BERRY: And they can get on and do their job.

Mr Barr: Yes, rather than just accounting for the widgets, you are actually looking at outcomes. I was only being a little facetious earlier. I think this is one of the most significant pieces of work. I could probably say in some instances it fits into the category of dull but worthy—but, oh boy, is it worthy!

THE CHAIR: Not you, Mr Gotts.

Mr Barr: Of course not, Robert. I do not expect this to be on the front page of the paper tomorrow. But in terms of—

THE CHAIR: Well, there is a challenge, *Canberra Times*!

Mr Barr: things that will change service delivery and improve outcomes, this work is critical. It is really important.

MS LAWDER: If we are talking about standardising contracts to some degree, will that depend on the dollar value or will there be different types of contracts depending on the size of the grant or funding?

Mr Gotts: It is based on risk factors. As the minister indicated earlier, where there have been longstanding arrangements in place over many years and where the money is going for the support of the operation of an organisation, those are being translated to grant arrangements. Nearly 50 per cent of the relationships we have with community sector organisations will transfer to grant arrangements on that basis. They are essentially low risk.

With regard to the service funding agreements where we are procuring goods or services on behalf of a community through community sector organisations, the complexity of the instrument is based again on the risk. So the more complex a commercial arrangement is, the higher value and the more risk that might be inherent in it, that would lead to a more complex document than something that is relatively straightforward.

MS LAWDER: Are there differences in contracts, for example, between peak bodies and service delivery bodies?

Mr Gotts: Yes, there are. We are in the process of transferring three of the peak bodies onto grant arrangements. If I can use the example of an organisation like ACTCOSS, it provides membership services. It receives money from the ACT government in support of its operations, but membership services provided by ACTCOSS to its members are not a good, a service or property that the ACT government purchases. In that instance that becomes a grant for that rather than a procurement by us. That is an example

MS LAWDER: With that procurement, you talked about prequalification. Are there any particular conditions that the ACT government imposes—environmental, employment of people with a disability or anything like that—that the government wants those providers to comply with?

Mr Gotts: There are some general provisions that go to a requirement that organisations meet all relevant Australian and ACT laws. There are frequently specific requirements around things like working with vulnerable people, and from time to time there may be more specific things depending on the particular program involved. Ideally, they would be specific to that program and relevant to that program.

THE CHAIR: Ms Porter has a supplementary on this.

MS PORTER: I find it very exciting, minister.

Mr Barr: Excellent. I am pleased I am not alone in this. Maybe I underestimated the level of excitement around this.

MS PORTER: Coming from an organisation that used to have more than 20 applications to fill out and contracts to respond to and report to in order to exist, I think it is—

Mr Barr: It would be just one cycle and then less application filling out, would it not, really, and reporting?

MS PORTER: I think it is fantastic. You mentioned the grants process. In this approach, are we going to have maybe one form that you can fill in if you are coming from one side? Are we going to have one grants form that people can fill in to apply for a grant? I know that the grants come from different portfolio areas and I realise that the minister likes to go along and open the thing, whatever it is, have a photograph taken and cut the ribbon.

Mr Barr: MLAs like to do that too.

MS PORTER: MLAs often go along in your stead. However, coming from the other side, it is most frustrating for an organisation which puts in an application on the said form, only to get back from the said person that is reviewing the form, “This is fantastic program and we think it is worthy of funding. However, you should have directed it to X place.” Instead, it could go from you guys to the X place, saying that it has been redirected, which would be a far more sensible idea, do you not think? Can we get together and have one form or at least some standardisation around grants so that people do not get pushed from pillar to post and waste a lot of their time? It really is frustrating.

The other thing I would like to say, minister, is that in Britain—and I do not know whether we are looking—

THE CHAIR: Is there a question here or is this the same question?

MS PORTER: There is a standardised form for small, medium, large and vulnerable organisations that work to vulnerable people and, if they have already established they have a right to exist because of their reason for existing, they are given some ongoing funding and are allowed certain categories of funding and certain amounts. And one of those is for their general day-to-day running. I think we need to look at that.

Mr Barr: To answer the high-level question on grant reform, yes, it is on the agenda. There was a previous round that essentially streamed the grants into effectively a human services round and a city services round that related to events and infrastructure and those sorts of things. Then there was a stream that related to all of the human service portfolios. There will be further work undertaken on streamlining the process. There is an online portal now. I think it is grants.act.gov.au, and we hope to build on that in terms of addressing the issues around applications that might come and be directed into the right area that would suit the particular aspirations of the applicant. Robert, you are busting to answer the second part of the question.

Mr Gotts: Yes. In answer to the second part of the question, there is room to stream the process. For example, what we have done recently is introduced a new, very

simplified grant arrangement to, exactly as you say, provide support for an organisation. A decision has been made that this organisation should be supported, and we have now reduced that down to essentially a letter of intent that is between the two parties and that essentially says, “We will give you this amount in support of your operations. You have to spend it on your operations.” It is very simple. That will apply to about half or a quarter of the total number of organisations we deal with. Others will have slightly more complex ones. Yes, we are streamlining it to make it as simple as possible for straightforward operations. Scale to risk is the term we use.

Mr Barr: If you are listening upstairs, there is almost unanimity in the committee this afternoon about just how exciting this is.

THE CHAIR: I have a new question. In output “a.”, the number of community capacity-building projects supported is 15. What were the 15 this year? How much did they cost and what did they achieve?

Mr Hubbard: It was more than 15. The target was 15. There was \$300,000 allocated. We assumed that would be 15 grants of up to \$20,000. As it turns out, we have actually assisted 28 different organisations, from the Asthma Foundation to House with no Steps—and I will leave this list with the committee—school P&Cs, the Tuggeranong BMX club. They were just small grants. Some were just to buy a petrol blower-vac, office extensions. They were small infrastructure grants that we do on a case-by-case basis as community orgs come to seek assistance. It is one-off. It is not a grants round. But I will leave a copy of the 28 for the committee.

THE CHAIR: So it was 28 grants of varying sizes?

Mr Hubbard: Of varying sizes.

THE CHAIR: But up to \$300,000?

Mr Hubbard: With a maximum of \$20,000. And we spent \$295,351 of the \$300,000 available.

THE CHAIR: How do people become aware of these grants and apply for them?

Mr Matthews: The grants round is advertised very widely and people expect it and are ready to submit their proposals once they become aware of it. We, of course, use public media as well as all of our direct email lists and other forms of contacting our providers. And we try to keep the grants round open for as long as possible to give people maximum opportunities to talk to their boards, to do further work on their proposals, to get quotes on extensions for their buildings and their ICT requirements and so on. So we really try to make it as open and as easy as possible.

I was going to mention in relation to Mr Gotts’s last answer too that we are moving towards uniformly adopting a program called SmartyGrants, which is an online application process.

MS PORTER: What is it called?

Mr Matthews: SmartyGrants. It is a way of people entering their applications online, directly using pre-populated software and templates so that it makes it easy for people both to put in and also to access. More and more grants programs are utilising that system. What we do is form a panel. The panel normally involves government and non-government representatives. I think that is a very important part of the process. We want a sector or a non-government view around the relative merits of different proposals as well. And we go through that assessment process and make recommendations to the minister. It is a good opportunity for people that might not otherwise get any government funding to seek some small support, and a whole range of worthwhile initiatives are funded.

THE CHAIR: Who came up with the term “SmartyGrants”?

Mr Matthews: Not us. It is actually a piece of software, a product which we have decided to use.

THE CHAIR: Ten minutes to go, members. Ms Porter, a new question.

MS PORTER: It may relate to my very first question. It may be the same money. Under table 16 on page 14, right down at the bottom, indicator “j.” is the cost per head of population. It gives an amount of money which is projected to drop from \$61.98 to \$60.90.

Mr Barr: No, it is \$65.13.

MS PORTER: It then rises to \$65.13 in the last column. Is that the same money that you were describing as coming across from the NAHA program or is that different money? The note says it is due to a transfer from Housing ACT.

Ms Howson: It relates to exactly the same two program areas but the amounts are different. The \$153,000 in this budget measure—

MS PORTER: That was why I was a bit confused.

Ms Howson: That is an additional amount but there is a base amount somewhere in the vicinity, I think, of \$2 million that was transferred from Housing ACT into the community development program, for the same reasons I was speaking about earlier. We had those programs being funded out of the right funding source rather than really the bucket for homelessness services.

THE CHAIR: Mr Hubbard is chomping at the bit to complete the answer.

Mr Hubbard: It is the funding for the DVCS initiatives. As Ms Howson said, there is a combination of new money and also money that was transferred from Housing ACT. And that is shown on page 18. If you look at the approp table, towards the bottom of that approp table you have got \$1.8 million, which is being transferred into CSD from Housing ACT. It is for the same program but not only has it got increased funding but it has also been transferred from Housing and into that area, the relevant area of CSD.

THE CHAIR: Ms Berry, a new question.

MS BERRY: I do have a question. You might not be able to answer this for me today. How many community service facilities are there in the ACT and what is the level of satisfaction from the people who are—

Mr Barr: Mr Collett has been sitting here patiently waiting for his question.

THE CHAIR: Mr Collett has eight minutes and will now recite the answer alphabetically.

MRS JONES: No, Mr Collett does not have eight minutes. There are two more questions.

THE CHAIR: A challenge, Mr Collett—quickly!

Mr Collett: I will have to take the question on notice because they are split between a number of directorates.

Mr Barr: That is very true.

THE CHAIR: Mrs Jones, a new question.

MRS JONES: I have a question on indicator g on page 14, regarding ministerial councils; it is a very straightforward one. That indicator has been discontinued. Is that because we are no longer providing secretarial support or simply that we are not going to be reporting on it?

Mr Barr: I think it is not a particularly useful accountability indicator. Yes, those ministerial councils will continue.

MRS JONES: And continue to be supported?

Ms Howson: Correct.

MS LAWDER: I want to ask about tenant satisfaction with the management of community facilities. You are not looking to increase it or improve the satisfaction rating from 80 per cent; can you tell us what kind of areas tenants are generally satisfied with and dissatisfied with? And does it relate specifically to the location of the building? What are the sorts of trends in those satisfaction surveys?

Mr Collett: Whilst the figures are very gratifying in terms of levels of satisfaction that we achieve, they are largely to do with the quantum of space, its location and the general level of—

MS LAWDER: Did you say the volume of space?

Mr Collett: The quantum; the amount of space that they have. Generally we have been able to satisfy their needs in terms of the configuration of space, the amount of space and the location of the facilities that we are able to make available to community organisations.

A significant number of them are in refurbished buildings. The regional community hubs, which is a very successful program, looked at the reuse of surplus school buildings. There remain some challenges in dealing with buildings which were not originally designed for their purpose but have been adapted over time. Some of the buildings are well into their service life. They have been upgraded but there remain intermittent problems with some of the building surfaces and some of the plumbing and the roofs, for instance. So it is a maturing stock, and that produces some challenges which just takes the top off the level of satisfaction that we have.

Mr Barr: Aren't we all maturing stock, ultimately?

MS PORTER: Some more than others.

MS LAWDER: Are you able to provide us with a copy of the survey that you asked of organisations?

Mr Collett: If the minister is happy with that, we can do that.

Mr Barr: Yes.

Mr Collett: I have been assisted by the director-general, and I can answer the previous question fully. The ACT government has 142 community facilities, of which 56 are managed and maintained by the Community Services Directorate, 38 are managed by Education and Training and the remainder are Territory and Municipal Services Directorate stock.

MS BERRY: That was 142?

Mr Collett: A total of 142; 56 are with CSD, 38 are with Education and Training and the remainder are with Territory and Municipal Services.

THE CHAIR: Ms Lawder, a final question.

MS LAWDER: In budget paper 3 on page 76, under Community Services Directorate, there is a philanthropic institutional investor model. It says the cost of that will be absorbed through the directorate. Can you explain a little bit more about that?

Mr Barr: It is a relatively modest cost. We anticipate it being less than \$100,000. We are seeking to develop the philanthropic movement, if you like, within the territory. We are looking at establishing some better partnerships that can connect those who wish to donate with organisations looking for donations. The point to stress here is that it is not just money; it is skills and time.

One of the discussions that I held with the sector, and indeed with those interested in donating or volunteering their time, was really about how we can best match organisations. Organisation X would love a lawyer on its board. Somewhere else in the city there is a lawyer who wants to get experience working on a board and would like to donate their time to a community sector organisation. How do we get the two to meet?

There are a number of different models that can be pursued. Interestingly, there might be a technology solution here, around an app or a web-based application that would allow people to register and say, “I have the following skills and would be available for a number of different tasks,” be that regular engagement on a board or one-off on a major project or whatever, and then match them with community sector organisations and other organisations that might be looking for a particular skill set.

We would also like to further develop our capacity to attract new philanthropic investors into—I do not want to say “marketplace”—the Canberra community. Other cities that are older and that have worked on this over a longer period of time have been able to attract some quite significant donations from deceased estates, largely, where people have had a lot of money and either not had family or—

MS LAWDER: No cats.

Mr Barr: Yes, or did not want to give it all to their family. In cities like Melbourne, in particular, there is a very strong philanthropic culture. We want to do some further investigation and develop models that will work well here. Ultimately, as our community matures and there are more generations of people who will be born, live and die in Canberra, which has not necessarily been the case through our first hundred years, there will be increased opportunity for this. It is not a massively resource-intensive project. I think we can undertake it within existing resources, which is why we have chosen to progress it in the way we have in this budget.

MS LAWDER: Some of that already takes place to some degree in some community sector organisations.

Mr Barr: It does, yes.

MS LAWDER: The government is not looking to replicate it or compete with that?

Mr Barr: No, but it came out of a series of roundtable fora. I raised exactly the same issue that you did at the time and said, “How can the government value-add? I don’t want to get into the business of doing this, but is there a way that we could value-add or assist?” In the digital Canberra strategy, one of the digital challenges in the future might well be to create an app that will allow this linkage to occur. So we just wanted to do a little bit more research and look at what ways we might be able to contribute. But we are not seeking to socialise the philanthropic market in Canberra.

THE CHAIR: We might bring it all to a close. Thank you, minister, and your officers, for appearing before the committee. If responses to any questions taken on notice could be provided within five working days of the hearing, we would appreciate that. We would like to thank all the witnesses who appeared today and, indeed, throughout the course of the inquiry. Members, you have three days, if you want to put additional questions on notice, after the arrival of the transcript. Everything has been recorded today, and the transcript will be provided for any corrections or clarifications.

The final chair’s award today was going to go to Jenny Priest from sport and rec this morning, who said that the approximate number of runners in the *Canberra Times* fun

run was “around 5,782 participants”. That is a reasonable approximation. She got blown out of contention when the minister mentioned “dull but worthy”. But the minister blew it when he referred to us all as “maturing stock”. Mr Hubbard, there is merit in the Ian Hubbard memorial medal for committee participation in the ACT Assembly. I look forward to you funding that from your will. But you blew it when Ms Porter exposed the ministry, yet again, when she said, “Ministers simply like to turn up for the photo and cut the ribbon.” But she lost it when she said, “Patrons are being pushed from pillow to post.” The award this afternoon, which delighted us all here with her excellent use of English when she said, “It is a good thing to help people get them 100 per cent good on your English,” goes to Mrs Jones. There endeth the lesson for today.

Because we have all had so much fun, I am now informed the minister has agreed to come back for a repeat performance on Monday. There will be a supplementary hearing with the Youth Coalition at 10.30 and a recall day for the minister at 11.30 to discuss taxation matters.

MS PORTER: I would like to thank Brian, the secretary, for looking after us, and all the other secretaries who have been at the table, for their assistance in looking after us, and the attendants, especially for the lovely food, and especially the fruit, which we requested and we got.

THE CHAIR: Thank God for the fruit! There endeth the lesson.

The committee adjourned at 4.02 pm.