



LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON ESTIMATES 2016-2017

(Reference: [Appropriation Bill 2016-2017 and Appropriation \(Office of the Legislative Assembly\) Bill 2016-2017](#))

Members:

MR B SMYTH (Chair)
MR J HINDER (Deputy Chair)
MS J BURCH
MR S DOSZPOT

TRANSCRIPT OF EVIDENCE

CANBERRA

THURSDAY, 30 JUNE 2016

Secretary to the committee:
Ms K Harkins (Ph 620 50435)

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

ACT Long Service Leave Authority	1091
Chief Minister, Treasury and Economic Development Directorate	1044, 1054, 1091, 1138
Cultural Facilities Corporation	1054
Education Directorate	1044
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Amended 20 May 2013

The committee met at 9.30 am.

Appearances:

Fitzharris, Ms Meegan, Minister for Higher Education, Training and Research,
Minister for Transport and Municipal Services and Assistant Minister for Health

Chief Minister, Treasury and Economic Development Directorate
Young, Mr Michael, Executive Director, Workplace Safety and Industrial
Relations

Health Directorate
Kelly, Dr Paul, Chief Health Officer

Education Directorate
Wright, Ms Leanne, Director, Learning and Teaching

THE CHAIR: Good morning, ladies and gentlemen. It is the second-last day of the public hearings into the Select Committee on Estimates for 2016-2017. The committee wishes to acknowledge the traditional custodians of the land we are meeting on, the Ngunnawal people. We wish to acknowledge and respect their continuing culture and the contribution they make to the life of this city and to this region.

Witnesses, please be aware that proceedings today are being recorded and will be transcribed by Hansard and then published and that they are also being broadcast and webstreamed.

On the table is the pink card which contains the privilege statement of the ACT. Can you please confirm that you have read the privilege card and that you understand the implications of privilege?

Ms Fitzharris: Yes, thank you, Chair.

THE CHAIR: Thank you for that acknowledgement. Minister, would you like to make a brief opening statement?

Ms Fitzharris: I will make a brief opening statement. As the committee knows, preventing the burden of chronic diseases on our community and on our health system caused by obesity and overweight is the most significant public and population health challenge we face. The healthy weight initiative specifically is a whole-of-government policy and program initiative to address these challenges. It is represented by every directorate across government. There are many initiatives in the budget that go towards achieving our policy objective. The healthy weight initiative funding specifically is just one of those. In the interests of time, I will open up to questions.

THE CHAIR: Why is this initiative in Chief Minister's and why is it in public sector management?

Ms Fitzharris: You are right; it is in the Chief Minister's directorate. It was initiated

as a whole-of-government initiative across all directorates, as I indicated. When it first started it was in government strategy, if you can think of it in those terms. It is one of the key whole-of-government policy initiatives led by the Chief Minister's department but has representatives from all directorates involved in implementing various aspects of the healthy weight initiative. Some of that is policy work and some of that is specifically funded initiatives. It is now in public sector management as a coordination role across all directorates. Obviously Health, in particular, plays a key role in delivering many of the initiatives under the banner of the healthy weight initiative.

THE CHAIR: The descriptor for public sector management is the provision of employment and policy framework; supporting a professional, skilled and accountable public service responsible to the ACT government community; and management of the whole-of-government capacity-building program. It does not seem to fall under any of those items.

Ms Fitzharris: The initiative, as I mentioned, started out and continues to be a significant whole-of-government policy program. It is delivered through every directorate, right from the Environment and Planning Directorate integrating active living principles and the planning frameworks through to Health delivering a number of really important programs, sport and rec, and Territory and Municipal Services through many of our active travel initiatives. Mr Young may want to talk further about how it sits best within this particular part of the Chief Minister's directorate.

Mr Young: As well as being the Executive Director, Workplace Safety and Industrial Relations, I am also the chair of the workplaces cluster of initiatives under the healthy weight initiative. As the minister indicated, the history of the healthy weight action plan is very much that this is a whole-of-government initiative. The placement of responsibility in this output class was to recognise the status and to make the coordination and the driving of the initiatives across government very much the responsibility of the Commissioner for Public Administration. That output class is the one where the majority of the commissioner's roles sit. That is the history as to—

THE CHAIR: It does not seem logical, but such is life.

Ms Fitzharris: There are implementation groups across government. As Mr Young said, Chief Minister's lead the workplaces; the Environment and Planning Directorate lead the urban planning implementation group; Health lead the food, environment and the evaluation of specific initiatives and the overarching evaluation of the action plan; Education lead the schools; and Community Services Directorate lead the social inclusion implementation working group.

It has embedded itself, which is what the previous Chief Minister had intended when she established this—to embed itself and the principles and policy objectives across every directorate. This is a significant challenge that needs to be addressed by every directorate right through from planning, our schools, our health system and through community services as well.

THE CHAIR: There was to be some consultation with business in regard to the display of items that are attractive to children as you go through shopping centre cash

registers. What consultation has been undertaken, and is there any conclusion or report from that consultation?

Ms Fitzharris: Yes, there was. Significant consultation was undertaken last year with individuals in the community and specifically a day in collaboration with the Canberra Business Chamber working with local businesses and industry groups. It was about a month ago that I released the outcomes of that consultation and indicated the views that have been expressed to us by the community around both the marketing of unhealthy food and drinks and what we can do to improve the marketing of healthy food and drink, particularly to children.

We have that consultation back in government now and we have analysed that. We are now working up a government response, which I expect to be brought forward in the next four to six weeks.

THE CHAIR: That will be tabled or made public before the caretaker period?

Ms Fitzharris: I expect it will be, yes.

MR HINDER: On that partnership with the Canberra Business Chamber, can you give me some more information about what is involved in that and how that will serve to reduce the delivery of unhealthy food to Canberrans and particularly children?

Ms Fitzharris: Yes, the choose healthier pilot project, which is being delivered on behalf of government by the Canberra Business Chamber is a really exciting initiative. The Canberra Business Chamber has worked with some of its members. Four businesses are participating in this pilot project over five different locations. They include Limelight Cinemas in Tuggeranong, the Hellenic Club, IGA supermarkets—that business owner has a supermarket in Kambah and one in Nicholls—and Tommy and Me Cafe in Macgregor.

The chamber worked closely with each of those businesses, and those businesses were keen to participate. They want to be able to provide healthier options to children; they just did not know how and where to start. A consultant has been engaged to work with each of the businesses on their specific business needs, cost and structures. For example, when you walk in the door of the Hellenic Club there is a large pull-up poster explaining the choose healthier options for kids on their kids menu. On the menu inside the bistro you will see clearly marked the choose healthier options, particularly on the kids menu.

The anecdotal feedback from the pilot so far has been really promising. The businesses are really engaged. Some early anecdotal evidence from them is that the sales of the healthier choices they are providing are increasing. These businesses were the ones to put up their hands to say, “We’ll give something a go.” They were worried about whether their sales would decline. We wanted to encourage them to find ways to improve their sales, and so far we have really good feedback that that is happening. There is a specific evaluation to be done, and Dr Kelly will be able to tell you the specific dates of when we expect evaluation.

Dr Kelly: The choose healthier pilot, as the minister has said, is a really exciting

initiative with government working with business to start to break down some of the myths that if you do not sell junk food you are going to go broke. I am firmly of the belief that that is not exactly the case and that the ACT population have a much more nuanced approach to food. This is an opportunity for us to prove that that is the case. As the minister has mentioned, the Hellenic Club, at least anecdotally, so far has found this a really positive thing with their younger customers.

There will be an evaluation later in the year as part of the contract with the Canberra Business Chamber. It will be doing that independently and will report back to government about issues around sales but particularly coming up with case studies of these five businesses that are involved in the pilot to demonstrate that this is a good thing for business and for other businesses to be able to use that as an example.

Ms Fitzharris: One of the other things the businesses know is there is consumer demand for healthy food. The consultation on the marketing also revealed that many parents say when they go out for dinner the kids menu has only nuggets and chips—they might be chicken nuggets, they might be fish nuggets. There is nothing healthy available on the kids menu. Consumers are demanding this, and we are giving these businesses confidence that they can change their business model.

I mentioned the Chief Health Officer's report yesterday, and one of the clear messages out of that was to eat more veggies. The Hellenic Club's choose healthier kids menu has clearly stated on it, "Add a side of veggies." Simple messages, and so far the evidence is looking like it is working. We will look forward to the evaluation and the case studies.

MR HINDER: I had a long discussion with Peter at IGA at Nicholls, and he is very keen to do it. The big supermarkets tend to locate sweets and things at levels where children see them.

Ms Fitzharris: It is no accident that they do that, yes.

MR HINDER: They then lobby their parents. At least at the Hellenic Club people have to make an active choice to pick something off a menu, whereas these ones are just guerrilla marketing to children. So it is good to have supermarkets engaged like that. Will government, in turn—assuming this runs territory wide—promote those businesses that will participate through the public school newsletters and those sorts of things?

Ms Fitzharris: That is certainly an option. We wanted to support those businesses that put their hands up first and said, "We want to give that a try," and that is what the pilot is doing. It may not be something we continue to do if the market responds and people choose to go to businesses that provide them the options they want. Walking into IGA Nicholls now, all you can see are posters of fruit and veggies. There are specific things around how shops lay out their premises, where they put different products and what their suppliers ask them in terms of where they put products in their stores.

MR HINDER: You are saying the market might decide?

Ms Fitzharris: The market will have to decide. The government is very keen to support those people who want to take the first step. Ultimately consumers are demanding healthier choices and we are supporting those businesses that want to respond early.

MR HINDER: But government also funds things like the Physical Activity Foundation who do the fruit and veg pledge, and they quite clearly would be a conduit to promote those businesses that were actively participating in this sort of good program.

Ms Fitzharris: Yes, and there has been a lot of work in schools with school canteens. There are many different aspects to that work about improving the choices available to kids through the school canteens, in particular, removing sugary drinks from school canteens.

THE CHAIR: Mr Doszpot, a new question.

MR DOSZPOT: Thank you, Mr Chair. Minister, is there a current definition or have you created a definition for junk food?

Ms Fitzharris: No, but one of the outcomes of the consultation on marketing was that people want some guidance on what that is. I will not be recommending a definition of junk food. What I will be recommending is a definition of what is healthy food and what is unhealthy food. I think instinctively the vast majority of people know what is healthy and what is not. That is part of the feedback that we have had through the consultation. It is what we do to encourage people to make those healthier options.

MR DOSZPOT: To make those healthy options are you going to make categories available like certain levels of sugars, fat and calories? Is that going to be part of your education process?

Ms Fitzharris: Certainly it is one of the ways of measuring how energy dense food is. Obviously we have kilojoule display regulations as well which indicate to people in certain venues across the city the kilojoule content. They are obliged to show the kilojoule content of their food. We need to review that regulation, which we are currently doing, to see how effective it has been; whether people actually understand what a kilojoule is and what it means for them. They will see it in some locations but not in many others. I do not know whether Dr Kelly wants to add any comments?

Dr Kelly: It is an important point, Mr Doszpot. Whilst the minister is right that many of us will be able to tell what is definitely bad and what is definitely good, there is a grey area in between. I think it is really important and incumbent on us to make that as clear as possible to people so that they can make that informed choice. Going back to the choose healthier pilot, I guess if there is no healthy choice available then you cannot make that choice. That is where we have been targeting at the moment. Making that as clear as possible is the way.

In general terms, high-salt, high-sugar, high-fat, high-energy foods are towards the junk category or in the junk category. There is a national program, which you may be aware of, currently voluntary, with business around the star labels on food. That only

goes to processed food, not to fresh food, so there is that limitation. That is one way we have. The definitions of what is high in those things are really well worked out through the National Health and Medical Research Council Australian nutrition guidelines, but that is a very big, thick document. We need to make it much simpler for people to make those choices.

MR DOSZPOT: Thank you. Minister, is it for hot food and cold food or a combination of both?

Ms Fitzharris: I am sorry?

MR DOSZPOT: The definition that you are coming up with, are you going to be defining hot foods as well as cold foods that are off the shelf?

Ms Fitzharris: Yes. As Dr Kelly said, the star rating is currently on processed foods when you go to the supermarket—it might be on your cereals or yoghurt—but it is not on fresh food. It is definitely a complex issue and one that is challenging all governments. A national approach is always ideal. As the star rating is a voluntary rating, it shows there are wide differences of opinion on how effective that has been. Certainly we have been looking to indicate to people where we can provide more healthy choices. For example, we have opportunities through our own venues, particularly stadiums and at EPIC as well. Did you want to add something?

Mr Young: A number of the initiatives that sit underneath the healthy weight program adopt a traffic light system of classification. That is to try to make those healthier choices easier for people to make. It classifies all foods, hot and cold, into red, amber or green, based on nutritional value.

MR DOSZPOT: I guess that is what I am getting at. There are currently some initiatives in place in Education, for instance. How is this going to fit with what is currently there? Is it going to dovetail into it or is this going to cause a complication? How do you see it working?

Ms Fitzharris: It will certainly align with the initiatives in Education and what parents are seeing in terms of the traffic light system. Ms Wright might be able to comment about that. Certainly whatever definition we choose to provide to the community, in terms of guidance about what is healthy and unhealthy, will be applied across all our activities, including in schools. But simplicity is important.

MR DOSZPOT: Just before we start, Ms Wright, perhaps I can add another question and your explanation might cover it. Will the initiatives that you are doing cover both government and non-government schools?

Ms Wright: As the minister has indicated, we are working in Education around implementation of the food and drink policy for public schools. That takes into account an expectation that schools are working proactively through licence agreements with canteens that operate in schools. We are looking specifically at food delivered on site to students in school environments. It is an educative process for those canteen operators. A lot of support has been put in place to educate the canteen operators around how to work through their menus in partnership with the nutrition

advisory service. It is part of the funded arrangements under the healthy weight initiative that schools have access to those services. There is a canteen menu assessment. Advice is provided on how to substitute healthier options to move foods out of that red traffic light into amber or out of amber into green. We are working through a process where schools are then provided advice and supported to make changes to the menu.

In terms of application across other services in non-government schools, there has been interest from non-government schools in taking up and having access to the range of resources that have been created. Some 17 fact sheets have been provided to all ACT government schools and all are publicly available on our website. The non-government sector has expressed interest, through conversations at director-general level, around accessing those resources. The government sector continues to provide those supports for the non-government sector as well. In addition, Health, in working with the non-government sector, also provides similar supports around health improvement programs that schools access.

MR DOSZPOT: Thank you very much.

Ms Fitzharris: If I could add to that, Mr Doszpot. As I mentioned I think yesterday, there is a range of other initiatives that go towards achieving our policy objectives, as well as the healthy weight initiative. For example, under the active streets for schools program, which is the infrastructure program being developed around schools, 25 additional schools are funded in this year's budget. Where those schools are collocated between government and non-government schools, that program is being rolled out irrespective of school sector. So kids will get the benefit of this program whether it is a non-government school or a government school which is quite closely collocated.

MR DOSZPOT: Thank you.

THE CHAIR: Ms Burch, a new question.

MS BURCH: There are probably two parts to this question. In your comments you were talking about taking the leadership role in your own venues. Can you explain more about how you go about doing that, Dr Kelly, perhaps in the hospital itself and the hospital canteens and those other venues where you really can display quite a serious commitment to it? The second part was: could you explain what is in the budget line on page 84 of BP3?

Dr Kelly: Sure.

Ms Fitzharris: That was some feedback that came again through the marketing of junk food to kids consultation. People do want to see government take a leadership role. We can do that in our venues. We have certainly done it through GIO Stadium, Manuka Oval and EPIC as well. Eat fit on game day is really a marketing campaign to encourage people to either bring their own healthy food on game day or to buy healthier options that are now available and that have become cheaper. At GIO Stadium the cost of salads has actually decreased more than the cost of any other food available. Pies and sausage rolls are still available at the stadium, but there are

healthier options than your meat pies and sausage rolls as well.

We have also installed drinking fountains and are in the process of installing a new water station at Manuka which can actually deal with large crowds. Actually a new master caterer has been engaged at EPIC to develop other healthy food options. We have vending machines in all our own government venues. We have the canteen at the hospital. I will hand over to Mr Young.

MS BURCH: Vending machines without fizzy drinks?

Mr Young: Yes. In terms of ACT government workplaces, two major policies sit underneath the umbrella set of programs. One does apply to vending machines. We have implemented a traffic light classification in vending machines and that has been rolled out. While they still can contain fizzy drinks there are limits on the proportion of contents in those vending machines which may be a red classified product.

MS BURCH: You have banned fizzy drink vending machines from schools?

Mr Young: From schools, that is right.

MS BURCH: You are not applying it to the adults?

Mr Young: Not to the same extent, no. Vending machines in other public sector workplaces may include a small proportion of red classified foods and beverages. The strategic board has also recently approved the ACT public sector healthy food and drink choices policy which governs, or will once it is implemented, catering, food outlets, fundraising events and some other sales of food in government workplaces and in situations where the government is paying for those. It does introduce limitations on the amount of red classified foods and drinks.

However, where the product that has been provided is paid for by the government—for instance catering of an official meeting—there will be no red classified products available. Certainly the program is looking very directly at controlling the food environment to ensure healthy choices are available where the government has direct influence, and that is in workplaces that it controls and vending machines that sit at those places.

MS BURCH: I am curious why you have not taken that bold step of banning fizzy drinks from workplaces where your public service works.

Mr Young: Setting aside schools for a moment, because of the children obviously, the fundamental principle that sits elsewhere in the healthy weight initiative was to introduce choice rather than to utterly ban all unhealthy food and drink. It is about educating our workforce and ensuring that healthy choices are available.

MS BURCH: I could question the leadership if you are still able to slug down a Coke at lunch time.

Ms Fitzharris: I will take that on board.

Mr Young: If a person chooses to do so.

MS BURCH: And the hospital canteen?

Dr Kelly: I will have to take responsibility for that.

MS BURCH: This is where people really do look for leadership.

Dr Kelly: Thanks for your question. You will probably remember vividly the announcement that was made by you and the previous Chief Minister in relation to schools and the removal of vending machines from public schools completely within a term. My view is that that was incredibly rapid and it worked. Decisions can be made on this quite quickly. When we start to talk about adults then I think choice is the really important component to that.

You are quite right. We have a responsibility as the government and as the public service to lead by example. Whilst it is a bit slower than I as the technical adviser to this program would like, this is the reality in which we live. We need to bring people along with us to get this to work. In the evaluation report that was released by the minister yesterday we are quite clear that we have got our target for how much green should be there and how much red should be removed. We have not met that target yet but this is a long-term project. I think we need to keep working on that.

In terms of the hospital itself, yes we need to do something there. I have been working with other parts of the Health Directorate for some time to try to get that to work. It is a contractual arrangement. It is a private contractor that runs a lot of the catering, not for the patients but for staff. There is that commercial element that we need to deal with. That is a reality of how we are. They are small steps. Some of the catering for the staff in the hospital has improved a lot over the past few years, others less so.

In terms of the vending machines for drinks, actually that is better than the vending machines for food. If you go through the hospital now and have a look at the vending machines for drink you will notice that there are many more layers of water, for example, than the other less—

MS BURCH: We are yet to see a healthy Mars bar.

Dr Kelly: That is true. When we talk to vending machine operators they say that there are issues with vending machines that do not work for things other than junk food. I personally do not believe that is true. In some countries you can get a gun from a vending machine or condoms and all sorts of things

THE CHAIR: And fresh food?

Dr Kelly: And fresh food. I do not believe that it is actually something to do with the mechanism. It is a choice by the companies themselves.

Ms Fitzharris: We would welcome recommendations from the committee on those.

THE CHAIR: Our time on the healthy food initiative is at an end. Dr Kelly, I hope

you noted that the refreshments provided included apples and fresh fruit choices.

Dr Kelly: I noticed that and it is very impressive.

Ms Fitzharris: Carrot sticks, more vegetables.

THE CHAIR: We will pass that on to the attendants. Just a quick final question, is the government considering a ban on the advertising of junk food?

Ms Fitzharris: There was a policy decision made last year. Implementing that policy decision is now with me. What I am weighing up is that the contract for advertising on the buses is up for renewal in November this year. My preference is actually to clarify that policy decision in the context of retendering for that advertising contract.

THE CHAIR: Thanks for that. I think this is your last appearance with us.

Ms Fitzharris: It is, thank you.

THE CHAIR: You have finished your first estimates. A transcript will be provided. Any questions taken on notice, five days.

Appearances:

Bourke, Dr Chris, Minister for Aboriginal and Torres Strait Islander Affairs, Minister for Children and Young People, Minister for Disability, Minister for Small Business and the Arts and Minister for Veterans and Seniors

Chief Minister, Treasury and Economic Development Directorate
Dawes, Mr David, Director-General, Economic Development
House, Mr Jeff, Deputy Director-General, Enterprise Canberra
Stankevicius, Mr Adam, Director, Cultural Canberra
Cox, Mr Ian, Executive Director, Innovate Canberra

Cultural Facilities Corporation
Elvin, Ms Harriet, Chief Executive Officer

THE CHAIR: Welcome to this the 10th day of public hearings of the Select Committee on Estimates. I am sure you all know why you are here. Please be aware the proceedings today are being recorded and transcribed as well as currently being broadcast and webstreamed. If you take a question on notice please indicate that you have taken it on notice. Would those at the table and those who come to the table please acknowledge that you have seen and read the pink privilege statement and that you understand the implications of privilege.

Dr Bourke: Yes.

THE CHAIR: Thank you minister. We only have an hour so. A brief opening statement perhaps.

Dr Bourke: Which portfolio class would you like me to start on?

THE CHAIR: Do both because we will arrange—

Dr Bourke: I will start with arts and will move to small business.

THE CHAIR: If you would do both we will range across all the outputs in arts, small business and cultural facilities.

Dr Bourke: It makes it tricky to move. There will need to be some shuffling, keep shuffling backwards and forwards. I just want to make sure we have got the right officials.

THE CHAIR: Mr Dawes is there. I am sure he can cover it all.

Dr Bourke: I am sure he can. Anyway, thank you. I shall start with my opening statement for the arts portfolio. I would like to thank the committee for the opportunity to discuss the 2016 ACT budget initiatives within the portfolio responsibilities of arts. I am sure that you, Chair, as well as I know that arts and culture are an integral part of the lives of the individuals as well as the social fabric and economic fabric of Canberra.

Arts is at the core of our existence as humans and it has both an intrinsic and instrumental value, private and public benefit and for us in the ACT it improves and strengthens our community as an essential component in the creation of a vibrant, culturally rich and diverse city. As you would all be aware, the 2015 ACT arts policy was released in June last year and the ACT government committed to realising the vision of this policy for Canberra to be seen as a diverse and dynamic arts ecology valued locally, nationally and globally through its recurrent arts funding and ongoing capital investment.

The ACT government through Arts ACT is continuing conversation with the community on key issues related to the three principles of participation and access to the arts: great art and great artists, vitality of the Canberra region arts ecology and engagement with Aboriginal and Torres Strait Islander arts and culture. With our focus on facilities in recent years with investment at Ainslie and Gorman House arts centres, Tuggeranong art centre, the Street Theatre, Watson and Strathnairn arts centres it is now time to consolidate this work into an ACT cultural infrastructure plan which will ensure that our arts facilities meet community needs now and in the future. A key strategic priority for the ACT government is the Kingston arts precinct which will become a key visual arts showcase and a demonstration of the vital role that cultural infrastructure and facilities can play in enhancing the vibrancy and the livability of the built environment.

The 2015-16 budget saw support for the strategic asset management of our arts facilities with \$496,000 available across two years for high priority safety upgrades across the portfolio. In 2016-17 we have funded improvements to the fire protection system at the Street Theatre with \$180,000 allocated to implement those upgrades in the main theatre.

The arts funding plan which is in development will outline the ACT government's arts funding priorities ensuring that we have a funding model that is sustainable, flexible and delivers on the principles of the arts policy. Any changes arising from the plan would be implemented in 2017 for projects and activity in 2018. Important funding continues to be provided whilst these consultations and policy development are taking place. In 2015-16 the ACT government supported 25 key arts and program organisations, 53 projects for self-identified arts development activities, six arts residencies, 25 out-of-round grants for national and international opportunities for artists and one book of the year award alongside prizes for three commended books.

Aboriginal and Torres Strait Islander art and artists are an important and distinct part of Canberra's culture that needs to be celebrated, represented and embedded. The ACT government has provided \$100,000 in this year's budget for engaging and developing Aboriginal and Torres Strait Islander arts and culture to deliver specific grants for programs identified through consultation.

For the Cultural Facilities Corporation this has been a busy and successful year with visitor numbers expected to total 375,000. These include attendances at large theatre shows such as the magic show, the *Illusionists*.

The ACT government will provide \$50,000 in this budget for a new initiative to

support the Canberra season of a large-scale theatre production and will build on the successful record of the Canberra Theatre Centre in bringing major shows to Canberra with important benefits both for the Canberra community and for the visitor economy. We will also provide \$410,000 in this budget to upgrade security and safety at the Canberra Theatre Centre ensuring the wellbeing of those patrons and the staff of course.

The new funding announced in this budget means that over the six-year period from 2012-13 to 2017-18 the government is investing a total of nearly \$9.5 million to ensure that the Canberra Theatre Centre remains fit for purpose as the premiere performing arts centre in the Canberra region. As you have heard, the ACT government is committed to ensuring that the arts in Canberra continue to flourish, innovate and engage and funding for 2016 will continue our strong funding support for the arts.

I shall turn to small business. As an ex-small business owner, as members of the committee will be aware, it is an honour for me to serve as the ACT minister for small business. I would also hope I can bring empathy and direct experience to matters under this portfolio. It is perhaps an often overused phrase, members, but small business is the engine room of the national economy and it is no less important here in Canberra despite the size of the Australian public sector here.

Members, at a general level I think we are all pretty aware of what small businesses want from their governments. They want a growing economy, a vision for the city; they want a fair and sensible regulatory system; they want services and information from government that are easy to access; they want the ACT government to look at their capability to support goods and services; and they want a cost-competitive environment. They are the five themes that frame our approach to supporting small business in our economy.

Our economy is growing. The latest state final demand figures place the ACT as Australia's fastest growing economy with an increase of 1.3 per cent in the March 2016 quarter. A 1.3 per cent increase in public consumption accounted for almost two-thirds of this growth and a 2.8 per cent in private investment accounted for almost one-fifth. The latest trade data shows a 16.2 per cent increase to \$1.6 billion in service exports in the 2015 calendar year. Increases of 10.3 per cent to \$451 million in ACT education exports and an increase of 5.1 per cent to \$208 million in ACT personal travel—international tourism, in other words—contributed significantly to this result. I understand, committee members, that the ACT contribution to total Australian exports of services is of the order of 10 per cent. So 10 per cent of Australian service exports come out of this territory: an outstanding result.

Our latest retail trade data shows that ACT retail spending has increased growth of one per cent this quarter when compared with the last quarter and a 9.3 per cent growth when compared with the decade average. According to latest ABM data, we have close to 26,000 small businesses in the ACT covering just about every conceivable form of business activity. It is pleasing to see that the population of small businesses continues to grow in the ACT. In fact, with a growth rate of slightly over one per cent last year, we had the fourth highest behind Victoria, New South Wales and Western Australia. The ACT's government business development strategy,

confident and business ready: building on our strengths, outlines our approach to supporting small businesses and the development and diversification strategies we have in place to grow the economy over the medium to longer term.

In relation to small business, the ACT government has a strong focus on business environment settings to ensure, as I said, that business owners and operators are engaged and supported. For example, we have established Access Canberra as a no wrong-door approach for working and interacting with the ACT government. Access Canberra continues our push to develop simple, streamlined information for small businesses, recognising that small business operators are generally more time restricted than large businesses.

The government has identified ways to eliminate or reduce red tape for small businesses, and the series of annual red tape reduction amendment bills is part of this work. To date we have introduced specific amendments that allow establishments holding liquor licences to file for renewal at any time up to the expiry date of their existing licenses rather than enforcing renewals within 30 days of expiration. We have implemented a simpler application process for new employees in the security industry and we have reduced paperwork across 50 pieces of legislation. Finally, we announced in the 2016-2017 budget that duty on commercial property transactions will be abolished by 1 July 2018 which will result in about 70 per cent of all commercial property transactions attracting no conveyance duty, as well as another increase to the annual payroll tax threshold, up to \$2 million, meaning that another 40-odd ACT small and medium enterprises will no longer have to pay payroll tax.

We recognise the important role that high growth potential businesses play in our economy and the importance of business innovation. Our business innovation initiatives are comprehensive: the CBR Innovation Network and the range of subprograms attached to it, including the Entry 29 shared working space, the GRIFFIN Accelerator and the KILN incubator. But of course I look forward to more questions, particularly around our small business innovation partnership that we announced recently. Thank you.

THE CHAIR: Thank you, minister. With regard to your opening statement on the arts, you stressed the importance of the arts and how it is key to community and business. Why, then, is the total cost of the arts budget going down this year?

Dr Bourke: The arts budget is not going down. We announced a \$750,000 increase in spending for the arts in the ACT. So I do not know how you construe that the arts expenditure is going down, chair.

THE CHAIR: In output 8.9, which we are looking at, the total expenditure for this year on arts engagement is \$13.223 million and total expenditure 2016-2017 is \$13.125 million.

Dr Bourke: Let us have a look at that. Which page is that on, chair?

THE CHAIR: Budget statement B, Page 27.

Dr Bourke: I will have a look at that.

THE CHAIR: I note that the controlled recurrent payment—the old government payment for outputs—goes up \$101,000 but the total expenditure comes down about the same amount—

Dr Bourke: What we are actually looking at is that in the 2015-2016 budget—correct me if I got this wrong, chair—there is a \$12,629,000 budget and in the 2016-2017 year we have got \$13,125,000 budgeted. That seems to be an increase to me, chair.

THE CHAIR: Except we do have the budget papers. The estimated outcome for 2015-2016 is \$13.223 million, and it is dropping to \$13.125 million. What is the movement between the \$12 million you quote and the \$13 million, and then why is it going backwards?

Mr House: The decrease of \$.098 million in total costs from 2015-2016 estimated outcome to the 2016-2017 budget is mainly due to revised indexation and savings partially offset by new initiatives, in other words, ins and outs between 2015-2016 estimated outcome and 2016-2017 budget. Happy to provide you with—

THE CHAIR: Could we have a reconciliation of the difference between the 2015-2016 budget and the 2015-2016 estimated outcome?

Mr House: Yes, of course.

THE CHAIR: Then through to the 2016-2017 budget?

Mr House: You certainly can.

THE CHAIR: Minister, again you stressed the importance of the arts to the community. There are some safety upgrades for the Street Theatre and there are some improvements to the Canberra theatre. There is no money for the Belconnen Arts Centre and there does not appear to be any funding for the Kingston Arts Precinct. Why is that?

Dr Bourke: The Kingston Arts Precinct, as you are probably aware, Mr Smyth, is an ongoing project which is going to provide a really fabulous opportunity for us to coalesce visual arts organisations on that precinct. We have already got the Glassworks, Megalo and the bus depot markets. If we can envisage bringing some of our other visual arts key organisations into that space, it is going to provide a real focus for both visitors and consumers of art.

When we consider the overall market for art within Canberra and the average annual expenditure by Canberrans on art, you will probably agree with me that it is really quite appallingly low. We need to get people to spend more money on art. We need to get people to start buying it and putting it in their homes. This is part of what is going to happen there. But there is going to be much more happening. The recent GLINT residency, which was a co-residency between Megalo and the Glassworks, showed what that kind of cross-pollination between institutions can achieve. If we look at the work of—

THE CHAIR: Yes, I agree. They are existing institutions. Where is the plan—

Dr Bourke: I am talking about the Kingston Arts Precinct—

THE CHAIR: Yes, but where is the delivery of the plan?

Dr Bourke: I am talking about the policy opportunity that exists within the Kingston Arts Precinct—

THE CHAIR: I think we all appreciate that.

Dr Bourke: Mr Dawes is going to provide some of the detail of where the process is up to at this stage.

Mr Dawes: As the committee is aware, we have been out to the market and we have had expressions of interest. That has closed. We are in the process of finalising the bids for that. I understand that we are in a process. I cannot elaborate too much at this point in time. I have not been involved in that process because it will come to me as the delegate for final signoff. But I understand that there have been two value workshops with the proponents. They are in the process of finalising their bids. Based on the information and feedback we were getting from the proponents, we did extend the closing period by two weeks. That I understand closes next week.

Mr Stankevicius: Mr Smyth, you would be aware that last week in hearings Nicholas Holt from the LDA walked you through the process in relation to the Kingston Foreshore. He took you through the amount of space across the site that we were looking at. Mr Dawes has explained the process in terms of the RFT and the RFP process. The question you ask about funding is actually answered through the tender process. The LDA made a very positive decision, I think, to use the value of the land in order to deliver us those arts facilities.

Also, you would realise that this is a long-term project. The work that we will be doing with the organisations that are moving into the Kingston Arts Precinct is on a long lead time. We are looking at the next three to five years—probably hitting in the middle; probably four years—when organisations will actually be moving in. We will be working with those organisations. We have already had one meeting with the organisations that are moving in. We will be working on a phased and stepped approach as to the kind of assistance they need to transit to that site.

THE CHAIR: Can the committee have a list of the organisations that are moving in?

Mr Stankevicius: I can tell you the organisations right now if you like.

THE CHAIR: Fantastic.

Mr Stankevicius: PhotoAccess; Craft ACT; Canberra Contemporary Art Space; the Potters Society will not be moving from Watson but will be having a workshop and an education space there; Megalo print studio will be moving from the current part of Kingston into the site completely; M16; ArtSound; the Canberra Glassworks will also have an additional space in the new building; there will be a space for Aboriginal and

Torres Strait Islander artists to do co-working; and also—

Dr Bourke: And, Mr Smyth, you will remember that at the Childers forum earlier in the year, which we attended, that was an issue raised about space for Aboriginal and Torres Strait Islander art within Canberra—

THE CHAIR: It was.

Dr Bourke: and it was something that I took on board and have put into this Kingston Arts Precinct as an opportunity for us to go forward.

Mr Stankevicius: And there will also be space for the precinct manager—the organisation in whatever form it takes that will be responsible for both the management of the building but also the public space, event space precinct down on the site.

THE CHAIR: A final question from me and then a supplementary from Mr Doszpot. Will low-cost accommodation for artists—artists are not the best-paid people in the world until they make their mark—be included in the precinct?

Mr Stankevicius: There is current accommodation in the precinct, as you would be aware, in the chapel for interstate artists who are doing residencies in some of our ACT arts organisations. That will be expanded and that is definitely being included in the RFT process. We will also manage that if the chapel, as part of the redevelopment plans—as Mr Dawes said, that process is not yet complete; so we do not know what the developers are proposing—gets knocked down before new facilities for interstate artist residences are constructed, part of the requirement is that they build in an accommodation option so that that artist residency capacity is still available within the site or within a short distance from the site.

THE CHAIR: Is there a dedicated number set aside for low-cost accommodation for artists and how many such units is it?

Mr Stankevicius: In the tender proposal?

THE CHAIR: Yes.

Mr Stankevicius: I think it is eight. It is for those interstate residencies, though. It is not for local artists; so it is not subsidised housing for local artists, it is for—

THE CHAIR: So what about locals?

Mr Stankevicius: There is not. There was never a requirement built into the proposal in terms of low-cost accommodation at that site.

Dr Bourke: You will recognise, Mr Smyth, that there are already publicly available art studios at ANCA at two sites, one in Dickson and one in Mitchell. You have got Strathnairn; you have got M16; you have got Ainslie and Gorman; plus our arts centres which have facilities for arts students.

THE CHAIR: But you are having an extensive art precinct but only interstate artists will live there. It is kind of curious. Mr Doszpot has a supplementary and then Mr Hinder a new question.

MR DOSZPOT: Mr Dawes, you mentioned a tender that was about to close. Was that an open tender?

Mr Dawes: Yes. We went out to the market some time ago now. We have announced the successful ones that we are actually dealing with some time ago as well. It was an open tender process.

Mr Stankevicius: It is a two-stage process, Mr Doszpot.

Mr Dawes: Yes.

Mr Stankevicius: The first part, the request for a proposal, was absolutely an open and the second, the request for tender, as Mr Dawes said, was open only to those who made it through the request for proposal round.

MR DOSZPOT: How many made it through the open round?

Mr Stankevicius: I think, as Mr Holt described the other day, it was three.

Mr Dawes: Three made it through that round. One has chosen to withdraw; so there are two that we will be expecting final submissions from.

MR DOSZPOT: You had the first round. Were there any criteria that they had to—how many companies entered into that open round?

Mr Dawes: My recollection is that four submitted in that first round. We went forward with three. As I stated earlier, one of those has decided not to complete the round; so we are down to two.

MR DOSZPOT: Is that an unusually small number or—

Mr Dawes: Not necessarily. It varies; it is like any tender process. In some tenders you will get half a dozen or more and others you will get two or three. It just depends on the nature of the interest in the private sector.

Mr Stankevicius: And I think too—as I said, Mr Holt described here last week the requirements for the site that we are looking at. This is, if I can say, an almost revolutionary way in which to deliver arts facilities. This is a fantastic innovation in the way in which we trade off the value of the land that the government holds for the development of a facility that will get back into government hands. So I think this is—

THE CHAIR: How is it revolutionary? We have been doing it that way for years. The convention centre was built after they allowed them to build all the offices and the accommodation and then we got a convention centre; I mean, it is hardly revolutionary.

Mr Stankevicius: Making them build the cultural facility first before you actually give them access to the land to build anything else is exactly what it is that we have learned from those processes in the past. So actually demanding that facility up-front before—is it a holding lease, Mr Dawes?

Mr Dawes: Yes, that is right. There are a number of dependencies there as well. Obviously one of the real requirements they had is that car parking is fairly critical at Kingston, whether it is weekends or through the evening. One of the key things, and it is part of the element, is that they have to address car parking because we do not want car parking diminished while the construction is taking place.

They have to deliver the arts facilities. As Mr Stankevicius has gone through, there are a number of arts organisations to go in there. Once all of that is then complete, they will be able to go in and develop the rest of the site. It is front-ended as well. If you look at the convention centre, they built the buildings first and then we ended up with the convention centre. So they actually got their income in first and then built. This is just a slight variation to that.

MR DOSZPOT: How many of the four tenders that you received—or the proposals—how many of them were local companies?

Mr Dawes: I understand that all four were local companies, Mr Doszpot.

THE CHAIR: Mr Hinder, a new question.

MR HINDER: Minister, there is \$100,000 in the budget for Indigenous art, described as supporting Aboriginal and Torres Strait Islander people through support for arts and culture. Can you tell us what that \$100,000 is for and what that will provide in terms of supporting Indigenous arts and culture?

Dr Bourke: Thank you, Mr Hinder, and I welcome your interest in the arts. The fourth stream of the ACT arts policy is supporting Aboriginal and Torres Strait Islander arts and artists. This is a new initiative which builds on a suggestion made by the Childers Group to increase the level of investment specifically within the ACT arts budget focused on Aboriginal and Torres Strait Islander people.

A range of things have been done in the past, and I point to the most recent Punuku Tjukurpa exhibition at CMAG, a fabulous survey of over 40 years' work of woodcarving and marking from Central Australia, which was enjoyed certainly by me and many other Canberrans. It provided an insight into a different form of visual art, that many of us are possibly familiar with from a tourist object presentation, but here was to be seen something far more magnificent and much more interesting, up close and personal produced by masters of the craft.

This particular \$100,000 will be delivering grants and programs that we will develop through consultation with arts organisations and with the Aboriginal and Torres Strait Islander community and, of course, the elected body to deliver some new initiatives and to see some new things happening.

Mr Stankevicius has already foreshadowed the involvement within the Kingston arts precinct of an Aboriginal and Torres Strait Islander place for art and artists. I will get him to talk a little more about future projects that will evolve over the next bit of time in Aboriginal and Torres Strait Islander arts here in the ACT. I am particularly keen to see those 25 key funded organisations start to engage with that fourth element of our arts policy and see the work they can do to engage with both local and national Aboriginal and Torres Strait Islander arts to deliver a program which is both stimulating and interesting for us here in Canberra, not only to stimulate our local Aboriginal and Torres Strait Islander arts scene but also to go further.

I will give one example of what we have seen happen in the past. That is the work of Jenni Kemarre Martiniello, the Indigenous textile artist who, on a visit to the glass works, thought she might be able to do something with fish traps and eel traps—those woven objects—to effectively immortalise them in glass. We have seen the fabulous transition of objects which are pieces of such beauty and wonder. Her work has been collected by the ACT Assembly and features in our art collection, but not those particular works. I am keen to suggest that any member of the ACT Assembly arts committee should consider the opportunity to acquire one of those eel traps or fish traps in the future because they are such magnificent pieces. I will get Mr Stankevicius to tell us some more.

Mr Stankevicius: In terms of implementing the budget initiative, we have already started consultation with the Aboriginal and Torres Strait Islander Elected Body as well as the Ngunnawal Elders Council. In terms of priorities, we have talked to Jenni and a range of other Indigenous artists. They are engaging across government in terms of the implementation of this initiative.

We do not want to go in and just assume we know exactly what we should be funding and where we should be focusing our efforts. Community consultation with the Aboriginal and Torres Strait Islander community is vital. Mr Hinder, you would understand that the clan group, in particular, is broader than just the ACT's boundaries and there is a regional element to that. We are undertaking a consultation process first to determine how best to manage the allocation of these grants when they become available in the new financial year.

MR HINDER: Fortuitously, minister, you happen to be speaking to a member of the Assembly arts committee, and I shall pass on your sage advice.

Dr Bourke: I note that you have Madame Speaker coming in next; maybe you could make it part of that questioning.

MR HINDER: A couple of weeks ago I went to Alice Springs on Assembly business and saw an exhibition of art that had come out of the Alice Springs jail. Fantastic art; I came back with my wallet considerably lighter. Do we have a program that reaches into the Maconochie centre and particularly focuses on Indigenous people given their overrepresentation within that centre?

Dr Bourke: I can talk a little bit about that, Mr Hinder. You will appreciate that corrections is not my portfolio and I am not supported by officials to be able to elaborate too much for you around that answer. But I can say that as part of the

NAIDOC Week celebrations coming up there is an exhibition of art by Indigenous prisoners at the Southside Community Centre. I understand the art will be for sale, so there is an opportunity for you to go down and perhaps take some of our Assembly colleagues with you to lighten their wallets as well as you see what is being produced there.

THE CHAIR: He will not be there tomorrow afternoon when it opens because he will be on Assembly duty here in the estimates committee.

Dr Bourke: Can you not get a leave pass? Maybe you could suspend things to go and look at some art.

THE CHAIR: We need to move on.

Mr Stankevicius: Mr Hinder, you raise a very interesting angle on that. We saw during the centenary a series of fantastic exchanges between Indigenous artists in different parts of Australia and in the ACT using some of our some our fantastic facilities at Megalo and work with the National Museum and the Aboriginal and Torres Strait Islander Studies Centre. One of the changes we have made is that the artists residencies program we will be implementing next financial year will be sourcing Indigenous artists as a priority for all of our six organisations that are getting that funding to try to increase and facilitate the better exchange of arts practice from across Australia and here with local community.

The Beanie Festival is a great example; I do not know if that was on in Alice Springs when you were there, Mr Hinder. It is another thing we have seen pop up sporadically on some of the sculptural work at the National Gallery. We have also had two weaving festivals here which have been productive in terms of skills exchange and practice exchange with local artists but also very popular with purchasers of Indigenous art.

Dr Bourke: Given that we have those key national institutions across the lake and on this side with the National Museum which have such tremendous collections of Indigenous art and which also conduct a range of activities and exhibitions and residencies, it is a great opportunity for us to suggest to our key arts organisations that they start to work together with the big kids on the other side of the lake to deliver better outcomes for us as a community within that theme of better Aboriginal and Torres Strait Islander art.

THE CHAIR: Mr Doszpot, a new question.

MR DOSZPOT: Strategic objective 1, minister, BS page 208, to what extent does the Canberra Theatre Centre draw patrons from outside the ACT?

Dr Bourke: I think I mentioned in my opening address, Mr Doszpot, that there were 375,000 visitors to the Cultural Facilities Corporation facilities over the preceding year. I will get Ms Elvin to provide us with some more detail about the work in knowing where those people have come from, whether they are international or otherwise. Of course, you will appreciate that direct flights from Wellington and Singapore will provide opportunities for people from those places to come here to see

what we have and for Canberrans to go there to see what they have. There will be significant opportunities for us from those direct flights the Chief Minister announced not so long ago.

Ms Elvin: We are making a particular push into the regions to attract people to the major theatre shows particularly, things like *Le Noir*, *Sweet Charity*, the *Illusionists*. Indeed, money has been provided in this budget specifically to market a new show that is just about to be announced into the region. Our catchment area is not of course just the ACT but the wider region. I understand that within three hours' drive there are 900,000 people, and we see that as our potential audience.

MR DOSZPOT: In the numbers that the minister has quoted, do you have a breakdown of the areas within our region that come here more often than others?

Ms Elvin: I do not, no. I could try to get those figures for you.

MR DOSZPOT: I should add my compliments to one of the sessions at Canberra theatre, *The Last Man on the Moon*. I was one of the many people there on the night, and that was a fantastic appearance by Eugene Cernan. Thank you for bringing that to Canberra.

Ms Elvin: Thank you. I will give that positive feedback to my staff.

Dr Bourke: You are quite right, Mr Doszpot, to focus on those regional visitors. When they come to Canberra, they do not want to drive home late at night; they stay over and utilise our hotels and accommodation, they eat in our restaurants, have a drink in our bars and spend a bit more time and money and maybe even combine a few other things within their overall visit package to Canberra. So, well done.

THE CHAIR: Ms Burch, a new question.

MS BURCH: A supplementary on CFC—something that has been spoken about at budget and annual reports. I can see capital upgrades, but can you give us a snapshot on the thinking regarding the process and progression of a new theatre?

Mr Dawes: With the new theatre a lot of very good work has been done across the whole of government. We have recently conducted an investment logic workshop to look at how a new theatre may be progressed and financed. We are in the process of finalising some feasibility and business cases and looking at some of the analysis required to complete that. We have had a couple of consultants doing a bit of that work. We have even had a well-known economist doing some of that feasibility to make sure that we get that right. We have not completed that work and we have not taken that to government as yet.

MS BURCH: But it is still active?

Mr Dawes: Yes, it is; very much.

Ms Elvin: The main focus at the moment, Ms Burch, is on better identifying and quantifying the need and demand for a new theatre. It is looking at the type of product

that could come into theatre. Traditionally we thought about opera and ballet, for example, but increasingly we are expanding the range of things that we are considering to major musicals, large scale concerts and so forth. It is looking at the supply of product but also the potential demand for that product and then at the benefits that a new theatre could bring to the ACT. Those include things like benefits to the visitor economy that the minister has just spoken about, the sort of spend that people make in connection with theatre experiences. We know that every year over \$4 million is pumped into the local economy from pre-theatre dining and post-theatre experiences and so forth.

That is one part of it. As Mr Smyth, I think, has said previously, there is a real potential for this to enhance the national capital status of Canberra with a theatre venue that is of an equivalent status to the national collecting institutions. We think there is great potential there for the sort of educational outreach that we could do, the way that we could make the theatre a place to showcase the best of local, regional and also national performing arts.

MS BURCH: Thank you. I have a substantive question on arts. I am looking at page 46 of budget statement B. It talks about tenant satisfaction with the management of community facilities, and it is sitting at 85 per cent. There are two local groups that I will ask questions about. One is the Tuggeranong Arts Centre. They seem to have a concern around the upstairs gallery and a possible risk to children. So it is about their availability to use that to its full extent.

Dr Bourke: That is certainly an issue. I have been to the Tuggeranong Arts Centre and I have stood and looked out at the balcony in question. I understand how the building regulations have changed since the arts centre was built, which was back in the 1980s. It certainly complied with the 1980s standard, but it no longer—

THE CHAIR: I think it opened in the 1990s.

MS BURCH: It was upgraded just a couple of years ago.

Dr Bourke: You are from Tuggeranong so I am sure—

MS BURCH: The sun shines better down south.

THE CHAIR: The casino money was paid in 1993 and it was built after that.

Dr Bourke: Thank you.

MS BURCH: Will there be support for Tuggeranong Arts Centre to remedy that problem so they can have full access to their gallery space?

Mr Stankevicius: We are currently going through the process of working out what the priorities are and the work we need to do in terms of safety right across the portfolio. Obviously Tuggeranong are an important part of that. We are working with them both on the railing upstairs and the exit doors downstairs where they have got concerns about running children's programs. When we make the decisions about those priorities, Tuggeranong will be informed, so over the next month and a half.

MS BURCH: They are the key arts organisation for Tuggeranong. From what they have said to me, they are limited in their offerings and the timing of their offerings.

Mr Stankevicius: They are certainly limited. They made me aware of this last week. They are certainly limited in terms of the children's programs they can offer. It is on the list.

MS BURCH: It is on your radar?

Mr Stankevicius: Absolutely.

MS BURCH: If there is any progress by the time the committee has finished its deliberations, if you could let us know that would be great.

Mr Stankevicius: Absolutely.

MS BURCH: The other local group—I asked Minister Berry, the minister for youth, about this—is the community group Kulture Break. She indicated that arts provides funding to Kulture Break. I was just curious about the level of funding going to Kulture Break and how long that funding is available to it.

Dr Bourke: Groups and organisations are able to apply through our grants funding round and they are peer assessed. You would also appreciate, Ms Burch, that there are a large number of commercial dance studios already in existence in Canberra. There is quite a deal of availability for young people to access dance facilities. In fact it is one of the reasons—returning to Mr Smyth's previous question—why Belconnen Arts Centre, when it went through its stage 2 planning, had to reconsider its initial design of a black box facing the lake to something which was much more suited to displaying dance because of the overall demand for dance in Canberra. There are a lot of commercial dance studios and organisations available in Canberra.

MS BURCH: One could argue that a group such as Kulture Break is deeper than a commercial dance studio, given its access and its complete target for kids at risk and using the platform of art and dance for social cohesion and inclusion.

Dr Bourke: I will get Mr Stankevicius to tell us more about the grants round process.

Mr Stankevicius: I think it is coming to the end of a three-year contract with the department of education. There are three arts organisations funded through the department of education. I am not sure of the status of negotiations in relation to that grant or contract. We have also, both through the event fund and the arts fund, talked with Kulture Break over a number of years about the process they would have to go through to apply. They have never applied through either of the programs. I do not know about the status of this year's program. I have not seen the list of applicants for this year's program. It only closed last week, so I cannot tell you whether they applied for project funding for work to do next year. Certainly we do not have a funding relationship with them.

MS BURCH: Could you take it on notice? It seems to be you are the last minister

standing who could possibly take a question on Kulture Break in relation to what government funds have gone to them and if they are on this most recent round, given that it is closed now?

Mr Stankevicius: We can certainly take that on notice.

MS BURCH: On behalf of a coordinated response.

Dr Bourke: I will just check with Mr Stankevicius as to whether he knows what is in the grant round and whether he is able to tell the committee by the time required.

Mr Stankevicius: If Kulture Break are an applicant we would have to go back to them and ask whether they are happy for us to—

MS BURCH: That is right. If you can just provide what you can?

Mr Stankevicius: Absolutely.

Dr Bourke: I am just checking that it can be met within the committee's time limits for questions on notice.

MS BURCH: That is fine. Thank you.

MR WALL: Just a quick supplementary, if I could, chair. Organisations such as Kulture Break are often not familiar with the government's grants process—writing grants applications and jumping through the hoops that are put in the way to get the application in. Using the example of Kulture Break, which is an organisation with a great idea and a great community involvement, what work does the directorate do in informing them what they need to do to access the grants and then actually supporting them through the application process?

Dr Bourke: Firstly, in the area of notifying people the grants were available I certainly made sure that the grants round opening was notified both through the usual methods as well as social media. That is probably the first level of engagement for people in the community to know what is going on. Secondly, you would be correct in asserting that these people are sometimes unfamiliar with grants rounds. How many applicants did we have for our last grants round, Mr Stankevicius? I think there were 54 successful ones, but there probably would have been hundreds of people who applied.

Having sat on grants committees before with the Capital Artists Patrons Organisation, I can understand your concern about the quality of applicants' submissions and the astonishing variability. You hit the nail on the head when you say that grant writing is an art form in itself. I am sure that our bureaucrats at artsACT go out of their way to provide extra information through seminars and sessions on how to go through the process. They are also responsive to individual inquiries about how people can properly fill in their forms and the kind of information which can lead to success within those grant funding rounds. Of course, those grant funding rounds are peer reviewed. There is a peer process to work out who should be aligned within the overall scheme. That is all part of that process.

MR DOSZPOT: A very quick supplementary, if I could. Could you give the committee an indication of the exact number of requests or applicants who came in for the funding?

Mr Stankevicius: That closed last week?

MR DOSZPOT: Yes.

Mr Stankevicius: Absolutely.

MR DOSZPOT: And also the number that was accepted? You may not be able to tell us who they were, but if you could just tell us the number of applicants and the number that you accepted. Of course, you cannot accept all of them.

Mr Stankevicius: No. The peer review process will only be undertaken in about three or four weeks time, so we will not be able to tell you—

MR DOSZPOT: Okay. Well, just the exact number that you have received?

Mr Stankevicius: Absolutely.

MR DOSZPOT: Thank you.

MS BURCH: Can you advise the committee whether you have provided that guidance and coaching to Kulture Break around grant applications?

Mr Stankevicius: I cannot tell you whether we have this year. I can tell you we have in previous years. As the minister said, there is an advertising process. There are also two information workshops that are held where anyone who is interested can turn up. There is also a process of individual one-on-one discussions where you get to sit down for an hour or an hour and a half with individual artsACT project officers who walk you through the process. It is all online. It is incredibly easy because it is the system that is used across arts, Community Services, Education and a whole range of ACT government entities.

We have in the past supported a range of our arts organisations, both the ones that we fund and the ones that we do not fund, in their applications for federal arts funding, and we have worked through them. Obviously, as the minister said, we have to remain a bit detached from the ACT processes here so there are not any allegations of interference. In terms of catalyst funding, Australia Council funding and a range of other federal grants programs that are available, we have talked people through their strategic planning processes, we have walked them through their applications and we have given them ideas and advice on where they can strengthen them and where they need to emphasise their abilities.

MS BURCH: Perhaps you could just say when you did that last with Kulture Break?

Mr Stankevicius: Absolutely.

THE CHAIR: Members, we have nine minutes left. We have to cover the arts and small business. Mr Cox is feeling extremely neglected at the far end of the table. Mr Wall, it is your job to rescue him.

MR WALL: I will do my best. Minister, what are you doing in your role as the small business minister to ensure that there is greater local content in the government's procurement decisions?

Dr Bourke: One of the things I have been doing, as you will have noticed, Mr Wall, is going out and talking to small businesses, routinely doing small business walkarounds in various places out in the suburbs, all over Canberra, to hear what small businesses have to say and what they want to know about the opportunities to be supported, issues around regulation or just to celebrate our growing economy, which I have talked about before.

Of course, the small business innovation partnership is a particular project that I think fits quite squarely within your question. That is where small businesses have expressed a greater desire to work with the ACT government in interesting, engaging and innovative ways. One of the things we need to recognise that is so important for small business is virtually its CV: what have you done that shows that you can engage with particular organisations or government when you want to sell your product?

One of the important things that we see that is very valuable for small business is the fact that they have had a government contract. That is effectively a stamp of approval, something to put on the wall and celebrate. It could be quite small or it could be quite large, but the fact that you have got an ACT government contract, for instance, when you try to sell your product overseas and fit in with that massive export service sector that we have grown in the ACT is particularly important.

The small business innovation partnership is about enabling, through the procurement process, small business to be innovative about developing procurement. One of the things that government may be attempting to procure, particularly in the ICT area—when you are writing the actual tender documents or the contract documents, government may not actually be aware of what the latest development is.

In fact, the latest development could be something different tomorrow or the day after, and the result of that is that those traditional procurement forms can be constrained and actually hamper innovation. I will get Mr Cox to talk about it a bit more and give you some specific examples of where that small business innovation program has been particularly effective, including the project at the Arboretum perhaps.

Mr Cox: That is right. The SBIP program was formally launched about six weeks ago, I think. We have now gone through a process to identify projects inside government. The way it works is that the various directorates will bring forward an issue, a bottleneck or a pain point within their particular processes or in their field where they will then engage through an SBIP advisory group just to try—

THE CHAIR: Just for Hansard, what is SBIP?

Dr Bourke: Small business innovation program.

Mr Cox: Sorry, small business innovation program. There is an SBIP advisory group and a team that sits behind this that works with the directorates to identify, if you like, and to bring forth the pain point in some way that can be shopped into the SME community, where it can be identified as a project that can be furthered through an SME approach.

The advisory board met for the first time about a month ago. It has got six pilot projects underway. One is the augmented reality app through the Arboretum. Another interesting one, probably the one that I am most familiar with, is SmartWard. It is being run by a collaborative process with the department of health. SmartWard is an SME that came to our attention about four or five years ago. It came through our innovation connect grants program.

It has now gone through various stages of connection to the program environment, including to mentors and significant investors in town. Its technology is now being rolled out in one of the wards of Canberra Hospital. The way it works is that the health department are paying for the rollout. At the end of the process, there will be an evaluation of how the technology has worked and then decisions made around further procurement or investment.

MR WALL: Minister, in your answer to my first question, you said that you are out and you talk to businesses on a regular basis, as do I. I have been for the duration of this term. I guess that there are three main issues that business raises with me across town: the disproportionate cost of doing business in the ACT when compared to over the border in areas such as Queanbeyan; the complex regulatory framework that we operate in; and also significant concern about union involvement, particularly in procurement decisions in the ACT. What then are you, as the small business minister, doing to minimise the impact that your government's MOU with UnionsACT has on procurement decisions in the ACT for small businesses?

Dr Bourke: I am not sure whether you are giving evidence or asking a question there, Mr Wall. But you return to the MOU well, I see. Goodness me! I thought the Turnbull script had shifted from union bashing on to worrying about the Brexit. I am surprised you did not ask me a question about Brexit.

THE CHAIR: You are not the minister for Brexit. Perhaps in the last couple of minutes you can talk about the MOU's impact.

Dr Bourke: Yes, we are going to talk about the MOU. I think Mr Smyth was asking questions about it in 2008, or was it 2009, at the public accounts committee, along with—

THE CHAIR: Are you sure?

MR WALL: Are you sure?

Dr Bourke: 2009.

MR WALL: Are you sure he—

Dr Bourke: I was not here, was I, but it is in *Hansard*. I am sure you could go back and have a look.

MR WALL: Do not reference it unless you are across it, minister, would be a caution.

Dr Bourke: Pardon?

MR WALL: I said that I would not reference it unless you are across it.

Dr Bourke: It is interesting that you raise this issue, because certainly in the many small businesses that I have been talking to in the ACT, this is not an issue that has been raised with me. What I would say is that the only person who has raised it with me was the Canberra Business Chamber, which is astonishing. I do not see—

MR WALL: They are the peak agency. It would be their responsibility to raise such issues with you.

Dr Bourke: Chair, could I have the opportunity to finish my answer?

THE CHAIR: A little bit of banter; it is—

Dr Bourke: But as Mr Wall would be well aware, this was an agreement that was originally signed—a memorandum of understanding—back in 2005; 2005. It was questioned in a public accounts committee in 2009. So there is nothing new here. This is about the ACT government being aware of particular tenders and contracts that go to the industrial issues and hearing about it from unions.

I cannot see or do not know of any intersection with small business here in the ACT that has either been brought to my attention or that I am aware of from my general knowledge, and I have not received any representations from you or your office about it, Mr Wall, which I would have thought if you had a particular concern you would have raised it with me.

MR WALL: There have been several motions in the Assembly about it, minister, but your government has chosen not to act.

Dr Bourke: But you have not raised any concerns with me as the minister for small business, Mr Wall; so I can only presume that you are not raising it very seriously.

MR WALL: This is the forum to raise those issues and now you are dismissive of the question.

Dr Bourke: To return to the well of the MOU and doing a bit of union-bashing, why are we not talking about dismantling Medicare and what the effect of dismantling Medicare might have on small business here in Canberra?

THE CHAIR: And again, minister, you are not the minister for Medicare—

MR WALL: This is appalling. You are the minister responsible for business in the

ACT and you are failing to answer the question.

Dr Bourke: We could talk about that, but what effect is it going to have on medical suppliers?

THE CHAIR: You are not the minister for Medicare.

Dr Bourke: What effect is it going to have on medical practices, both specialist and general medical practices?

MR WALL: But there is no plan to do anything like that and you aware of it.

Dr Bourke: Then why are you bringing federal issues in here, Mr Wall?

MR WALL: The MOU is an agreement clearly signed by the Chief Minister of the ACT—the leader of the cabinet which you sit in—with UnionsACT. This is a local issue and you are choosing to distance—

Dr Bourke: And it has been around since 2005. I have had no representations—

MR WALL: And no-one publicly was aware of the content of the document until this year.

Dr Bourke: Mr Wall, I have had no representations from a single small business about this particular issue. So I do not know what your problem is. Send me a list of the small businesses that have an issue with this and—

THE CHAIR: And, what—you'll send a union rep around?

Dr Bourke: I will be able to respond.

MR WALL: That is what they are scared of.

Dr Bourke: I disagree. That is a load of rubbish.

MR DOSZPOT: I do have a supplementary.

Mr Dawes: Mr Chair, I know we are running out of time. I think we spent an hour or an hour and fifteen minutes last week on the MOU. I think George Tomlins answered a number of the questions.

MR DOSZPOT: No, he hasn't.

Mr Dawes: Could I encourage as well that you read that transcript? I wanted also to answer an earlier question, if I may, for Mr Wall. One of the things that we have been doing very proactively with the engagement of our industry advocate, is running a number of seminars with the Canberra Business Chamber around goods and services and working to ensure that they know what tenders are coming along; the same with the building and construction industry.

We have had a number of workshops as well. We have a program that we will be rolling out with the Business Chamber over the course of the next 12 months and also with the other building organisations such as the MBA. We have already recently run a seminar which was a joint seminar with the MBA around potential PPPs, how they can be formed. We even had a local legal firm present at that. As well, we are actually looking at what projects that can be, one, broken up into varying sizes, but also, two, where there is a large-scale project, similar to what in a previous life I was involved in, we had a joint venture that did a large project with three major civil contractors. So we have actually been proactive at a number of different levels.

THE CHAIR: We will have to catch up. Mr Hinder has a very quick supplementary and then Mr Doszpot has a supplementary.

MR HINDER: Minister, my supplementary is related to the actual interests of small business in the ACT. When government contracts with ACT businesses, sorry, when government goes out to tender, do we weight in favour of local businesses significantly against criteria when we go out to tender or is it all just based on price? When this committee actually engaged an adviser for the budget papers, we had a discussion around the fact that we would like to see that go to a local accounting firm or firm providing those services. Does government engage in that sort of contemplation every time they go out to contract? How do we favour local businesses in their attempts to provide those services that you say are a gold star by getting a contract from the ACT government?

Dr Bourke: Indeed, through the small business innovation partnership, the small business advocate and also with Indigenous business where we are signed up for Supply Nation, we are looking to encourage directorates to source Indigenous business suppliers for government services. These are all elements of what we are about. But I will get Mr Dawes or Mr Cox to provide some specific information around the specific policies of supporting local businesses beyond that framework.

THE CHAIR: In the interest of time, perhaps that could be provided it in writing? Mr Doszpot, a quick supplementary?

MR DOSZPOT: Yes.

THE CHAIR: I am going to provide everybody in this room with a dictionary definition of the meaning of the word “quick”.

MR DOSZPOT: First off, minister, this is not union bashing; this is actually keeping the government accountable. That is what the issue is here. Secondly, Mr Dawes—

Dr Bourke: Is he asking a question or making a speech?

MR DOSZPOT: I am asking a question.

Dr Bourke: Let's get to it.

MR DOSZPOT: Mr Dawes reflected that we spent time on it. I did not get the answers from Mr Tomlins. So there are still questions to be answered.

Dr Bourke: Why didn't you put it on notice?

MR DOSZPOT: My question is: what is the impact going to be on small businesses in the ACT of the decision of the capital metro consortium to directly employ staff so construction on light rail can go on?

Dr Bourke: The impact on small business of capital metro employing local staff?

MR DOSZPOT: Yes.

MR COE: Capital metro has chosen to directly employ construction workers rather than use local content.

Dr Bourke: Would you want them to employ staff from somewhere else or from overseas? You would want them to employ local staff, wouldn't you?

Mr Dawes: Capital Metro has not employed them. Can I just as well—

MR DOSZPOT: But again, it is only—

Mr Dawes: Capital Metro has not employed—

THE CHAIR: No, please, let him finish. Let him finish. Mr Dawes, finish, please.

Mr Dawes: The consortium is in the process, I understand, of employing workers. There will be still a lot—and that particular consortium has been working through, my understanding is, with the Master Builders around local participation. So I think what we have got to remember is the scale of the project. There is enough work there for locally employed people to be employed in the job and there will be a number of local subcontractors that will be engaged in that job in a number of different areas. But that is something that I am unable to answer specifically.

THE CHAIR: If there are further questions about small business, the MOU and capital metro, they will have to go on notice. We have overstayed our time. Minister, thank you for attending here this morning. Any questions taken on notice, we would appreciate answers to in five days. A transcript will be provided. We will now break, members, and resume at 11.20 with the Office of the Legislative Assembly.

Sitting suspended from 11.06 to 11.21 am.

Appearances:

Dunne, Mrs Vicki, Speaker of the Legislative Assembly for the Australian Capital Territory

Office of the Legislative Assembly

Duncan, Mr Tom, Clerk, Clerk's Office

Duckworth, Mr Ian, Director, Business Support Office

Szychowska, Ms Valeria, Acting Director, Hansard, Technology and Library Office

THE CHAIR: Good morning, Madam Speaker. Welcome to you and your officials to the second last day of estimates. Can those at the table and those who come to the table confirm they have read the privilege statement and understand the implications of privilege? So acknowledged. Madam Speaker, would you like to make an opening statement?

Mrs Dunne: Thank you, I would, Mr Chairman. I would like to make a couple of admin remarks before officers and I take any questions that you have this morning. With the preparation for an expanded Assembly well advanced, the past 12 months has been a very busy time for the Office of the Legislative Assembly. The next 12 months will also be a period of significant change, both for the office and the Assembly itself.

Works on the Assembly's new accommodation arrangements have consumed much of the office's time and financial resources. The project to relocate OLA staff to the north building has reached practical completion and the works on the Assembly building, including the Assembly chamber, are scheduled for finalisation early in the coming financial year.

I am particularly pleased with the Treasurer's agreement that the original project budget was able to sustain significant additional works to upgrade heating, ventilation and cooling and to undertake modest refurbishment of some bathrooms and kitchen areas. Design and fabrication works to upgrade the Assembly chamber are progressing, but installation cannot occur until after the Assembly completes its sittings in August.

I draw the committee's attention to the capital injections in table 5 on page 32 of budget statement A showing a number of technical adjustments. These relate to cash management arrangements that were implemented to enable greater expenditure in the current financial year as a result of the accommodation project moving ahead of the schedule that was initially envisaged. Importantly, the net effect of the internal transfers and a Treasurer's advance is that it is budget neutral over two years, that is, the funding was simply moved forward into this financial year.

I would like to reflect on several other matters briefly. Firstly, I note that neither of the two budget proposals endorsed by the Standing Committee on Administration and Procedure and included by me in the recommended appropriation for the office was ultimately funded in the offices' appropriation, although there were minor funding

increases to address staffing and security, payroll and Hansard. I am particularly pleased about addressing the security issue, but it has been at a significant cost elsewhere.

The first proposal related to funding for the revised structure of additional staffing capacity for the office to cater for an expansion in the Assembly following the October election. The second related to additional research capacity in the Assembly library, which arose from previous committee recommendations, including recommendation 38 of the 2014-15 estimates committee.

Although a long-standing practice, it still strikes me as odd that the budget committee of cabinet is in a position to unilaterally determine the level of funding available to the legislature. There is, of course, an inherent conflict of interest in the executive determining a parliament's resourcing base, given that a well-funded legislature is always going to be better placed to extract scrutiny and accountability outcomes and to hold the government of the day to account.

We can argue about the merits of various proposals that are advanced on the part of the Assembly from time to time. But it seems that as a matter of principle there should be greater capacity on the part of the Assembly and not just the cabinet to establish the amount of funding available to parliament to ensure that its accountability, representative and legislative responsibilities are adequately fulfilled.

As members would be aware there is a budget protocol agreement in place between the executive and the legislature setting out special administrative and process arrangements for the development of the Assembly's budget. It has been a very positive development as far as OLA is concerned. Indeed, it is an approach that has been watched closely by other parliaments as being a modest step towards more autonomous budgetary processes.

I have recently written to the Chief Minister seeking to review the protocols with a view to including the Auditor-General and the Electoral Commissioner within the protocols' ambit. The Chief Minister has proposed that this review process wait until after the election. It is my strong view—and I have communicated this view to the Chief Minister—that these arrangements should be resolved prior to the election, consistent with the time frame laid down when the protocols were first established.

I would like to be in a position to ensure that an incoming speaker has a clean slate to work from. This would ensure that the two officers of the Legislative Assembly can enter into the 2017-18 budget development process with some basic safeguards to preserve their independence. An alternative that the Chief Minister may wish to contemplate would be for the Assembly itself to establish these independent process arrangements for OLA, the Auditor-General and the Electoral Commission by way of continuing resolution so there is a firm institutional consensus on these matters which survives over time.

There may also be innovative ways to bolster the Assembly's decision-making arrangements in relation to the legislature's budget without encroaching on section 65 of the self-government act and the financial initiative of the executive. For instance, empowering the Standing Committee on Administration and Procedure to determine

recommended appropriations for the Assembly on the basis of a resolution and the introduction of a convention whereby the executive is obliged to accept such a recommendation could represent a watershed in establishing a truly independent budget process for the legislative arm of government and one that is consistent with the relevant Latimer House guidelines, which state that an all-party committee of members of parliament should review and administer parliament's budgets which should not be subject to amendment by the executive.

To establish a rigorous basis for the legislature's funding arrangements once each Assembly, an independent review—perhaps undertaken by a former senior parliamentary official—with relevant accounting support of the adequacy of the officers' funding arrangements could recommend baseline funding to the committee based on the assessments of cost pressures, the prevailing operating requirements and the capacity of the parliament to adequately perform its democratic functions. I would be interested in the committee's views on these matters.

Another minor matter I would like to draw to the attention of the committee is that the current appropriations to OLA, the Auditor-General and the Electoral Commission, are all provided for in the Appropriation (Office of the Legislative Assembly) Bill. Including the two officers of the Legislative Assembly in the appropriation for the Office of the Legislative Assembly—the emphasis is important—has had the effect of conflating the status of OLA and these officers, each of which has quite distinct statutory requirements. Similarity in the name has been a source of confusion for many. To assist in differentiating these officers, I believe it makes sense for future bills to be named the “Appropriation (Office of the Legislative Assembly and Officers of the Legislative Assembly) Bill”. I would be interested, again, in the committee's views on this.

Finally, I advise the committee of the manner in which funding for non-executive staff was advanced. Although staffing budgets for non-executive staff members are appropriated via the office's appropriation bill, the administrative responsibility and the regulation-making power under the Legislative Assembly (Members' Staff) Act 1989 rests with the Chief Minister. Accordingly, I have adopted a process which recognises that under the current arrangement it is not up to the Speaker or the office to advance budget proposals with respect to the staff allocation for non-executive members but an area of policy currently the preserve of the Chief Minister.

Thank you, Mr Chairman, for the opportunity for making some comments, and I am happy to take any questions.

THE CHAIR: As to the budget process, you said you would like to see something finalised before the next election. Is there enough time for, for instance, admin and procedure to discuss this? This committee will not report until August.

Mrs Dunne: What I think is important to be finalised before the election is the review of the budget protocols to incorporate as officers of the Legislative Assembly the Electoral Commission and the Auditor-General. The changes we put to the executive are fairly minor. I would like to see that progress so that when I cease to be the Speaker, the next Speaker has that body of work completed. I think there is a greater body of work which cannot be done in this term. That should be ongoing, and it is

certainly something I will be very keen to pursue on an ongoing basis if I continue to be a member of the Assembly. We have a good system, but we could have a better system for looking after the appropriation of the Assembly.

Fair enough, there is a finite amount of money, but it is problematic for me to go to budget cabinet where things which are of high priority to members of this Assembly, and have been over a long period of time, are systematically ignored or we get the minimal amount. We have, after a long period, received some money for a dedicated security officer, but in the process we have lost funding for an ASO4. We got a SOGC but we lost an ASO4, so there are still some risks there.

Mr Duncan: You talked about the committee process, Mr Smyth. I remind the committee that the budget protocols are between the Speaker and the Chief Minister. Whilst the committee would welcome the role of the committee, these things could be determined by the Speaker and Chief Minister coming to an arrangement separate of the committee process. If the committee wants to have a view on it—

THE CHAIR: No, we are aware of that; the committee may have a view on many things.

Mrs Dunne: But I see it as a two-step thing—expanding the budget protocols to the officers of the Assembly but then a longer term project would be to have some more security about the determination of the appropriation. It would be unacceptable for a speaker or a committee like admin and procedure to come along and say, “Well, we want to spend another \$5 million,” on some capital upgrade which is well outside the benchmarks. There would have to be some benchmarking to make sure there was confidence that everything was being done appropriately.

THE CHAIR: In regard to additional staff, the number of MLAs is going up, but clearly the staff to assist them in the OLA is not going up dramatically. How much was the bid and how much did you receive?

Mrs Dunne: There are two aspects of this: members’ staff are covered by the LA(MS) act, and there was a backwards and forwards conversation between the executive and the Office of the Legislative Assembly. We eventually said the determination is with the Chief Minister as to how much money each member gets, but, in fact, the staff allocation of members in the new Assembly will be cut from what it currently is. Roughly people now have about three-and-a-bit staff members, and that will go back to the allocation that existed until a couple of years ago, which is about 2½ staff. That is for members’ staff, but that is clearly a determination for the Chief Minister.

There was a proposal for a structure devised by the Clerk through a consultancy project to create essentially two streams. We now have five streams and we wanted to compress those into two streams—one related to the operation of the chamber and the procedures of the Assembly and another related to the administration and the finance and the like, and creating under the Clerk two deputy-clerk positions, one each responsible for those streams. Mr Duncan can refresh my memory as to the quantum.

Mr Duncan: Madam Speaker, I do not have the exact figures but we requested seven

staff and we got 1.8 in the budget.

Mrs Dunne: The Clerk and I are in discussion with staff, and administration and procedure has been written too about a variation on the structure so that we still have the two streams. To do that will require some changes but without the financial resources to make it gold plated; it will be tin plated instead.

THE CHAIR: The process by which the reviewer was selected for the Auditor-General, clearly the OLA is not funded to do that, yet it is a responsibility of the Speaker. How has the process worked and have you any recommendations to the committee?

Mrs Dunne: I raised—I do not know whether it was during estimates last year or the annual reports hearings—my concerns that I am not funded for that. I also reflect the Clerk's concerns about his capacity to provide that service, not necessarily the financial capacity but the look of it. It is providing an oversight service for essentially someone who is his peer, like the Auditor-General or the Electoral Commissioner.

We have come up with an arrangement where the head of strategy and communications provides advice directly to me on these matters, and that has worked very successfully. We have a very good officer who is able to do these things with considerable efficiency and, as a result, we went through the process of appointing the reviewer. But it is all learning as we go. We discovered things like I am signing a contract on behalf of the territory, which is slightly weird, and then there is nowhere to lodge that contract. Because I am not an entity under the FMA and the procurement act, it does not go on the contracts register. I have tabled that in the chamber because there is no other way of making that public.

Interestingly, the reviewer commented on this and has made recommendations that it should be something that is administered by the office. I think it is the best possible solution we can come up with. We have looked at various things, including having a separate appropriation for the Speaker's office, but then I would have to have an annual report and all those sorts of things. It is far too messy for the small amount of work that it is.

THE CHAIR: Thank you.

Mrs Dunne: Just one other thing. The recommendation of the reviewer has now been referred to administration and procedure for inquiry as well.

THE CHAIR: Mr Hinder, a new question.

MR HINDER: My question is still on the issue of the engagement of the reviewer, the Auditor-General. Some of these difficulties relate to the fact that the current Speaker is not a member of the government.

Mrs Dunne: No. It has nothing to do with where the Speaker comes from.

MR HINDER: How has it happened in the past then?

Mrs Dunne: No. This is the first time it has happened. There was a strategic review done in an ad hoc way in the previous Assembly. When we changed the Auditor-General Act, on a couple of occasions that task was referred to the Speaker, but the Speaker does not have public service administrative support. In my office I only have political staff. It is clearly not the job of the Clerk to appoint a reviewer of the Auditor-General as a peer, so it has created that slightly clunky situation. It is because we have been in uncharted waters.

MR HINDER: Is there a review of the Electoral Commissioner at any point or is that just—

Mrs Dunne: There is no review of the Electoral Commission. Because of the passing of the officer of the Legislative Assembly act, I now have responsibility under the Auditor-General Act to appoint the Auditor-General, to appoint a financial auditor and, once a term, a strategic reviewer. As the Speaker I also have responsibility for appointments to the Electoral Commission. I think they are all the statutory responsibilities. That has happened. We have reappointed the Electoral Commissioner. We had to have a selection process. We have appointed a part-time commissioner. That required a selection process.

All of those things could quite ably be done by my staff because they are able, but it is just that they are not public servants. When they are doing those tasks they are doing, essentially, public service duties. So we have had to come to an arrangement where someone who is employed under the Public Sector Management Act is doing those jobs, and that has fallen to the director of governance and communication.

MR DOSZPOT: Thank you, Mr Chair. Madam Speaker, my question relates to the provision of technical services to the Assembly by, I guess, our staff here and, in particular, the lack of total coverage of wi-fi.

Mrs Dunne: I thought you might ask me this, Mr Doszpot. I know that we have discussed this before. I had not realised that it was the problem in offices that it is because my office has very strong wi-fi, which, I understand from Val, I am actually stealing from the executive. I am getting free wi-fi out of the executive.

MR DOSZPOT: In certain areas we can get it, just to explain.

Mrs Dunne: It is available in the chamber and it is available in the exhibition room and the reception room. There is also a wi-fi network on the executive floor. I had not realised it was a problem because the wi-fi in my office works really well. But I understand from Val that I am probably stealing it from the executive.

MR DOSZPOT: No, I do not think that would be the case. The problem is that there have been some black spots.

Mrs Dunne: There are black spots.

MR DOSZPOT: I bring it to your attention from the point of view that in the previous office I was in and in the offices in that corridor that I was in I do not believe they can get wi-fi. In the new office I have moved into I have got wi-fi.

Mrs Dunne: It is probably because it is in the reception room. It is in the reception room and the exhibition room, and these rooms near the chamber. It may be that the corridor closest to the Canberra theatre is furthest away from any of those. We are aware of it, Mr Doszpot, and we are preparing a budget bid for next year. It has been discussed informally with the executive that they might increase their power, bandwidth—whatever it is called.

MR DOSZPOT: I do not think it would be such a huge expense.

Mrs Dunne: I would have thought it would not be a huge expense. It would be easier to increase the power output of the existing arrangement rather than put in a whole new network, which might cost somewhere between \$30,000 and \$40,000.

MR DOSZPOT: Thank you.

THE CHAIR: Ms Burch, a new question.

MS BURCH: Yes, around accommodation, but I just want to say it is interesting that through the mail here there were some questions for you, Madam Speaker, relating to the misuse of Assembly resources. It is the first time I have ever received anything in the mail for another member, and it just happened to be today. It just refers to the *Canberra Times* article where you had the misfortune of using Assembly resources. I will not go through all of—

Mrs Dunne: As you have raised it, it was an inadvertent oversight. I wrote to the Clerk about it. I think we came to the conclusion that I had probably spent \$25. I reimbursed the Assembly to the tune of \$25. It is really a matter of there being various slots in the printer. The letter came out of the wrong slot and no-one was attentive enough about it.

MS BURCH: I think one of the questions was: what steps have you taken to ensure that it will not happen again? I am sure you have taken appropriate steps that it will not happen again.

Mrs Dunne: It is the problem a lot of members have of residual materials that were paid for under the discretionary office allowance. Now there is a communications allowance. It was an oversight in my office for which I take responsibility. I signed the letters and I chose the hopper that the letterhead came out of. It turned out that it was a letterhead that had been paid for under the old DOA scheme, which I have a residual amount of.

MS BURCH: That is fine. My question follows on a little from Mr Doszpot's around accommodation. You may note that the new offices look fantastic with the refurbishment. I think this has been raised with you before, Madam Speaker: around 50 per cent of MLAs are sitting in offices with furniture that must date back to the 1970s.

THE CHAIR: Sorry, 80s chic at least.

MS BURCH: Right.

MR HINDER: I have got Paul Osborne's stamp in my drawer.

Mrs Dunne: It is 1994 chic.

MS BURCH: It is piecemeal; it is inconsistent. If you expect the Assembly to have standing in the community as its parliament, there would be some areas, and I am sure staff within OLA have similar vintage retro pieces of furniture—

Mrs Dunne: Theirs is more modern, yes.

MS BURCH: Theirs is more modern. How can we, as a committee, support you in making sure that all members have the wherewithal in their offices—

Mrs Dunne: I agree.

MS BURCH: Wi-fi and everything else.

Mrs Dunne: It gives me great discomfort that, for instance, in the past week or so members have been given desks and credenzas and that is it. It is the same desk and credenza that is in the new offices, but they do not come with the accompanying chairs, soft furnishings et cetera.

MS BURCH: No. I think there are about four different styles.

Mrs Dunne: There are about four different styles.

MS BURCH: I use “style” generously.

Mrs Dunne: When I first became the Speaker I did a round, especially to the new members, and said, “How are you settling in?” Some of the desks were appalling. They had coffee marks on them. After years of putting hot cups on veneered furniture it lifts. There was a budget bid for new desks for members. There had been new desks for staff previously in 2008. Is that right, Ian?

Mr Duckworth: That is correct.

Mrs Dunne: In 2008, and more recently there were desks and new furniture for OLA staff, but members had not received any of that. In my first Assembly, my first term, in 2003 we got those blue sofas that are not long enough to stretch out on and have a snooze, but they are very ergonomic, apparently. They are starting to look pretty tired. There was a budget bid for furniture, which we got in 2013. When we decided to refurbish the building we held that over, so the desks that members got were with that money, but at the time when we were talking about the building work coming in under budget we approached the government for a better fit-out of the older suites. The government said no. I have—and I think it is somewhere between Ian's office and my office at the moment—a letter to the Chief Minister saying that there really should be an upgrade of the furniture in the old offices. I think it is more obvious now. I was in Mr Smyth's office the other day. He has a new desk and

credenza but a crummy old meeting table.

MS BURCH: The bookcase behind it, yes.

Mrs Dunne: It is very obvious that the chairs and all of those things are not of a piece. The new offices are of a piece, and the old ones are not. I would welcome a recommendation from the committee that we have the rollout of the full range of appropriate furniture so that it matches across the building.

MS BURCH: With the move, there is still adequate access and all of that around the library services? The library services are no longer here in the building.

Mrs Dunne: They still get a good call on their services. Again, the administration and procedure committee over a couple of budget processes—and this committee in a previous iteration—have recommended that we should look at research services. We have looked at all the cheap options, like trying to piggy-back on the parliamentary research service of the commonwealth parliament. The presiding officers are just not interested in that as an option. I can understand that. I have made modest recommendations to cabinet over two years, two budget cycles, for an increase in research staff, but that has fallen on deaf ears. I believe that with 25 members and something like 17 to 18 non-executive members—and they will have fewer staff than non-executive members currently have—there will be quite a demand. I think the executive takes the contrary view, that with all those extra members and a net increase in the number of staff, there will be plenty of people to do research, but I disagree. I think there will be more recourse to the parliamentary library for research assistance, and they do not have the facilities, the capacity, to do that.

THE CHAIR: You mentioned the building and the changes that are going on. With the upgrade, is the building suitable as the long-term home of the Legislative Assembly of the ACT?

Mrs Dunne: It will be big enough. My concern is that we did the cheap option in the extension. There were various major refurbishments, but once you hit 49 per cent of the refurbishment of a building, then there are a whole lot of things. Apart from the ground floor, all the glass in this building is three millimetre old-fashioned 1960s glass. The place is still pretty porous and pretty draughty. Those are ongoing issues in terms of the energy-efficiency of the building.

I think that there probably has to be a long-term discussion about whether this is a suitable building. I think that the chamber is fine. It is fairly new and functional, although I think that we could have better audio-visual material. We have always taken the cheapest possible option; so the cameras we have are essentially not really fit for the purpose for which they were purchased. We do not have proper AV cameras of the sort that many of the other parliaments have. That would have required a much larger budget allocation. The cameras we have are essentially security cameras and they are being asked to do more, in a sense, than they are spec-ed to do. As members will see, sometimes the image freezes. The sound is fine, but the image is sometimes not great.

I think the chamber is, though, fit for purpose, and it will continue to be fit for

purpose in the new configuration. But I think that while the offices that individual members have are fairly spacious in comparison to other state parliaments, the fabric of the building will let us down eventually.

THE CHAIR: You mentioned the new configuration of the chamber. Could you update the committee on what is happening with the chamber and how that will function?

Mrs Dunne: After we finish sitting in August, the chamber will be closed. The central table, which currently holds *Hansard* and the like, will be removed. Those bookcases will be repurposed into the lobbies. As much of those will be retained as possible. They will be repurposed into the lobbies for holding publications and the like. That central table will be replaced by a larger central table which will have some separation between the Clerk's bench so you can walk between that table and the Clerk's table. It will be big enough to accommodate permanently the leader of the government and the leader of the opposition. That will be their permanent seating positions. It will be cabled, mic-ed up, have AV and all the cabling that we will need.

There will be some separation between members with a sort of slightly raised bookcase. It will be done in essentially the same timbers that are currently in the chamber. However, they are 25-years newer and there will be a difference in the colour. There will be enough space for people to circulate around it.

THE CHAIR: We can donate some of our desks.

MR HINDER: We have got some desks you can use.

Mrs Dunne: It will be the standard two swords-length width. But I think it will make the dynamics of the chamber quite different, because you are essentially creating three rows. I think the dynamics, especially at question time, are going to be very interesting and very different with the Leader of the Opposition and the Chief Minister—

MR HINDER: Will they be able to reach each other?

Mrs Dunne: No, they are two sword lengths apart, so—

THE CHAIR: So is that a Roman gladius short sword, a short sword, a standard broad sword—

Mrs Dunne: I think it is just your sort of standard foil these days.

MR HINDER: Do you have to bring your own or are they provided?

Mrs Dunne: Yes, you have to bring your own, yes.

THE CHAIR: In terms of the number of members?

Mrs Dunne: That would provide 26 seats, which is the magic number, because the Speaker needs—27 seats, actually, because we actually need 26 seats at any one time

because the Speaker needs a second seat.

THE CHAIR: Thanks for that. Mr Hinder?

MR HINDER: I have a question about functions. I noticed that the function for the 25th anniversary of the DPP was held out here in the reception room today. Congratulations to them. When we hold functions, do we, first, have sufficient leftover to warrant it and, secondly, do we engage with people like OzHarvest or yellow van to provide that leftover to needy Canberrans?

Mrs Dunne: That function would be catered by the DPP. They would bring their own caterers. We do not have a standing catering arrangement like Parliament House. We have a selection of caterers that we use for Assembly functions, for example, the new citizens evenings. We tend to cater fairly frugally. We do not have a vast amount of leftovers. Certainly on new citizens evenings I have not been aware of leftovers. But we have not engaged with OzHarvest, mainly because I think we probably do not have a regular program of catered functions. They are pretty ad hoc.

MR HINDER: Right.

Mrs Dunne: I know that when we cater we do not cater for vast amounts of leftovers.

Mr Duckworth: Mr Hinder, just to add to the Speaker's earlier comments, in respect of the bulk of room hire functions, be they ACT government agencies or external groups, my understanding is that some of them may have arrangements for disposal of any leftover catering. But it is not something that the Assembly coordinates for with those external groups. In fact, I would think only about 10 or 15 per cent of the functions in that room are actually managed by this office.

Mrs Dunne: And we do not have a catering service.

MR HINDER: We do not produce anything anywhere else—any leftovers?

Mr Duckworth: There are—

MR HINDER: The Chief Minister does not have that sort of function?

Mr Duckworth: No, we do not have any formal arrangements. As I think Madam Speaker indicated, I do not think we have too many functions where we have large volumes of leftovers, but we could certainly keep an eye on that and look at it.

Mr Duncan: Could I add that there are two types of functions. We have school groups in. I think the schoolchildren generally tend to eat all of the food that is offered to them—

Mrs Dunne: Like a plague of locusts.

Mr Duncan: and we have citizenship functions which the Speaker hosts. Again, we try to get an estimation. They have to RSVP for that function. If we know that there are 50 people coming, we will cater for 50 people. There might be some surplus food,

but in my experience of attending those functions over a number of years, it is not a great amount of food that is left over.

THE CHAIR: Mr Doszpot, a new question.

MR DOSZPOT: First off, Madam Speaker, the feedback I have had from citizenship and community groups has been very complimentary. I want to thank you and the officers who provide support to all of those, as well as the education part of our Assembly with the school visits and so forth. The schools that come in are also very complimentary. That is just a bit of feedback and if we can maintain that that would be great.

Mrs Dunne: Thank you for that.

MR DOSZPOT: On the ICT aspect, I have another question. Do we know how many hits we get on the video on demand through Hansard?

Mrs Dunne: I will ask Val. I do not know the answer to that question.

Ms Szychowska: I have it prepared just for you, Mr Doszpot. Yes I had a look at the statistics. We have a new reporting tool. I cannot guarantee the accuracy but what it is suggesting is that since we put the new system in place we have had an 85 per cent increase in the use of the system. That is an overall figure. We are seeing an increase in the access of the video recordings that we are doing and a decrease in the live streams. Obviously that could be attributed to a number of factors such as the new system—the project is not complete—and the system has a few post-implementation issues which are being worked on and tested. The delay for that is because we are waiting for exclusive access to the system because estimates and sittings tend to take up a fair chunk of time. We need to have inactivity on the system to do that work. What I can say is that over the past three years, on average, I think we have increased our usage quite substantially and I think that is because of the new features.

MR DOSZPOT: Can you give an idea of the numbers?

Ms Szychowska: We have not completed the year to date but until about two days ago we had a total hit of 18,000 visitors. I cannot break that down because I have not got that data in front of me. Compare that to last year, which was just under 10,000.

MR DOSZPOT: This is not meant to be trite but the placement of the TV equipment in the offices is a bit of a problem. If I want to view the chamber from my desk, I have got to turn completely around. On top of the shelf is where the TVs are located. It is not exactly conducive to carrying on your work on the computer while you are in your office waiting to go down to the chamber. If something could be done about the siting of it, it would be interesting.

Mr Duckworth: We will take that on board and get that fixed.

MR DOSZPOT: With the increased number of members and staff, have we considered getting a branch of the Indo Cafe here?

Mrs Dunne: We could add them to our list of preferred caterers.

Mr Duckworth: Yes.

Mrs Dunne: There is no space in the building for a cafeteria, much to my regret, but I think you will have to get your daily exercise by walking across to the Indo Cafe.

MR HINDER: It is part of the Speaker's healthy walking Canberra campaign, I am sure.

THE CHAIR: Ms Burch, a new question.

MS BURCH: The refurbishment of this Assembly building is just about done but we had the office of the OLA move off site. Is that all settled? Are there any more moving pieces to happen? Where Ian Duckworth sits is where he will always sit? We have to wander across the plaza?

Mrs Dunne: I actually have not visited Mr Duckworth in his new office. He comes to my office from time to time. But I think all I get is really good reports about the outcome of the move. I hear that people are feeling, in a sense, less siloed there because there are more common breakout areas and there seems to be, because of that, more sharing of experiences and things like that which is good. I think that generally speaking—and perhaps Ian, Malcolm and co can confirm this—from the users there is a high level of satisfaction with the fit-out.

Mr Duckworth: Our colleagues from the North Building would be most disappointed if we did not flag that the last few mornings we have had real problems with the air-conditioning and—

Mrs Dunne: They are not alone.

Mr Duckworth: Sharing the pain. Thermal comfort is an issue that we went to great lengths on when we sat down with the architects to design that space. Obviously in any space that is designed these days they have to comply with DDA requirements. There has to be increased circulation space. There were some limitations on how many people we could fit in but we have moved the 35 staff across. The general feedback from the staff is that they like the space. I think, for the time being, everybody is settled—just as soon as we get the thermal comfort issues right.

MS BURCH: In the main, we are just about settled? The last of the moving pieces are in place?

Mrs Dunne: I think so, yes.

Mr Duckworth: Yes.

Mrs Dunne: I did notice today that attendants were decanting storage rooms for the umpteenth time in this move to allow them to be carpeted.

Mr Duckworth: When the carpeting and repainting was done, there were a number of

nooks and crannies around the building—storerooms, the Hansard recording booths—where we have still got the 1994 carpet.

MS BURCH: My final question is: when will the art return to adorn our walls? Perhaps I should put that to one of the members on the art committee.

Mrs Dunne: We have had a discussion in the arts advisory committee. Very soon, in July a new hanging system will be rolled out so that that will make hanging easier and then—

THE CHAIR: Is that just for the public areas or for all offices?

Mrs Dunne: No, all offices will have a hanging system. In the member's office and in the open office, not every wall will have it. Members will be consulted about which walls they want it on. It has been rolled out in my office and it works really well. That means that there will be less wear and tear on the walls, fewer holes in the walls. I have been watching you on estimates and looking at that and I am sure that on the—

MR HINDER: They look like bullet holes, don't they?

Mrs Dunne: They do look like bullet holes. I am sure the public is scratching their head wondering what on earth that is behind you. Those things will be rolled out in July, hopefully, and August at the very latest. But all the art is in storage off-site and—

Mr Duckworth: On-site.

Mrs Dunne: Some of it is on-site. It is all coming out of storage at the same time and members will have an opportunity to select items to go into their office, yes. The decanting was done by professionals and it will be rolled out again by professional art handlers.

THE CHAIR: Mr Hinder has a supplementary he feels compelled to ask.

MR HINDER: Madam Speaker, I chastise myself in advance but walking past your office, in the corridor there I saw what I initially thought was something lying on a cushion but I have since, on closer inspection, realised that it is a piece of art. I am wondering if that is in location or waiting to be moved somewhere else.

Mrs Dunne: It is a piece called *Rest* and it is a work by a Japanese artist who now lives in Canberra, whose name escapes me for the moment. It was situated in the main foyer under the spiral staircase and it appeared there recently. I thought it was in storage but I think it is just to keep it out of harm's way. It is a cushion but it a finely-crafted brass or bronze cushion.

MR HINDER: I realised that later when I realised that was a plinth and thought, "Hang on, that must be an artwork."

Mrs Dunne: Yes it is.

MR HINDER: In the eye of the beholder, I understand, but—

Mrs Dunne: You do not like it? I love it.

MR HINDER: No I did not say that.

Mrs Dunne: I love it.

THE CHAIR: If we are going to complain about art, there is a new member's office window that has a portrait in it that some of us find quite amusing.

Mrs Dunne: I do not think that is art. That is photography.

MR HINDER: If you care to come to my office, I have got two of my son's very large ones on the wall. Feel free to come and have a look.

Mrs Dunne: I have admired them as I have passed by.

THE CHAIR: Members, any further questions for the Speaker? No? Madam Speaker, thank you to you and your officials for your attendance here today. A transcript will be provided. Should you wish to add corrections or make suggestions or provide further detail, that would be greatly appreciated. Any questions taken on notice, if we could have them within five working days as of tomorrow. Otherwise, members, there finishes the morning session. We will return at two o'clock with Mr Gentleman in his industrial relations role.

The committee suspended from 12.11 to 2.04 pm.

Appearances:

Gentleman, Mr Mick, Minister for Planning and Land Management, Minister for Racing and Gaming and Minister for Workplace Safety and Industrial Relations

Chief Minister, Treasury and Economic Development Directorate

Young, Mr Michael, Executive Director, Workplace Safety and Industrial Relations

Phillips, Mr Brett, Acting Work Safety Commissioner

Kefford, Mr Andrew, Head, Asbestos Response Taskforce

Territory and Municipal Services Directorate

Trushell, Mr Michael, Director, ACT NoWaste, Parks and Territory Services

ACT Long Service Leave Authority

Savage, Ms Tracy, CEO and Registrar

THE CHAIR: Good afternoon, ladies and gentleman. Welcome, minister, to the afternoon session of day 10 of the public hearings of the Select Committee on Estimates 2016-17.

Witnesses, please be aware that today's proceedings are being recorded and transcribed by Hansard and will be published by the committee. The proceedings are also being broadcast as well as webstreamed.

Minister, would you like to make an opening statement?

Mr Gentleman: Thank you, Mr Chairman. Members of the committee may recall that in past years my ministerial responsibilities in terms of workplace safety and industrial relations policy were described in two output classes: output class 1.2, which described my portfolio functions in respect to public sector workers compensation; and output class 1.3, which described the private sector work safety industrial relations portfolio responsibility. In this year's budget papers we have amalgamated these functions into a new and improved output class 5 called "Workforce injury management and industrial relations policy".

The directorate staff who perform the functions described in output class 5 are employed in the workplace safety and industrial relations division within ACT Treasury. The resourcing available to that division includes funding for 73.5 full-time equivalent employees, most of whom deliver rehabilitation support services to injured territory employees. The division's employee cost and staff numbers have not changed as a result of the output classes being considered.

The apparent increase in the 2016-17 funding which can be seen in the budget papers is caused by two things: firstly, the merging of budgets that were previously accounted for under two separate budget classes; and, secondly, a new approach to managing workers compensation supplementation funding, which involved centralising the responsibility for allocating those funds across the service.

In the 2016-17 budget papers the division will remain particularly focused on

assisting the territory to reduce the health, social and economic impacts of work injury. In that time some of the key initiatives we will be leading to drive better work injury management include working with the industry to review the implementation of the 28 recommendations arising from the getting home safely inquiry into the construction industry, finalising the design of a new workers compensation scheme to meet the needs of ACT public sector workers, and reviewing and refining the way the territory assists its injured workers to recover and return to duty.

I am very pleased to be able to advise that the territory's injury management performance is already improving significantly. For example, in the 2015-16 year to date, the number of public sector lost time injuries has reduced by 17 per cent compared to 2014-15. In the private sector the most recent independent actuarial review shows that the private sector's lost time injury rates are at a 10-year low. These results are very promising and suggest the government's investment in both public and private sector injury management initiatives is paying real dividends.

This positive experience is incrementally flowing through the territory's workers compensation premium costs. For example, preliminary advice from Comcare suggests that the rate the territory will pay in workers compensation premiums in 2016-17 will be around 13 per cent less than it was last year. Based on the advice of Comcare's independent actuary we estimate that, were it not for improvements in the public sector's injury prevention and management performance, the premiums payable in 2016-17 would have been about \$11 million higher.

In other areas of industrial relations policy in 2016-17 we will see the division working with the ACT Work Safety Council and the Long Service Leave Authority to bed down legislative reforms including the extension of our portable long service leave scheme to cover aged-care and waste workers, increases in asbestos disease workers compensation payments and streamlining of claims administration, the introduction of return-to-work coordinator obligations for large employers, changes to work safety inspectorate powers to better respond to sham contracting and other workers compensation compliance issues, and the introduction of a national injury insurance scheme for catastrophic work injury.

The budget papers reflect the fact that the division achieved all its accountability indicator targets during 2015-16. The accountability indicators have been revised for 2016-17 and now include a whole-of-government injury reduction target of five per cent per annum. This is an ambitious target but it reflects our commitment to continually improve the level of safety, care and support available to injured territory workers.

Mr Chairman, thank you for the opportunity to provide that information to you. We now invite questions from the committee.

MS BURCH: In BP3, page 88, there is a one-off supplementation of agencies' costs of over \$15 million into workers compensation. Given you have also mentioned that the premiums could have been even higher, is this a one off? Are we doing enough to reduce the claims and the premiums? How are we progressing on new arrangements for workers compensation?

Mr Gentleman: In regard to public sector workers?

MS BURCH: Yes.

Mr Gentleman: We have been coordinating with key stakeholders in regard to a new scheme for public sector workers in the territory. Those negotiations are ongoing, and I am pleased to say that I expect that process to be fruitful. We should have a decision, I would imagine, in the not-too-distant future. We did some key work in the first stage of negotiations earlier last year in that sense, and now we are working through more detailed proposals for getting a finalised scheme to exit the Comcare system. In relation to the one-off payment, I will go to directorate officials to give you the detail on that.

Mr Young: The Comcare premium the territory pays has been increasing at greater than the inflation rate for approximately eight years now whereas the funding that is available to agencies to meet those costs only increases in most cases at the wage inflation rate. The compounding effect of that is that Comcare costs have outstripped the funding available. Many agencies absorb those higher costs. However, some agencies, in particular those with higher risk workforces, have been unable to absorb those costs without supplementation funding.

In past years supplementation funding has been provided directly to specific agencies. The change made this year, as you have observed in the budget papers, is that the supplementation funding has been accounted for against my division's cost centre. That is because the exact amounts agencies will need to pay does not become known until about mid-July. By doing it this way we are able to allocate those funds across the service based on actual results and need rather than estimated results.

As the minister indicated, the Comcare premium we expect will reduce this year. As a result I would expect some component of that supplementation funding will not be required and will be able to be returned to the budget.

MS BURCH: That is not the offset in here?

Mr Young: The offset of approximately \$7 million?

MS BURCH: Yes.

Mr Young: Yes, as a result of the government's investment in the improvement plan over several years we have been focusing on a program of cost recovery. For example, we have contested the Comcare pricing model on a number of occasions and have been successful in obtaining refunds and also recoveries from other agencies that have entered the Comcare scheme. So that \$7 million is—

MS BURCH: That is a third of what you have put aside, so that is a very successful recalibration on your behalf.

Mr Young: They are essentially moneys we have recovered from the earlier years' premiums which are being put towards that supplementation funding. It goes to that question of whether the government is investing in doing all we can, and that

\$7 million is evidence of an active management policy producing some returns.

MS BURCH: This is one-off funding, which has been the case for a couple of years now while we move through to a new workers comp system. This funding only goes to this time next year. You are confident you can have the new arrangements in place in the next 12 months?

Mr Gentleman: The work that has been continuing with the directorate, the office and key stakeholders shows we are moving forward. I would certainly like to have it in place by that time. Of course, we are moving close to caretaker now so it would be difficult to get any changes through this year. But I am confident that, through the work the directorate has been doing and the fact that stakeholders are taking on board the need to move forward, we will have something in place next year.

MS BURCH: For the high risk groups—nurses, front-line service providers—what has been the consultative process? They are the ones who probably have a very keen eye on it. You are talking well with them?

Mr Gentleman: Yes, indeed. What you have highlighted is the key difference between what occurs in the ACT insurance package for its workers and what we see at a national level. Comcare was designed, of course, for the federal public service, which does not have that many front-line service personnel. It is quite different from what we have in the ACT as you have indicated: we have teachers, we have ambulance paramedics, people right on the front line that work shiftwork as well. It is important that we tailor that to ensure they are in place in that scheme as well. I will ask Mr Young to just give you some details on some of the consultation processes that we have gone through with them.

Mr Young: Going to the question of the special needs of our front-line workers, as the minister indicated, the intent from the beginning was very much to design a scheme that meets the needs of the territory's public sector workforce—the special needs of, for example, firefighters have been at the forefront of those design discussions. To give an example, the models we are negotiating with stakeholders at the moment carry over the presumptive cancer provisions that exist for firefighters and have very much a focus on lifetime care and support for severely injured workers.

Mr Gentleman: It is important to note too, that the representatives of those key front-line workers are actually on the negotiating team: the CPSU and the Transport Workers Union on behalf of the nurses, ambulance paramedics et cetera are on the negotiation team.

THE CHAIR: Mr Doszpot, a new question?

MR DOSZPOT: Minister, good afternoon and good afternoon to colleagues. My question is on the MOU between UnionsACT and the ACT government. Who initiated the MOU on procurement between UnionsACT and the ACT government?

Mr Gentleman: My memory on that, Mr Doszpot, was back in 2004. I think the head of UnionsACT at the time was Kim Sattler, from memory.

MR DOSZPOT: Sorry, who initiated the MOU, though? Did it come from the union—they wanted the agreement—or did the ACT government offer it?

Mr Gentleman: From my memory, it was UnionsACT that put it forward in 2004. I was not involved in it at that time, of course. That was with Mr Stanhope as Chief Minister.

MR DOSZPOT: Why would the ACT government have agreed to put in place an agreement when there is a legislative framework that must be followed in relation to procurement and the conduct of any works or provision of any services? Why wasn't this considered by the ACT government?

Mr Gentleman: In 2004 or currently?

MR DOSZPOT: Well, in 2004 or there has been plenty of time since to consider it. As part of your industrial relations responsibility, do you not see any conflict there?

Mr Gentleman: No, I think the principles involved in the MOU are ones that many of us would stand by. I think perhaps members of the committee would agree that the principles in the MOU are quite good. It means that you would contract people who are appropriate for the job, who would provide the appropriate compensation to their workers for the work that they do, and who would be upstanding citizens of the territory or provide services for the upstanding citizens of the territory. So I think the principles of the MOU are quite important.

MR DOSZPOT: The principles of the MOU also have to keep pace with whatever the legal requirements are. This, by the way, is not just something that affects the construction industry, which has been the main focus of it as this point. As we discussed a few days ago, basically it is potentially there to involve every other industry in Canberra along the terms of the MOU. What it means is that an unknown, unaccountable third party will be involved in assessing tenders from businesses, providing stationery, training services, transport, consulting advice, legal services, cleaning, real estate, technology, hardware and software, catering. And the list goes on.

But the whole point is that this is capable of affecting every industry within Canberra. Why does the union have a specific advantage with dealing with the government on contracts that are about to be issued? That is the question that the whole of industry is asking at each stage. It has been basically the Master Builders, because it has been deemed to be more of a construction industry situation. But even there, the Master Builders Association have asked that the MOU be torn up so that there is equality of access to the ACT government.

Mr Gentleman: I do not see that there is a disparity between people applying to procure work. But I am not the minister for procurement, remember. I am the minister for industrial relations in this sense. But I do not see anything in the MOU that would stop any company from applying to do tender work for the ACT government. There is quite a good set of guidelines I think that simply say that those people procured would do the appropriate work in the appropriate way and remunerate their staff for that work.

I do not see any issue. We have MOUs—government has MOUs—with many organisations: stakeholders that you have mentioned in your question, so I do not see any reason why we do not have MOUs with other groups.

MR DOSZPOT: But this particular MOU gives an opportunity for companies to be not dealt with should they not meet the requirements of the union under the MOU?

Mr Gentleman: No, should they not meet the requirements of the principles within the MOU, as I have mentioned, we would hold—I would imagine that the committee as well as myself would hold the same view. Those principles within that MOU are quite important for ACT government and for the community to ensure that you appropriately hire those companies that do the right thing for the territory.

MR DOSZPOT: Did the government, prior to signing the MOU, undertake any internal or external consultation, legal or otherwise, or obtain advice on the establishment of this MOU?

Mr Gentleman: I could not comment on that. That was done well before my time—2004. I think it was implemented in 2005. I could try for some information for you and come back to the committee if you like.

MR DOSZPOT: That would be good. Did cabinet approve the decision to enter into the MOU prior to the signing of the agreement? Could you also look into that?

Mr Gentleman: Sure, I can look for that.

MR DOSZPOT: And also has cabinet since approved the MOU being in place?

Mr Gentleman: Certainly, I can come back to you on that.

MR DOSZPOT: Was any analysis undertaken of the impact that the MOU would have on the cost of building and construction projects and works in the ACT?

Mr Gentleman: Mr Doszpot, as I said, I was not minister at the time; so I cannot really answer that.

MR DOSZPOT: Your excuse goes a certain way. I understand that you were not a minister then.

Mr Gentleman: About 12 years ago.

MR DOSZPOT: Or the minister responsible. But your responsibility is for industrial relations now.

Mr Gentleman: Certainly, yes.

MR DOSZPOT: What I am asking is: if there was not any analysis undertaken of the impact that the MOU would have had on the cost of building and construction projects, is that something you ought to have a look at now?

Mr Gentleman: As I said, I am not the minister for procurement. I am not sure how that would fit into my portfolio.

MR DOSZPOT: I think it fits in between both of your portfolios. Why did the ACT government decide to enter into the MOU when there are agencies and legislation at the territorial and national level to ensure that employees work in a safe and healthy workplace?

Mr Gentleman: That was a matter for a previous government.

MR DOSZPOT: And it is not a matter for this government to make sure that everything is current and up to date on this MOU?

Mr Gentleman: Sure; yes, the MOU has been re-signed, as you have heard.

MR DOSZPOT: Has it been re-examined? That is what I am asking?

Mr Gentleman: I could not give you—

MR DOSZPOT: If it was not examined in the first place?

Mr Gentleman: Yes, I did not say that. No, I said it was a matter for another government. They made a decision 12 years ago. I was not involved in it at that time; so I cannot comment on that. In relation to the recent signing of the MOU, certainly, as I said, the principles of the MOU are quite important, I think, to ensure we have the right people at work for the territory and the right outcomes. I cannot see any of those principles interfering with the operation of the territory.

MR DOSZPOT: Which suppliers and service providers have received the MOU? What accompanying advice was given to them?

Mr Gentleman: I do not have any knowledge of provision of the MOU. It is a pretty public document, I think, from memory, but I can take that on notice and come back to you.

MR DOSZPOT: How is the MOU practically applied? Is it included in procurement manuals and directives?

Mr Gentleman: I will have to take that on notice too.

MR DOSZPOT: Is the MOU—

Mr Gentleman: Again, that would be in the portfolio of the minister who takes charge of procurement.

MR DOSZPOT: Isn't that part of—

Mr Gentleman: As I said, I will take it on notice.

MR DOSZPOT: industrial relations? Is the MOU a standard compliance requirement in request for tender documents?

Mr Gentleman: Not that I understand. I understand the principles would be.

MR DOSZPOT: How is a prospective tenderer or bidder advised on or would become aware of a compliance requirement outlined in the MOU?

Mr Gentleman: Those requirements I would imagine would be set up in a tender process. But, as I said, I am not the minister for procurement. I will take it on notice and come back.

MR DOSZPOT: Okay. Are public trading enterprises required to comply with the MOU?

Mr Gentleman: Again, a matter of procurement, so—

MR DOSZPOT: Thank you.

THE CHAIR: Mr Hinder, a supplementary.

MR HINDER: Minister, you may be pleased to hear that procurements were here the other day. They suggested to us that the MOU had been used infrequently and had not resulted in any ACT businesses being excluded from any tender process. Can you confirm for me that the nature of the MOU is for procurements to obtain advice and information, as they do from the MBA and other organisations in the territory—employer and otherwise—about phoenix companies and companies with perhaps genealogy that has previously proved them to be entities that perhaps the territory would not want to do business with? That can be taken into consideration if they receive a tender from a company that is made up largely of the same individuals who were part of that previous entity. Is that how the MOU works—just information gathering?

Mr Gentleman: Yes, indeed. It does, as you say; you are right in your opening question there. My understanding is that no company has been rejected from a procurement or tender situation because of the MOU. But it does, as I said, set some principles for us. I think that they are all good principles, in that we should ensure that we procure from people who are appropriate for the job at hand and ensure that parts of their workforce, for example, are remunerated in the right way, that we have the right workplace safety coverage for them, the right work-safe insurance, if you like.

The only other difference would be between what happens in federal tender processes in regard to industrial relations. It would be the insurance of the right payment schedule for employees, I think.

MR HINDER: So workers' rights are protected and there is a fair day's work for a fair day's pay; nobody loses their entitlements when a company winds up voluntarily or otherwise—

Mr Gentleman: Yes, and you would have seen—

MR HINDER: or has a history of—

Mr Gentleman: Indeed, in my other portfolio too you would have seen more recently we have looked at some changes to the Building Act to ensure that companies do make the appropriate payments to their employees through tender processes, contractors et cetera. We are working through that process as well. It is well-known, I think, across Canberra that there are some companies that do not continue to operate, and leave large gaps of employees underpaid. We want to make sure that that does not occur in future.

MR HINDER: So it is just an additional level of information-gathering and probity?

Mr Gentleman: That is my understanding.

MR HINDER: Thank you, minister. A substantive question?

THE CHAIR: I have another supplementary.

MR HINDER: Here we go.

THE CHAIR: The MOU was largely portrayed as something that would help protect worker safety and that companies with an unsafe record would be brought to attention in the tender process. Do you believe that in its 11-year history, the MOU has helped improve worker safety?

Mr Gentleman: Whether it is coincidental or not, we have seen an improvement since—a number of things have occurred. We have had the MOU in place, we have had the *Getting home safely* report as well. We have put more resources into workplace safety as a government and we have an increase. So I think it perhaps does play a part.

THE CHAIR: But the MOU was in place when we had that dreadful period of industrial accidents and a number of deaths. Has the MOU been ineffective in helping to improve worker safety?

Mr Gentleman: As I said, I think it plays a part in all of those areas. As I mentioned, we had the MOU, we have had the *Getting home safely* report, we have had the extra resources put in by government and now we have had a reduction in workplace injury. That is a good thing. Whether it is the predominant—

THE CHAIR: We all agree—

Mr Gentleman: Yes.

THE CHAIR: Yes, but the period where we had some of the worst safety record in the country and a number of deaths occurred when the MOU was in place and the unions were providing advice on what were good companies and what were not. But we had a dreadful period that resulted in the *Getting home safely* report. The MOU was in place at that time. Is it not fair to conclude that the MOU is in fact

ineffective and has not helped improve worker safety and really is there for other purposes?

Mr Gentleman: No, I do not agree. In fact, as I have said, whilst there was that period in time, we have strengthened our procedures. We have had the *Getting home safely* report. We are implementing those recommendations and workplace safety is getting better. It is there for a purpose. The principles set out in the MOU, as I have indicated, are good principles that we should all adhere to.

THE CHAIR: Mr Hinder made the point that it was also to protect workers' entitlements et cetera. Is it true that the deaths that did occur on the worksites all occurred on worksites that had union EBAs in place?

Mr Gentleman: I could not comment on that but I will just go back to the point that—

THE CHAIR: You are the minister for industrial relations.

Mr Gentleman: you are focused on the MOU—

THE CHAIR: How would we find that out?

Mr Gentleman: Do not forget that the MOU is only for government works. Injuries and those terrible things that have occurred on other worksites are not a matter for the MOU.

THE CHAIR: And I did change the question to ask: is it true that where the deaths and injuries occurred were all on worksites that had union EBAs in place?

Mr Gentleman: I must say that I have not drilled down far enough to see that.

THE CHAIR: Is it possible, given this is industrial relations and in particular “workplace injury management—industrial relations policy” to find that out?

Mr Gentleman: Yes, certainly. I will take that on notice.

THE CHAIR: A supplementary, Mr Hinder, and then a substantive question.

MR HINDER: Minister, any death on a worksite is one too many, I would suggest. Would you say there is no way of calculating the difference between whether or not there was a union EBA or a non-union EBA and how that would possibly correlate to the number of deaths on a worksite compared to the number of deaths there might have been on a work site? Is that not a ridiculous mathematical analogy? Likewise, if the memorandum of understanding that was in place were not in place, how do you compare the number of deaths that would have occurred against the number that actually occurred? Would you say that was not necessarily—

Mr Gentleman: I understand the question. You are right. It is very hard to conflate the difference between EBAs—whether union or non-union. EBAs normally go to matters of employment. Workplace safety is a crucial thing for the ACT. It is a very

difficult position that we had to go through. There were so many injuries and deaths during that period, as Mr Smyth has highlighted, and it is good that we had the inquiry. It is good that the government has responded to all of those recommendations. There are some other parties, of course, that need to respond to some of the recommendations that have not yet done so. I would be keen to see them be more involved, as they are stakeholders on the ground, and taking a key role in responding to the recommendations and making workplace safety our most important topic across the ACT.

MR DOSZPOT: A supplementary.

THE CHAIR: I will ask my supplementary and then we will have a new question. I think the point I was trying to make was: you had an MOU that was in place from 2007 to 2012 when the *Getting home safely* report happened. The EBA has been lauded as some sort of safety instrument, but in that period we saw a significant decline in safety with a commensurate increase in injuries and deaths. We had union EBAs, we had a Labor government, all of whom proclaim workplace safety is a number one objective. Yet in that period under the MOU it did decline. The statistics show quite clearly it declined. Therefore one has to question: if the MOU is not delivering increased workplace safety, what is its purpose?

Mr Gentleman: As I said, some principles of the MOU certainly go to workplace safety, but many of them are industrial relations as well, to ensure they receive the right payments, the right leave components and the right workers compensation insurance—those sorts of things. You do raise the importance of workplace safety and I think every worker in the ACT deserves the right to return home at the end of the day.

THE CHAIR: Absolutely.

Mr Gentleman: EBAs are a matter for employers, unions and employees. In some cases we have seen that unions are not involved in EBAs. That is a matter for the employees to take up with their particular employer, whether they want to work under an employer's EBA or a union EBA. Workplace safety, in our sense, can work alongside that. I think the work that government has done in implementing the *Getting home safely* recommendations is very important. We are delivering on those and we have seen a drastic reduction in workplace injuries, which is good.

THE CHAIR: A final supplementary from Mr Doszpot, and then a new question, Mr Hinder.

MR DOSZPOT: Minister, who is responsible for policing and enforcing compliance with the MOU? Does that fall under you?

Mr Gentleman: No that would be a matter, if it is policed, for procurement, I would imagine, or the Chief Minister.

MR DOSZPOT: So that is not an industrial relations matter?

Mr Gentleman: No. It is a procurement matter. The MOU is with the whole of

government but, as I said, the principles of it sit in procurement.

THE CHAIR: A new question from Mr Hinder.

MR DOSZPOT: Sorry, I have not finished yet.

THE CHAIR: No. A supplementary is not a string of questions, Mr Doszpot. Mr Hinder.

MR HINDER: Minister, at page 35 of budget paper B, under output 5.1, (a) talks about providing advice to government developments in the work health and safety policy agenda. It is suspiciously similar to the output (e). My reading of the notes suggests that the top one is in relation to national developments and (e) is relating to what appears to be local developments. How is it that the agency can foreshadow what sort of advice might be necessary, some years out, to provide to government?

Mr Gentleman: That is a very good point. I ask Mr Young to give you some detail on that.

Mr Young: The primary difference is: if you look at output indicator (a) it pertains to work health and safety whereas (e) pertains to workplace relations. It is a broader category which includes industrial relations matters.

MR HINDER: But only six things interesting are going to happen in any given year, I take it?

Mr Young: That is the target but obviously—

MR HINDER: Which you have achieved, every time.

Mr Gentleman: They are skilled.

Mr Young: Perhaps you could say that we have achieved those targets, yes. To an extent the amount of advice and the complexity of advice that we are providing, particularly in the industrial relations area, depends on activities under Fair Work and in the commonwealth. So you are correct in saying it is difficult to forecast, but fortunately we have been able to meet the needs as they have emerged.

Mr Gentleman: You do get some idea on what is possibly coming from the commonwealth in our minco. The federal minister will provide ideas of where they look about making changes to the Fair Work Act, for example, in the future and the directorate staff look at that and gain a view on where that is going to go for the future and how much work we will need to put in for that.

MR HINDER: Perhaps you can illuminate on your agency's clairvoyance in relation to the increase that is going to occur in output (e) in 2016-17?

Mr Gentleman: Mr Young.

MR HINDER: It leaps from four to seven.

Mr Young: It does. We have anticipated an increase in demand in that area based on—

MR HINDER: Clearly. Do you know what is coming? Is there more federal activity? What is happening there? Local?

Mr Young: When you look at recommendations arising from the Productivity Commission, the royal commission last year and the commonwealth government's position on what it may do in implementing those, we expect there will be an increase in demand to monitor and respond to those issues.

Mr Gentleman: It would be good to have the resources in place in the directorate to give me the advice as we go forward.

THE CHAIR: On page 21 of budget paper B, table 15 shows total cost jumped from \$11 million to \$35 million. As you have explained, it is the merging of two classes. Could we have a reconciliation of the ins and outs? Does the \$35 million and the \$23 million controlled payment indicate an increase for this output class or is there a decrease?

Mr Young: I think what is happening there, as the minister indicated, is the supplementation of funding for Comcare costs is being accounted for there. The difference between the \$35 million and the \$23 million is that the \$7 million in offsets that we are taking from the previous refunds does not appear in the controlled recurrent payments but it does appear in the total costs. I will provide the reconciliation on those.

THE CHAIR: Thank you very much. Minister, perhaps an update on where the government's supposed exit from Comcare is at and the establishment of its own workers comp scheme for the ACT public sector?

Mr Gentleman: Yes, certainly. As you know, we have indicated that we would exit Comcare. That is mainly because we have no control over what Comcare does and what decisions it makes and it is important, I think, for the territory to have some control over their future. I did give an assurance to the working group—and particularly the union group—that the new scheme would only occur once we have reached agreement. It is in flux at this time.

THE CHAIR: Agreement with whom?

Mr Gentleman: With the stakeholders. But when we reach agreement, I am sure we will be able to proceed with it. There will be a legislative process as well to go through.

THE CHAIR: When would you expect legislation?

Mr Gentleman: It will not be in this period, for sure.

THE CHAIR: It will not be in this Assembly?

Mr Gentleman: No.

THE CHAIR: How much notice do we have to give Comcare of not needing their services?

Mr Young: There is a requirement in the commonwealth Safety, Rehabilitation and Compensation Act that the exit of the territory be triggered by a request from the Chief Minister to the commonwealth Minister for Employment. The time limit on that is 12 months but there is a provision to reduce that by agreement, and the previous discussions that we have had with the commonwealth minister and the department are that that was effectively triggered when the territory made its announcement.

THE CHAIR: We have pulled the trigger and we are free to go?

Mr Young: A date does need to be agreed but the statutory requirement has been satisfied.

THE CHAIR: What discussion has there been with the private sector on how this change will affect them and are there any opportunities to work with the private sector on the delivery of this?

Mr Gentleman: We have had some discussion with the private sector, particularly the legal sector, as it affects the way that they might work in the future too. I will ask Mr Young to give you some more detail on those communications.

Mr Young: Private sector stakeholders have indicated a strong interest in the proposal. However, the government's position from the outset was that this is an initiative that is limited to the public sector workers of the territory which are currently covered by Comcare. There was a deliberate decision made to separate public sector from the existing private sector scheme and the intent is that once the new scheme is established it will operate in parallel with the private sector scheme, with both being legislated in the territory's own jurisdiction.

While they have a strong interest, there is no proposal at the moment to take current private sector workers and potentially transfer them to a new scheme. The separation that exists currently would continue.

THE CHAIR: Mrs Dunne, a new question. Members, we have got to do output class 5, workforce injury, as well as the ACT Long Service Leave Authority by three o'clock.

MRS DUNNE: I would seek some guidance as to whether this is the right place to ask the questions. I have had some concerns raised with me about safety on the demolition of the old Belconnen police station and BRC because of bonded asbestos. The demolition was conducted on a windy day and there seemed to have been a lot of dust spread across the shopping centre and the area around there. I was wondering what precautions were taken and what steps were taken beforehand to identify the extent of bonded asbestos—and it is my understanding there is a lot of bonded asbestos in the old BRC—and what protocols were in place beforehand. Why was the

demolition conducted on such a windy day—I thought Mr Phillips might be the person to answer this question—without there being any watering down of the site?

Mr Gentleman: There are some key safety measures that need to be put in place around bonded asbestos, not so much as you would have for loose-fill asbestos, of course, and we have seen how that works with Mr Fluffy. Mr Phillips has, I think, some detail for us. I will ask him to answer for you.

Mr Phillips: I am not aware of complaints being made but I will take it on notice and get back to you.

MRS DUNNE: I understand from a constituent that he made complaints to the site supervisor or the project manager on the site and that apparently some steps were taken but I would appreciate some advice on what happened on the day or days.

Mr Phillips: Certainly.

THE CHAIR: Ms Burch, a new question.

MS BURCH: I wanted to move on to the Long Service Leave Authority. Looking through this it seems that the authority is in a good financial position. Is that an appropriate read of the statement of intent?

Mr Gentleman: Yes, that is a fair read.

MS BURCH: Generally, how are the schemes working? Given that we made those adjustments a number of months ago for the aged-care sector, when do they actually come in and when do we start to see that traction really pick up?

Mr Gentleman: I will ask the directorate officials to give you some details on that.

Ms Savage: We have been working with potential aged-care employers, providing them with information and holding workshops. We are also doing a number of phone hook-ups with interstate-based organisations. We are also visiting ACT-based employers to bring them through the on-boarding process, and that has been quite successful to date. The first levy payment will not be due until the end of October this year so we have the next, basically, three to four months to help employers on board.

MS BURCH: One of the first objectives is to ensure the maximum number of eligible employees and employers are registered. You have got targets of 97, 98 and 99, reaching up to 100. Is that because you have built up this active program?

Ms Savage: It is an active compliance program.

MS BURCH: How did you describe it? Coming on board or—

Ms Savage: That is right. We expect that we will be working with potential employers, particularly in the aged-care sector, for probably the next two quarters. We have been in contact with what we believe is the right number now. All indications are that they are finding the on-boarding process quite easy. They do not foresee any

issues in terms of the registration process, but there may be some, due to whatever reason, that we will work with into the second quarter of the return period. Basically, it is about that compliance program, making sure that they have got the information and education that they need to come on board and that we are able to capture anyone in the community sector that may be providing any sort of aged-care services that might not realise they have now been included.

MS BURCH: Have we seen a long enough time of the system to see people actually access their long service leave entitlements?

Ms Savage: Sorry, could you repeat that?

MS BURCH: As some components of the schemes have only been in place for a short number of years, how many have actually been able to access the benefit? The great benefit of this has been their long service leave.

Ms Savage: We have two different types of arrangements. If an individual worker has not reached eligibility across the life of a particular scheme, they may be eligible for long service leave under the 1976 act. So that also carries through. We will reimburse an employer for any component of a payment made that was paid under the 1976 act for which a levy is also being paid to the authority. Where we have very mature schemes—like building and construction—we make payments directly to workers because they have had that time to build up that length of service. For a scheme like security, for instance, which came into place in 2013, we are making a number of reimbursements to employers for benefits paid out under the 1976 act. In general terms, we are seeing an increase in payments across all of our schemes.

MS BURCH: The function and administration of it is going well?

Mr Gentleman: Yes.

MR DOSZPOT: Minister, key performance indicators and statement of intent, page 7, objective 3—in relation to 2016-17 and onwards, why is the authority only aiming for 85 per cent of payments to employees and contractors to be made within 10 days when the authority has an estimated result from 2015-16 of 100 per cent? Why has the authority declined to maintain the high standard?

Mr Gentleman: Going to those targets I will ask Ms Savage for details.

Ms Savage: While the target has remained at 85 per cent, I think you are correct in noting that we exceed that target and we exceed it regularly. The target at 85 per cent is to take into account those instances where there may be delays outside of the authority's control such as interstate service checking—that type of thing—where we have to perhaps go back to another jurisdiction, even though we might have the information and a fully completed form from the particular worker. It is just those circumstances where we have no control.

The target tries to accommodate some of that. Obviously we do our utmost to get that information as quickly as possible. We have a very good relationship with the other jurisdictions across Australia. It is something that I can raise with our board. We

obviously review these targets every year and it may be something that we could look at increasing. It is set to acknowledge that there may be circumstances when, due to no fault of the authority, we cannot meet that target.

MR HINDER: I have one more for the minister in relation to industrial relations. You mentioned the *Getting home safely* report and that the government had embraced recommendations. Is there anything going forward from here that the government is doing to build on the success of that implementation you have mentioned?

Mr Gentleman: What can build on the implementation of the recommendations is the resourcing for that. As I said previously, we now have more workplace inspectors than we have had previously and that has seen a reduction in workplace injuries. We have been able to, if you like, put the fence at the top of the cliff rather than the ambulance at the bottom. So it is a case of see and visit: ensure that those inspectors that work for Access Canberra are there on site when needed to ensure that the provisions of safety are in place. You see instances often in the press where there could be a concrete pour about to happen. The area around the concrete pour has a safety perimeter. If that is not set in place then work safety will stop that pour. That will ensure that the safety matters are in place before the pour can go ahead. That is a good thing. The more inspectors we have in place and doing that sort of work, the safer we are going to have our workplaces.

THE CHAIR: There are four sections to the scheme—construction, planning, the community sector and security. Do all run at a surplus? If one of them or some of them run at a deficit, how is that covered?

Ms Savage: All of the schemes are maintained separately. We provide consolidated financial statements, but each of those schemes is invested independently following a similar investment plan. In terms of some parameters that we look at for assets over liabilities, our target is 110 per cent. Some schemes run above that and some schemes may run below that. Basically, we have a trigger point at about the 90 per cent mark. If assets over liabilities breach that threshold, we can look at options in terms of what we might need to do to supplement the particular scheme.

THE CHAIR: So will the four schemes all run at a surplus in 2016-17?

Ms Savage: Yes, we are looking at surplus for 2016-17.

THE CHAIR: My reading of it is that the cleaning industry will run a deficit in 2016-17. This is page 13 on the statement of intent.

Mr Gentleman: We might take that on notice, Mr Smyth.

Ms Savage: Yes, I will take that one on notice.

THE CHAIR: If you could just clarify, that would be kind. Members, any final questions in the last couple of minutes? No. Minister, thank you for attendance.

Sitting suspended from 2.57 to 3.16 pm.

THE CHAIR: We are quorate and we can commence. Welcome back, minister. This afternoon we will look at output class 2, loose-fill asbestos insulation eradication. To the new attendees, please be aware that proceedings today are being recorded, will be transcribed by Hansard and then published by the committee. The proceedings are also being broadcast as well as webstreamed.

If you take a question on notice, could you please indicate that clearly with such words. For each witness at the table, and those who might come from the gallery, on the table in front of you is the pink privilege statement. Could you please confirm for the committee and the record that you have read the privilege statement and understand the implications of privilege?

Mr Gentleman: Yes, we can.

THE CHAIR: So acknowledged, thank you. Minister, would you like to make a brief opening statement?

Mr Gentleman: Thank you, Mr Chairman and thank you members. I would like to thank the committee for the opportunity to give you a brief summary of the activity of the Asbestos Response Taskforce. The work of the task force continues to be highly visible across the city with 1,022 affected houses spanning 56 suburbs, of which 871 are currently owned by the territory and 230 have been demolished. This important activity is being felt across our community.

As you drive through our established suburbs, this activity can be readily seen—be it in the securing of surrendered properties pending their safe demolition, demolition works currently underway, the resale of remediated blocks and the impending rebuilding. Our suburbs will soon be free of the legacy issue that was Mr Fluffy through the safe, effective and efficient delivery of the loose-fill asbestos insulation eradication scheme.

It has been just over two years since the task force was created to provide a coordinated and compassionate response to the issue. In that time, a considerable amount of activity has occurred. This has included the provision of a high level of advice to government on the long-term management of the issue, the support and assistance to those most affected, broader community education, administration of the voluntary buyback program and most recently the same rollout of the demolition program.

To go from an emergency response to rebuilding to commencing on remediated blocks in two years shows the agility, focus and commitment of the response to this issue. As I said to the officers of the task force this week, it also demonstrates the dedication and commitment of the officials who have worked hard to provide a timely and considered response to this significant and complex policy, social and community issue.

I want to acknowledge too that the past two years have also been a significant period of challenge for many affected homeowners—some of whom are here today—as a series of difficult, emotive and financial decisions had to be made around the future of their homes. The government and the Canberra community stepped up in 2014 and

provided as much support as possible through their response.

I note the significant cost of doing so to our community which, as reflected in the budget papers, is still expected to be in the order of \$400 million after the resale of remediated blocks. To date, much of the Mr Fluffy response in noting the significance of the issue to our community financially, socially and in health and logistical impact, has been treated with respect and apolitically. I continue to hope that this is the case today as well as into the future.

I would like to update the committee that currently 974 offers have been accepted by eligible owners through the voluntary buyback program. To date, only 24 of the 1,022 owners have indicated they will not be participating.

The total value of the properties purchased to date is \$620 million at approximately \$710,000 per property. This is almost \$100,000 higher than originally estimated. Additional financial support provided to affected owners and tenants to date is \$10.8 million. This includes the 924 relocation assistance grants paid to owners and tenants who have permanently vacated their properties to move to safe accommodation. For a family of four, this is \$14,000 of assistance. Additional support of \$13.96 million has been provided through stamp duty concessions, supporting to date 586 owners in purchasing new properties in the ACT. Concessions can also support them in repurchasing their blocks.

As I mentioned earlier, the resale process of remediated blocks has recently begun, with two streams of sale activity. The first is to former owners of blocks through the first right of refusal. This allows owners to repurchase their blocks without competing at public auction and is a financial support as blocks will not sell for less at auction than what was offered to the former owner through the first right of refusal. To date about 80 offers have been made through first right of refusal process and are in the process of being considered by the owners, with six accepted so far.

The public sale of remediated blocks has also commenced, with five auction events held to date and another one due tonight. There has been a high level of confidence among buyers for those purchasing the blocks. The demolition program also continues to track ahead of schedule, which is good news not only for owners seeking to return to their blocks and rebuild but also for the broader community as it will enable physical and social rebuilding to commence.

To date the task force is expected to have exceeded 235 demolitions. This work is being undertaken by the appointed head contractors safely, effectively and efficiently. The majority of head contractors are local to the ACT region. At any time across active sites, there are more than 100 workers undertaking activity.

The demolition program is a considerable undertaking, not only logistically and practically but also in informing and engaging neighbours that are impacted. Across the affected properties there are an estimated 12,000 direct neighbours with whom the task force is working to inform and engage. To date more than 630 doorknocks have occurred in areas of activity as part of the comprehensive communications and engagement strategy, which has also included multiple community events, thousands of letterbox drops and ongoing information sessions to support community

understanding of this important work. I have attended a couple of those community events as well.

Supporting those directly affected, being owners and tenants, continues to be a key focus of the task force and more than 840 one-to-one meetings have been held with owners across the task force outreach locations in suburban centres, and hundreds more have been held with the task force and its executive in the task force central location.

Since the task force was created there have been some 37,000 interactions as recorded in the communications database with owners and the community. Hundreds of connections have also been made by the task force for affected owners with community service partners to provide support and assistance and, in addition to that, provided by government.

I would like to thank in particular Woden, Belconnen and Northside community services, Tuggeranong health centre, Council on the Ageing, Headspace, Menslink and Relationships Australia for their ongoing support and their ongoing support of the community. The strength of the task force response has also been in its collaboration and engagement with agencies across government and with industry; also regulators, the community and other key stakeholders. The task force continues to work collaboratively with WorkSafe ACT to ensure a high level of scrutiny of the program and with industry to support innovation and ongoing efficiency, as heard in the last session.

As we pass the figure of 230 houses demolished we are already seeing this innovation and efficiency in practice in the way activity is undertaken and in refinements to practice; so we are learning as we go as well. This in turn is working to support the industry and is being watched nationally as best practice. The task force risk management and governance framework, their arrangements, have also been recognised as better practice by the ACT Auditor-General in the first of what will be a series of performance audits into the task force.

This reflects the comprehensiveness of the response provided by the task force and government. Such audits are also in addition to the scrutiny this program receives not only from committees such as public accounts but also by the media, the community and regulators.

Perhaps another marker of the practice of the task force is the level of engagement with the New South Wales government as well. They continue to seek an appropriation of materials and approach from the task force. The task force continues to provide its time, materials and advice to the New South Wales government as they also manage the issue on a much smaller scale. Thank you for the opportunity to update the committee. I and the task force officials stand by for questions.

THE CHAIR: Thanks, minister. You quoted a couple of key numbers. You said there were 974 offers that have been accepted?

Mr Gentleman: That is correct, yes.

THE CHAIR: And that 586 stamp duty concessions have been claimed?

Mr Gentleman: Yes.

THE CHAIR: Looking at the key statistics on the website, it says that there are actually 981 offers that have been accepted and only 586 stamp duty concessions claimed.

Mr Gentleman: Offers accepted may have been updated since my brief was done but I will ask Mr Kefford to provide some detail for you.

Mr Kefford: Mr Smyth, the minister is right. We obviously prepared our briefing a short while ago. The numbers on the website are right. That also includes the progress through the impacted properties as well as the affected. So the numbers to which the minister referred relate specifically to affected properties on the 1,022 list.

THE CHAIR: What are the 11 eligible impacted properties?

Mr Kefford: They are a mix of either the other half of a duplex where the asbestos was installed in one building but not the other, or there are a small number of townhouse developments where the asbestos was installed into a townhouse. The government made a decision in September last year, I think. I will check when it was published. Essentially it offered, on similar terms to the buyback scheme, to acquire those eligible properties, which is, basically, that to demolish the affected one, it is necessary to demolish the adjoining impacted property.

THE CHAIR: The minister spoke of first right of refusals. What terms were people told they would be given the first right of refusal? How long did they have to make that decision?

Mr Kefford: The scheme policy documents that were released in October 2014 indicated that remediated blocks would be made available for sale at the market value at the time they became available. That is the process that has happened. Once we make those offers, the former owners have 30 working days to indicate whether or not they wish to accept that offer. If the answer to that is yes, once the contracts have been actually developed there are a further 60 working days to actually accept an exchange on that contract. Those time lines mirror the time lines for the buyback phase of the scheme.

THE CHAIR: Some have put it to me that you yourself had said at some of the public forums that they would have six months in which to make the decision. Obviously once you get the price then you have got to raise the finance and make your decisions. That is sometimes hard to do in 30 days. Why were they told they would have six months and now it is just 30 days?

Mr Kefford: I think this is an intersection of a number of factors, Mr Smyth, that were not evident at the point the policy was released by the government. When it was, what it said was that the expectation was that we would make the offer six months ahead of demolition, still on those same time lines for acceptance and refusal. It was not going to change that. The six-month time line related to how far ahead of the

demolition that was to occur.

Essentially, what happened when the planning variation 343 was first referred to committee and then subsequently through to the disallowance process at the end of last year and early this year—the effect of that process was that it was not possible for us to sell remediated blocks because the basis on which we could sell those blocks was uncertain.

The decision that we took, however, was to continue with the demolition program. So in effect we were demolishing houses—to continue pressing on with that part of the task. This has resulted in the need for us, in effect, to catch up. Certainly, as we are now moving into these later stages of the program, we are getting to the point where we are operating closer to that six month frame. But the particular issue, which has been raised directly with us, essentially was driven by the fact that we could not contract to houses on the basis that we had indicated was the intention in the policy document because of that intersection with the 343 Assembly processes.

THE CHAIR: I accept all that but if people were told they would get the price and then have six months in which to make a decision and that is not happening, why are they being put under this additional pressure and strain?

Mr Kefford: I think it is important, Mr Smyth, to separate the time line for offer and acceptance through the contract, which has not changed, versus the time when that offer would be made. The six-month window referred to the time at—

THE CHAIR: But it is hard to separate the two of them.

Mr Kefford: Not if what you are talking about is time to coordinate finances and the other matters that you referred to. So the six-month window is a reference to how far ahead of the house actually coming down do we intend to get into that space. Regardless of when the house is actually demolished, it has always been the case, and it remains what we are doing, which is at the point we make the offer there are 60 working days—sorry, 30 working days—to say yes or no. Saying yes to that makes no legal commitment in the same way that saying yes to the buyback made no legal commitment. There is then a further 60 working days—so that is the best part of six months—to actually get to the point where exchange is necessary.

THE CHAIR: But my understanding is that they were told they would have six months before the house was demolished and what the price would be and that would give them—

Mr Kefford: And that is the intention as to where we are heading, Mr Smyth, but as I say at this—

THE CHAIR: That is not what is happening.

Mr Kefford: It was not what was able to happen because of the intersection with the 343 process, as I have explained.

THE CHAIR: Yes, but the process, you would have to say—if you have offered

them six months and then you are not giving them six months' notice, why is that?

Mr Gentleman: I think Mr Kefford has well explained that during that time line we have had the variation to the territory plan to allow the dual occupancy of blocks and titling of that. That provides a different outcome if those are to be sold, whether they are purchased back by the previous owner or not.

THE CHAIR: We all know it has been tough. There were expectations; there were commitments made and yet again they have been broken. Whether the settlement was then 30, 60, 90 days after, that is kind of immaterial. If there was a process that the government had to run, it is also immaterial. People were told that they would have the value six months before the house was demolished. Why has that not been done?

Mr Gentleman: I think Mr Kefford has answered pretty clearly that the actual value of the property is going to be quite different. If you are going through a parliamentary process of variation to the territory plan that is going to affect that, you need to take that into consideration.

THE CHAIR: But you would have known that when the commitments were made, surely?

Mr Gentleman: It was not foreseen. That variation came up during the process.

MR HANSON: Supplementary?

THE CHAIR: Yes, but you must have known that there would have had to have been a variation of the territory plan?

Mr Gentleman: When you made the offer?

Mr Kefford: Mr Smyth, the issue—

THE CHAIR: No, when the whole thing started. You just cannot go and build dual lots and tri lots and whatever on a block. There was the law then; this is the law now. The law has been changed to facilitate this so the government can recover moneys.

Mr Kefford: Mr Smyth, the intersection with the process was—yes, of course, it has been part of the intention, as you have described it. However, at the point where we were in a position to begin demolishing houses and publish the demolish schedule in August of last year, the plan—the 343 was then referred to committee for review and then to the Assembly.

The alternative to the course that was adopted was that we did not demolish houses. So we could have held up the demolition of all of the houses until the 343 process was finished and then begun a process of, “Here’s your six month window.” The assessment that was made was that it was better to move on and carry on with the demolition process.

Secondly—notwithstanding the fact that we were not able to enter contracts on those blocks that were first right blocks—my staff still sought to have conversations with

the former owners akin to those we would be having, and are having now, to discuss the retention of improvements that might, perhaps, otherwise be removed and those sorts of things. Essentially, what we sought to do was deliver as much as we could of that process, the only difference being that we could not enter into a contract because of 343. As I say, the time distinction between when an offer would be made versus how long is there for those offers to be accepted, nothing has changed there.

I think while this has been an issue of some commentary, it is not one which has been raised directly with us as a reason for people not to be accepting the offers that we have made. I think in this context, too, it is worth keeping in mind that the majority of the pressure that we have received in relation to the demolition schedule—as it relates to the first right blocks—is: why are we not doing it sooner; rather than: why are we not holding things up?

Mr Gentleman: It is worth while remember too I think—particularly with variation 343—that we did want the committee to have a good look at the variation. That took some time. Also, of course, we had a disallowance motion, but—

THE CHAIR: It was actually promulgated quite quickly compared to most variations.

Mr Gentleman: It was important that we had all of that consultation, I think.

THE CHAIR: Mr Hinder has a supplementary and then Mr Hanson.

MR HINDER: I seek clarification around the time frame there. I think there is a slightly different conversation Mr Smyth is asking about, whether people relied on what they were told. I know there is no binding obligation. On the other side of that I assume that people knew that if they were going to be buying the house back they would need some money somewhere not too far down the track. I understand that aspect of it. Can you just run through that time frame again? You have got an offer and a 30-day window or a 60-day window to accept?

Mr Kefford: The other observation I would make before I turn to your question is that the course we took and the course we were taking was something that we communicated through the task force as regular newsletters and other materials.

The time line for acceptance of a first right offer is this: at the point we receive the sale price from the LDA, I make a written offer to the former owners that says the territory is prepared to sell your block for the price. The owners then have 30 working days to say yes to that offer. Saying yes to that offer commits them to nothing. That is just an administrative trigger for us to instruct our solicitors to draw up the sale contract.

MR HINDER: How long after that would they get a contract?

Mr Kefford: Within a couple of weeks. There are a couple of weeks that are not counted in the time line. Then at the point their solicitors receive the formal contract from our—

MR HINDER: Sixty days?

Mr Kefford: There is a further 60 working days for that offer to be accepted. Obviously then the question of settlement is a different one again as to—

MR HINDER: What is the length? Is it a normal 30 days?

Mr Kefford: Generally it is 30. We have agreed to up to 60 so far. But in some cases, once we deal with the backlog that existed a few months ago, it may well be that the actual settlement of the sale is some months down the track because we will not have demolished the house yet.

MR HINDER: That sounds to me like 134 days-ish from start to finish?

Mr Kefford: There are 90 counted working days in that process, which is a number of months, to actually get to legally binding contract to sell or buy. That process—

MR HINDER: For them to come up with the money?

Mr Kefford: Yes, and then settlement is some distance further down the track.

MR HINDER: Unless they request an extension?

Mr Kefford: As is the case, unless they bring it forward. Some of the blocks we have sold already we have done in 15-day settlements, just because that was what suited people.

MR HINDER: Could it go either way?

Mr Kefford: Yes, it can go either way, same as the—

MR HINDER: They could ask for an extension, they could ask for an accelerated settlement?

Mr Kefford: Yes.

THE CHAIR: Mr Hanson, a supplementary.

MR HANSON: How many blocks that have been remediated have now been sold?

Mr Kefford: Twenty-eight. Sorry, sold or completed? We have completed 11 and we have sold 28.

MR HANSON: How many of the previous owners have purchased back their property?

Mr Kefford: Six first right offers have been accepted, two have settled. Two of those six have settled.

MR HANSON: Have you received correspondence or any sort of reaction when you have gone to previous owners and given the offer to purchase? Have they given you

feedback about the price and that they wanted to have purchased it but it was just too expensive then?

Mr Kefford: We have received a range of responses. Yes a number of the first right holders have declined to take them up. In some cases they have expressed concern at the price, and the price has been the reason why. In other cases they have characterised it as, “We only ticked ‘maybe’. We didn’t really mean it. We’re quite happy where we are but thank you for following the process.”

MR HANSON: How many of the 28 have indicated that they would have liked to have moved back but the price was too high?

Mr Kefford: I would have to seek some more information from my staff while we are at the table, if that is okay. I do not have that.

Mr Gentleman: We will take that on notice if you like and come back to you.

MR HANSON: Certainly come back to me. We might have discussed this issue before, but in October 2014 the initial advice was that the market was not going to fluctuate significantly. That advice has subsequently changed and the value of those blocks has increased significantly beyond what was anticipated. Have you done some analysis to see how much beyond what was anticipated that has actually increased?

Mr Kefford: Yes we have. I will come to that in a moment. What was said when the scheme was announced was that there were two market-based transactions in the scheme—one being the buyback, the other being the sale of the remediated block—and it has always been the case that it would be a market value at the point the blocks were reacquired. Yes, there has been lots of commentary about what the real estate market may or may not do overtime and that is not something on which I would propose to comment further.

The reference point in this conversation tends to be the unimproved value of the block but of course the unimproved value is not something that is particularly relevant to even a private sale if there is a knowable reference point. In the material that was provided to the public accounts committee and indeed to the commonwealth as part of the funding bid, you will recall the estimate at that point was that the average uplift across all of the blocks would be around 25 per cent. The response we have seen in the sales so far is that it has been higher than that but then, I think, as the minister noted—

MR HANSON: What is the average uplift?

Mr Kefford: I will come to that. As the minister noted in his opening remarks, though, we also paid \$100,000 a block more than what we expected—or \$70,000, on average, more than what we expected to pay. There is obviously a degree of value in that, which has come through in the process. Of the sales so far, the average difference above unimproved, recognising that that is not a terribly useful reference point, is 39 per cent. On the first right blocks it is 29, on the auction blocks it is 42.

MR HANSON: And what is the actual average price of the 28? Have you worked out

what is the—

Mr Kefford: That we sold the blocks for? I have the range here. I could probably get my colleagues to work out what the average is while they have access to a calculator that I do not. We have sold blocks ranging from \$393,000 to \$1.21 million.

MR HANSON: I am happy for that to be on notice.

Mr Kefford: We can probably bring it back to you later in the hearing rather than go through the notice process.

THE CHAIR: Mr Hinder, a new question.

MR HINDER: Minister, you are aware but Mr Kefford may not be, I was a property lawyer before coming to the Assembly. I acted for half a dozen of the victims of this Mr Fluffy saga. I compliment the public servants whom I dealt with in that process on their sensitivity, responsiveness and understanding about the circumstances that these people were in. It is a really unfortunate situation. There has been a lot said and a lot done to try to make this process as sympathetic and empathetic as possible for those home owners.

I know that I put the task force staff, and I assume every other lawyer in town put the task force staff, under a fair bit of pressure with some of the requests that I received from some of my clients, who themselves were under pressure. Is there anything being done to ensure the mental welfare of the public sector workers involved in this circumstance? They performed well above what I was expecting from my 20 years experience dealing with those same organisations—revenue and land titles—and the task force itself. Has the government put in place adequate protections and support for those involved in this?

Mr Gentleman: I must say that at each briefing that I have had with the task force and the task force staff I have asked them personally at the end of the briefing how are they going, how are they travelling. “What support can we put in place for you?” We do have some good support for the staff and we do know, as you have indicated, that it is quite an emotional situation for previous Mr Fluffy owners or current owners, for those buying their remediated blocks as well but also for the staff. They are there to do the best they possibly can for the Canberra community and I congratulate them on the work they do.

As I said in the opening speech, I think one of the busiest community functions we had was at Kambah where there were multiple demolitions going to occur. We had a really good community response, we had supporting people there for staff and of course for the community and it was a really good mingle day, if you like, to talk to the community about what is happening in regard to the work, especially in the demolition phase there. On the day, I spent about 3½ to four hours at the event. Task force staff spent a bit more of course.

It was quite good feedback from the community. “We were advised this was going to happen in our neighbourhood,” “I had a doorknock,” “I received this in the letterbox,” “Good to come to this community event and be able to ask the questions.” No doubt,

as you do when you go to other community events, Mr Hinder, as well, you get lots of other questions as well. There were lots of planning questions for me but it was, I think, a good event that allowed me to see the work that the task force do and the support that they have in place. We will continue to provide that support and, of course, ensure that our staff are looked after.

THE CHAIR: Mr Doszpot, a new question.

MR DOSZPOT: Thank you, Mr Chair. Minister, why do the remediated Mr Fluffy blocks not come with a government assurance that the loose-fill asbestos has been removed?

Mr Gentleman: These are remediated blocks, Mr Doszpot?

MR DOSZPOT: Yes.

Mr Gentleman: We have a process in place which tests the soil and advises that there is no asbestos on the block after it has been remediated. The EPA actually come in and do a test. They have a look at that and provide the certificate. What I think you are getting to is the actual sales contract about which there was a piece in the media a little while ago. It is important, of course, that we go through a similar process as we see in the community where a sale comes through. Mr Hinder would be well aware of how these transactions occur, but I will ask Mr Kefford to give you more detail on what goes into those questions.

Mr Kefford: The process for deregistration of the blocks from the affected residential premises register established under the Dangerous Substances Act requires three pieces of evidence. The first one relates to the safe demolition of the house and the second one is the asbestos assessment, the clearance of the work itself. The third one, which is a condition imposed by the government on this program to deal with the uncertainty to which your question relates, is the soil clearance process that the minister has described.

In essence, we have taken the nationally recognised leading guidelines on testing for asbestos contamination in soil which were developed in Western Australia. We apply the recommended laboratory testing of dirt at double the intensity that the Western Australian guidelines provide, so if the grid pattern is five metres squared instead of 10. Essentially, that involves an independent soil auditor—independent of the contractor and the asbestos assessor who has done the work—attending the site and setting up a grid across the whole of the work zone where we have been disturbing the soil as part of the demolition. They take soil samples. Those samples are examined under microscopes for asbestos fibres of any colour. If they are found, the contractors return to the site and remove dirt, as we have discussed here in general in previous hearings.

That then comes to me, as the minister's delegate, for deregistration. That deregistration statement is included on the building file. It is included as part of the new lease. The soil clearance papers, the actual reports, are part of the contract pack and part of the building file for when they are sold so they are available to the purchasers. As to the point the minister makes about the contract, there are minor but

inconsequential word differences only between the contract that we use, which is the standard LDA one, and the standard Law Society contract, which essentially says that the seller makes no warranties as to the condition of the property, and that is a standard residential sales term.

Mr Gentleman: I should just clarify: I made a comment earlier about EPA. The soil validation process is done in consultation with EPA.

MR DOSZPOT: Is there any potential for the remediated blocks to still have loose-fill asbestos present?

Mr Kefford: What the soil clearance certificate says at the end is that the block is suitable for reoccupation. As you know, asbestos used to be much more common than it is in a whole range of forms. As a result, it is in the background. It would be impractical to certify that a particular piece of land anywhere is entirely free of asbestos. The intention of the process is to remove the loose-fill asbestos by demolishing the house. The certification allows that property to be removed from the register and made available for sale and ensures that that has been done properly. The report which we receive—obviously with a five-metre grid there are a large number of tests on each site—says that the block is suitable for reoccupation. It is not a certification that it is entirely free and nor could you give that for any other block in Canberra.

MR DOSZPOT: Under your sale arrangements, do the new owners of remediated Mr Fluffy blocks take on any future legal responsibility for any remaining loose-fill asbestos?

Mr Kefford: As is the case for all real estate transactions, one of the responsibilities of the purchaser is to understand what they are buying. They are assured because of the process that the government has undertaken that the demolition of the affected house has been done properly, that the soil is suitable for reuse and reoccupation for residential purposes. But in terms of what the black letters of the contract say, the releases between the parties are only immaterially modified from the standard releases in a normal sale contract. Having said that, it is more to add emphasis to the fact that we have done this work and the document is there rather than to seek to limit those releases.

MR DOSZPOT: When selling the remediated Mr Fluffy blocks, is it being made clear to all potential purchasers at all auctions that the blocks may still have loose-fill asbestos?

Mr Kefford: The history of the blocks is obviously well-known to the purchasers. The government's full knowledge about the state of those blocks is made available to the purchasers. Through the auctions to date the feedback that we have had from the agents who are managing the sales is that people are not troubled by the clearance or the veracity of that clearance process. They are accepting the blocks as having been properly done.

MR DOSZPOT: Why has the government backed away from the decision to clear the top layer of soil of impacted blocks?

Mr Kefford: In relation to the area of the work zone, it has not. The work zone is, as we have discussed here before, the area of the house and the area around it that is disturbed by the machines in that process. Very early on before the scheme there were suggestions at different points of an evolving situation that the blocks would be scraped corner to corner. Even then, one could not guarantee that there was not asbestos buried in the back corner. Indeed, part of how we ended up with the focus that we have now was in response to the reaction of home owners saying, "Please don't scrape my block corner to corner." One of the things coming through in the sales campaigns is what makes these blocks attractive is that they are established blocks in established suburbs with big trees on them. The answer to your question is that it is not necessary to scrape the whole of the block to provide the assurance that we provide in relation to the removal of the loose-fill asbestos from the site.

MR DOSZPOT: My final question: how many of the total Fluffy-affected owners fall into the seniors category? This is something I have now asked a number of times and nobody has given me an answer.

Mr Kefford: We have not from the outset collected demographic data, but as my personal support team have been engaging with families over time we have been building that. We are working off—it is an estimate, but we think it is a reasonably good one—a total of around 4,000 residents in houses as at 28 October; that is across all of the houses. There are 235 who have identified as being aged over 75. There is obviously an elderly couple in one house; we are counting people, not houses. Of those aged between 55 and 74, there are 535, and for those aged between 19 and 54, there are 898. That is self-reported, self-identified. The discussions we have had with colleagues indicate that that would seem to be a reasonably normal spread across 1,000 houses, recognising that we are in established areas rather than the more far-flung ones where there might be a higher proportion of younger families.

MR DOSZPOT: Thank you.

THE CHAIR: Mr Hinder has a supplementary and then Mr Hanson and then a new question from Ms Burch.

MR HINDER: Just a couple of clarifiers, Mr Kefford, about the sale of land in general. Is it accurate to say that we in the ACT have a full disclosure contract generally which contains in it building, pest and compliance reports which go through and include components of the building file and an assessment by a qualified inspector? Do they also include an asbestos disclosure document which outlines that any house built before 1985 is likely to hold or contain asbestos?

Mr Kefford: Generally, yes.

MR HINDER: In fact, I think it goes back to certain years and the percentage of bits of the house that are likely to hold it. So asbestos is not new in the building industry.

Mr Kefford: No, indeed.

Mr Gentleman: Bathrooms, restrooms, those sorts of things—kitchens in the old

days too.

Mr Kefford: Yes.

MR HINDER: And the eaves of most houses pre-1985. I do not think a crown lease contains any guarantees about non-contamination of any description, does it?

Mr Kefford: I would have to take that on notice, Mr Hinder. That is not something of which I have direct knowledge.

MR HINDER: It would have been a common practice not so many years ago for a builder to bury leftover building waste on the block or under the house, so scraping the block might be a very foolish thing to do, I would suggest.

Mr Kefford: One of the risks is that the builder's rubble pit is buried down in the back corner. The other issue then, of course, is that we are only testing for asbestos and there may well be other contaminants in the soil. Essentially, the contract that we are using is the same one that the LDA uses for its land sales program, generally adapted for particular things like retained improvements and so on because of this scheme. Essentially, we are providing all the evidence that we have of the presence of asbestos remaining on the land. It may well be that there is an asbestos fibro shed left on the land that we have not demolished and do not need to demolish, but in relation to the loose-fill, we are providing all the information that we have to prospective purchasers and their legal advisers to consider.

THE CHAIR: Mr Hanson, a supplementary, and then Ms Burch.

MR HANSON: I just want to get a characterisation that there was no decision or announcement that the topsoil on the entire block was going to be removed. I can remember being in hearings when we discussed that. The plan was that the entire block was going to be scraped. I cannot remember what the depth was. I think 30 centimetres might have been the amount. We had long discussions about it because it was then about how much of that waste was going to be taken to the tip and so on. I thought that that was part of the plan. That was certainly advised to members as the way it was going to be done, and to Fluffy home owners as to what was to occur. Whether you agreed with it or not, there was some concern about why we were getting rid of swimming pools, sheds and so on. The evidence that was provided was adamant that it was required and the whole block was going to be scraped. That was the advice that was given to the committee.

Mr Gentleman: As we said—

MR HANSON: To say that was never part of the plan, when advice was given to both the committee and residents—

Mr Gentleman: As Mr Kefford said—and I have not looked back to see whether or not that was the position committed to the community—you certainly learn as you go. If the community or the particular owner has indicated that they do not want that block scraped to the edges and the soil validity test later on suggests that the block is safe then that is the appropriate way to go, I think. We have been learning as we go.

This has been a learning experience—

MR HANSON: But we presented evidence that it must be cleared.

Mr Gentleman: from the very start. I must say that I think some of the learnings have been very good. We know that demolitions are getting quicker. That is a good thing. We know there is safety in that as well. I will take on notice the comment that you have made with regard to scraping the whole block because I have not seen that and I do not recall it at all.

MR HANSON: If you could just clarify that? If that was the decision then that is the way it was. There was a plan to scrape the whole block. That was the evidence given. The costings were based on that, from my recollection. If that decision was changed for various reasons then that is one thing, but to characterise that that was never part of the plan, unless my memory is completely wrong—

Mr Kefford: If that was the impression that I gave in my earlier answer, that was not where I was going; absolutely. I remember sitting here and answering questions with former Chief Minister Gallagher about this point. At one point certainly we were contemplating scraping the whole block but, as the minister has outlined, the response to this has evolved over time. Certainly at the point we published the first right of refusal policy, having concluded those discussions, it was very clear that we would not be because we did not need to. I am happy to look at the records of the previous hearings and come back to you on notice.

MR HANSON: What was the evidence that was provided? Is there a document? Was an analysis done that said that you did not need to clear the whole block? Where is the science behind it?

Mr Kefford: In part, it turns on the extent to which this product is contained inside the houses and there is no suggestion that it has gone elsewhere. But I can take that question on notice, Mr Hanson.

MR HANSON: Thanks.

THE CHAIR: Ms Burch, a new question.

MS BURCH: Thank you. You made mention of 235, or thereabouts, houses being demolished. Another figure you had was 12,000 neighbours affected, or in the vicinity of that. If there are 974 offers, you are about a third of the way through demolition. So, how is the demolition process going? There are a few of us on this side who have experience with doorknocking. To doorknock 12,000 is a big task so how do you go about letting people in the neighbourhood know what is going on; what they need to know to be assured and comfortable for their own families?

Mr Kefford: Well, as of today it is 233 that have been demolished; 176 of those this year. Our published target for demolitions for this year is 200 so obviously we are tracking well in advance of that and that is the impact of the additional capacity and workforce that has come to be involved in the program through the head contractors panel. We are next scheduled to update the public demolitions schedule in August and

we will do that. The numbers in the budget have been updated to reflect the fact that we are tracking ahead of schedule in relation to the demolitions and that has obviously had an impact on the overall finances of the scheme.

In relation to the doorknocking, yes, it is. It is a very significant exercise and my staff are undertaking a quite sophisticated exercise in not just physically mapping but socially mapping the houses, looking particularly at where there are clusters of properties and where we have got threes and fours together. Obviously there is more intensive engagement there. We have been sending newsletters to people who are not former owners; we placed more than 4,000 cards in letterboxes in Curtin a few weeks ago to advertise an opportunity to come to talk to the taskforce.

That is a very significant workload from my personal support staff and others in the taskforce, literally going knocking on doors. We did it again in Curtin the other day. That allows us to have the one-on-one conversations with people who might not otherwise be able to engage with us and get that level of assurance that they are seeking. In the majority of those conversations now we are finding out as much about what is going to be built there afterwards rather than discussing how the demolition works. There is a degree of understanding and recognition of what to expect and what that is going to look like—

MS BURCH: Because you have got 200 or so under your belt so to speak?

Mr Kefford: because of what we have done through the program. We are continuing to use social media and videos to show people what happens. This will continue to be a very important part of how the program unfolds because it allows us to meet with people in certain situations where they are comfortable. The minister referred to the event in Kambah that we put on. We had the Gecko Gang and others there to entertain the kids so the parents could come and talk to us about what was happening. We are continuing to do things that perhaps officials do not normally do to engage with people because this has such a local and personal impact on people in their streets.

Mr Gentleman: Mr Kefford talked about social media contact with the Canberra community and I can advise that there have been almost 263,000 page views of the taskforce website since 2015. There are almost 3,000 views of the YouTube videos, some almost 7,000 Facebook video views and more than 287,000 people reaching out on Facebook to the taskforce site: a pretty impressive engagement process as well as that doorknocking and letterboxing.

Mr Kefford: We have also added to that with more targeted things. We hosted a special senior's forum with COTA and with some of the community service groups to address the particular needs of that cohort. We have attended the parties at the shops while they were happening and the Tuggeranong Festival last year, just to give people different occasions to come to talk to us. We have also been regular participants in the community council meetings because, again, it is just a matter of putting a face to what is happening and being able to engage with people and being accessible enough to have them ask questions of what we are doing.

MS BURCH: Being ahead of the schedule: is that because as the crews that are doing it become more experienced they are able to do it more efficiently; or have you just

thrown more crews at it?

Mr Kefford: It is both. We have got six local head contractors, three from New South Wales and one from Brisbane and so, yes, partly it is simply capacity. We are demolishing about 12 houses a week at the moment. We have got maybe 40 active sites at any one time with around 100 people working on them each day. So it is a big deal now and will continue to be. We have been working very closely with our contractors in terms of letting the parcels out in a way that provides the certainty of work that allows them to maximise their efficiency and allows us, obviously, to keep a focus on time as well as on safety. We have seen, though, different methods. I am sure members will have seen the wrapped houses now. That makes savings in terms of time because they are able to remove what would otherwise be the external eave sheets inside that containment. There is a whole range of different approaches and capacities that having a program of 900 houses has allowed firms to bring to Canberra.

MS BURCH: I live in a suburb that is not quite old enough to have any Mr Fluffys so it is not immediate to me. Just finally, on page 31 of your indicators, there is: “Demolish affected dwellings: 310”; and then, “Deregister affected properties post demolition and soil validation: 300”; and then there is, “Sale of remediated and deregistered blocks: 380”. There are three different figures but they all seem to be saying the same thing?

Mr Kefford: Yes, and I think this is trying to force an ongoing program into financial year bundles for the convenience of the budget. Essentially, the deregistration of properties is basically tracking the demolition of houses after a few weeks. Obviously at the point the contractors are finished they call in the soil auditors, so there is a lag there. The majority of the reason for the larger number of sales in the coming year is that we started the financial year with a large number of houses already demolished because we could not start the sales program until April, post the 343 process. I think that is the backlog washing through; but what we expect to see in the coming years across the forward estimates is that demolition and sales will track reasonably closely. While there is an imperative—in terms of safety and disruption and making blocks available, particularly in the first right space—to demolish as quickly as we safely can, there may well be reasons to sequence the sales slightly differently so we are not flooding markets in suburbs and competing against ourselves and that sort of thing.

THE CHAIR: Mr Hanson, a new question?

MR HANSON: Thank you. Minister, would you support a board of inquiry into the Mr Fluffy disaster?

Mr Gentleman: The government has indicated it would support a comprehensive review of what has occurred. There would be quite a cost to the community, I think, Mr Hanson, in the inquiry that you have indicated that you would like to go forward with. Also I would have a view that you would need all of the players involved to be able to take on and be a part of that level of inquiry. I understand that the commonwealth has indicated that they do not want to take part at this time. That could change. But I think that, with the government’s commitment to a full review at the end of the program, that is the appropriate step to take.

MR HANSON: The Chief Minister said that he had written to the Prime Minister. Have you got a copy of that letter?

Mr Gentleman: I have been advised of the correspondence. I can seek a copy of the letter, or what is available, and provide it to the committee if that is of assistance.

MR HANSON: We have asked for it repeatedly and not been given it. It was FOI-ed by the *Canberra Times* and no one can find a copy.

Mr Gentleman: Right.

MR HANSON: So although we have asked on a number of occasions for that document—

Mr Gentleman: Sure. Yes, I am happy to take that on notice and see if I can provide that for you.

MR HANSON: That would be good, thanks very much. So what is the form of the review that you are going to conduct if it is not going to be a board of inquiry?

Mr Gentleman: Well, that is yet to be finalised. It would, of course, involve the response that the government has decided on and the work that has occurred since then but also, I would imagine, as far back as we can see within our reach of documentary evidence provided within the ACT government. New South Wales have a scheme going as well so I would imagine we would see New South Wales taking part, as we have sought from the Commonwealth.

MR HANSON: And who do you think would do that review? Is it an internal thing or an external thing?

Mr Gentleman: Well, yet to be determined. The government has not made that decision yet.

MR HANSON: I think it was PAC, wasn't it, that conducted a committee inquiry, and there was bipartisan support for it and an acceptance, initially, that there was agreement from government that there needed to be a board of inquiry. I do not understand why your government has now stepped away from what was agreed in committee—unanimously—and agreed by government.

Mr Gentleman: Well, I am not sure that is the case. As I said, the government is committed to a full review—

MR HANSON: No, a board of inquiry under the Inquiries Act 1994 was the recommendation.

Mr Gentleman: Right. Well, I have not seen that, Mr Hanson, so—

MR HANSON: You have not seen the PAC report? You have not read that?

Mr Gentleman: I have not seen the agreement to a board of inquiry, no.

MR HANSON: Have you read the PAC report? You have not read the PAC report or the government's response?

Mr Gentleman: No, I did not say that. I said that what I have not seen is an agreement on a full board of inquiry but I am happy to go back and have a look at that.

MS BURCH: A sup?

THE CHAIR: Okay. A supplementary, Ms Burch.

MS BURCH: I think a lot of community members want to know the currency of information or that the information is as transparent as possible. There is a commitment of three-monthly or six-monthly reporting from the taskforce to the Assembly. There will be a new Assembly at the end of October, but will the taskforce maintain that commitment for quarterly reporting into the new Assembly? That expectation or commitment will not change come October?

Mr Gentleman: No, that is correct. The taskforce will continue with that work and Mr Kefford will give you some detail on the level of reporting that is in each of those reports.

MS BURCH: I would appreciate it for those in the room.

Mr Gentleman: Certainly.

MS BURCH: It is about being on top of all the information that is available.

Mr Kefford: Sure. Well, the quarterly reporting cycle, the government has agreed—I cannot remember which committee the recommendation came from—but certainly the government has agreed and we will—

THE CHAIR: Public accounts committee report, December.

Mr Kefford: It is in the PAC as well, is it? Yes, we will continue to do that. It is an important document and actually what we have seen with the last couple is that it has been picked up and used and referred to in national and, I think I am right in saying, international journals about asbestos management more broadly because there is the recognition and focus on what we are doing as something which is unprecedented.

MS BURCH: If people come and say there is another set of data or information that may be useful in those reports, the taskforce would consider including it as this matures and progresses over the next two years or so?

Mr Gentleman: Well, certainly within the power that the government has to ask the taskforce to report, yes.

THE CHAIR: Just as a supplementary to that, there have been a couple of 246A statements from the chair of the public accounts committee discussing the lack of information in those reports, particularly financial updates and property updates. So

you might take that on board as well.

Mr Gentleman: We certainly will, Mr Smyth. It is important, of course, as Ms Burch indicated, that we provide as much clarity as we can to the community. They are the ones that have been hardest hit through this at the coalface and, of course, it has been the Canberra community that has been supporting the Mr Fluffy scheme. So we will certainly take that on board.

MR HINDER: Minister, would I be accurate in saying that the government is still committed to a public inquiry but sees little point in wasting the territory's money unless the federal government is prepared to be involved in such an inquiry, and the New South Wales government also?

Mr Gentleman: Yes, that is what the Chief Minister has indicated already to the committee. So, whilst we have indicated that an inquiry should occur, at this stage I think it is very important that we actually get through the process at hand and ensure the best outcomes for the Mr Fluffy owners. An inquiry can be pursued after that.

THE CHAIR: One of the issues also raised in a public accounts committee report was the transport of asbestos from the various sites to the West Belconnen Resource Management Centre. There were several recommendations about safety and ensuring that residents were aware of it. What happens when the tip is closed at Belconnen?

Mr Kefford: The tip has been closed occasionally, particularly in the last little while, because of wet weather. The issue is principally the last few metres of the tipping face rather than access to the tip itself. It is about safety on the site. Generally, and in advance of the forecast of significant weather events, our colleagues in procurement who are managing the contracts for us have conversations with the contractors about scheduling work around those expectations, and we get early notice from our colleagues in TAMS about closures at the tips. So, essentially, we seek to adjust the timing of the actual demolition of the houses to meet the fact that we expect the tip to be closed for a few days, such as after that heavy rain event a few weeks ago now.

In some cases we have had, even when the tip has not had access issues, rubble from a demolished house on site overnight or, in some cases, for a longer period. That happens under the supervision of the asbestos assessor. The rubble is kept wet and that is an ongoing part of the program. But even with all the rain we have had in the last little while there has not been significant disruption to the program because of access to the tip areas. We have been working with TAMS and with the Treasury—doing planning and modelling of what the expected waste will do in terms of filling holes at West Belconnen as we move through the stages of that—to ensure that the infrastructure at the tip is not a bottleneck in the demolition program.

THE CHAIR: Have trucks arrived with demolition waste and been turned away?

Mr Kefford: I believe that is the case, yes.

THE CHAIR: On how many occasions has that happened?

Mr Kefford: I would have to take that on notice. I do not know, Mr Smyth.

THE CHAIR: All right. So has the breakdown of communication been looked at, to stop that? Because obviously there are double trips or additional trips and one would want to minimise that.

Mr Kefford: Well, I think that is right, Mr Smyth. I will take that on notice.

Mr Gentleman: It is important to note that, of course, all of those vehicles transporting soil and rubble are licensed by EPA.

THE CHAIR: Whether they are licensed or not, making extra trips just means there is extra risk. But you will take on notice as to how many trips and what has been done to rectify that.

Mr Kefford: Yes. If I may, Mr Smyth, can I answer two other things that I undertook to come back on?

THE CHAIR: Yes, sure.

Mr Kefford: Mr Hanson, the average sale price for the remediated blocks is \$592,000. And, Mr Hinder, I am advised there is no mention in the lease or in any lease of the condition of the land. That is a matter for the contract and other information.

THE CHAIR: All right, Mr Hinder, a new question.

MR HINDER: Can I just have sup to yours, chair? Minister, in relation to your comments about its being an ongoing learning experience for all involved, are there methods that the government now employs to ensure that the works are more efficient—I understand that you are well ahead of schedule—or is the methodology improving? Are there methods the government are putting in place to improve both the safety and the efficiency of the demolition works and remediation?

Mr Gentleman: There are a couple of aspects there, thank you, Mr Hinder. One is, of course, that our processes are becoming more fluid as we learn better approaches, particularly to demolition. But also the demolition contractors are becoming more efficient in the work they are doing, whilst ensuring that the safety is there. Those are a couple of reasons why the demolitions are moving forward at a faster rate. That is a good thing, I think, to ensure that the scheme progresses through in an appropriate timeframe. I will ask Mr Kefford to give you any more details on particular learnings that we have had that assist that.

Mr Kefford: Thank you, minister. I think the most obvious one, and we have referred to it already, is the methodology applied to wrapping the houses completely rather than sealing off the roof. That has enabled us to undertake more of the works more efficiently inside that space.

The other key lessons that we are applying came out of the pilot demolition process that we ran 12 months ago, where the way in which the demolition waste that results from the internal asbestos removal is treated inside the houses. We started out removing that from the house before it was demolished but one of the big lessons

coming out of that from the contractors was, in effect, what we do now—and it has been published in the paper along the way—which is to establish an area in the house, often where there has been an extension where there is not significant asbestos contamination. As the gyprock sheets and other things are pulled down they are sprayed and coated and stored in the house, the benefit of that being, first of all, safety, because we are not carting stuff out of the house; but, second of all, the most efficient way to remove things from the blocks is with the digger and the truck, not by carrying it out through the decontamination unit.

We have adopted that approach along the way. Even in things like the presentation of the remediated blocks for sale, we saw one of the contractors do simple things like using a concrete saw to cut the driveway rather than cracking it with the machine. That then ends up with a site that is better presented. Again, that saves on both pieces: we spend less time cleaning up the mess but also the blocks are better presented for sale.

Another simple one is where, in the past, we have removed pools. But, having spoken to some of the builders at the auctions and to the contractors, we will now remove a pool but we do not fill it in because, essentially, what they are saying is: let the builders, when they come, either use that as a place to put spoil from digging the footings or have it as a hole where they can put in a new pool if that is what they are going to do.

The beauty of going through the rolling process of contracting that we are doing is that as we get good practice from one site we can wash that back through. While it is not actually about demolition, what we are starting to see now is where, for example, one firm develops a calling card letter for when they do their doorknocking of the neighbours. If we hear good feedback from neighbours when we do it: “Gee, we liked the letter that we got from that company”, we have been able to spread even that kind of quite simple thing across the other contractors. We have had really good cooperation with them so far and we look forward to that continuing.

Mr Gentleman: One of the other learnings that is quite pertinent that this has raised here is the aspect of keeping the public informed of what is occurring. So I can advise that one of the key contractors, CaylaMax, which was involved in both demolition and removal of contents, is now returning to work. They will be returning to work shortly in the contents sense.

We have had an investigation in relation to what you saw in the media about items of furniture that were found in a building storage area. Through that process—through the audit and a police investigation—we have developed some new processes for those materials. Soft furnishings, for example, will continue to be removed from houses but hard furniture, such as the cabinet that you would have seen in the media, will be disassembled and sprayed with the same dye bonding agent that we use on the interior structure of houses that are sprayed before demolition. Those pieces of furniture will then be stored inside the affected house until the demolition is done and they can be removed as part of that demolition process.

So there have been some very important learnings along the way that involve not just the work that we have been doing but also information provided from outside the

process. Just on that, an investigation has taken place. We have used the group Axiom to look at the process in regard to that allegation that you saw in the *Canberra Times* and a police investigation has occurred as well. We have received the response of the internal investigation advising that they feel that we can still proceed with that head contractor doing that particular work. The police have also advised that that contractor's returning to work will have no effect on their investigation and final report.

THE CHAIR: Mr Doszpot, a new question.

MR DOSZPOT: Minister, can you tell us how many times and on how many days has the West Belconnen tip been closed for asbestos disposal?

Mr Kefford: Mr Doszpot, I might ask my colleague Mr Trushell from TAMS to join us.

Mr Trushell: To the best of my knowledge the landfill has been closed on five occasions in June. It was also—

MR DOSZPOT: Sorry, if I can just stop you. Is it possible to give us the figures for the past three months?

Mr Trushell: That is it; the last three months.

MR DOSZPOT: Is it? Okay.

Mr Trushell: Prior to that, we had the stockpile fire at Parkwood; the Skippy bins pile caught fire. I think the fire started—this was in December—on a Friday and we closed the landfill for that. But that was a fire that went through the Parkwood area generally, not just affecting the landfill areas. It affected the egg farm and the whole area through there.

MR DOSZPOT: On these six occasions when the tip was closed, what sort of contact was made with the contractors?

Mr Trushell: Our operational officer, our project officer for this, has got contacts with all the demolishers. He will speak with procurement and capital works and we will let them know, as best we can. We have done a lot of work around minimising the conditions in which West Belconnen will close. Prior to the Mr Fluffy program, the site was only open on an as-required basis. If we had very high wind conditions and other things like that it would not be unusual to close the facility, or not open it, as the case may be. For the Mr Fluffy program, we generally eliminated high winds as a risk factor associated with closure.

The rain we had in June was pretty unprecedented and it required closure for a number of reasons. First of all, the landfill area itself filled with water. We had 100 mls or something in two days. We have designed a new landfill specifically for Mr Fluffy. The topography of that site has some difficulties around drainage. However, with those events, we have already been in consultation with the taskforce and PCW around a range of mitigation measures to improve drainage through the

cells and to put through more solid disposal roads within the landfill area itself to try to reduce the risk of this happening in the future.

It is part of what the minister referred to as lessons learned as we go along. It is also a trade-off with cost. The landfill has only got a temporary life. It is coming towards the end of its life. We are trying to minimise the amount of expenditure that we put in there, so there is a bit of a trade-off there around the extent to which we guarantee access under all conditions, at what cost to the taxpayer. Those decisions are being made as we go.

MR DOSZPOT: So on those occasions when your officers have been able to contact the contractors regarding a change of conditions, have they managed to stop any of the trucks going out to the tip?

Mr Trushell: Look, I cannot answer that. It may well be that a phone call was made at a time when a truck was already on the road. As far as I know, there have not been a lot of those sorts of incidents, but we are dealing with a number of vehicles that are active. Clearly when we have got multi-day stoppages we would communicate. Within the first instance we would be communicating those weather conditions, and it is conceivable; but we will find out and advise.

MR DOSZPOT: So if a truck has to come back to its origin without unloading, what happens then? Do they have to unload?

Mr Trushell: That would be a matter for the demolishers, I would say. But I have to make the point that the landfill could close at any point so therefore the demolishers need to have mitigation measures. I am talking, for example, about a fire. When the Parkwood fire came along, the fire brigade took over the area and the whole area was closed and there was the possibility of evacuation and things like that.

So there are circumstances that are simply beyond anyone's control, and the mitigation measures the demolishers have include things like ensuring material is kept wet. It is relatively safe; it is relatively low risk. The risk around the handling of it was addressed through the initial design of the processes, including the handling at the landfill. For example, at the landfill we have staff who de-tarp the truck prior to it being emptied; in a lot of ways that is the high risk area for us.

MR DOSZPOT: Given the indication that you are about one third of the way through, what is the timeframe for the completion of this whole exercise? And will the tip last the distance for you?

Mr Kefford: The expectation is that the bulk of the demolition activity will take us through calendar 17 perhaps into calendar 18. There will then be something of a hiatus in the demolitions because there are a number of owners who are seeking to use that June 2020 last surrender date and then those houses would be demolished after that. But I will let Mr Trushell talk to the capacity at the tip.

Mr Trushell: The design capacity has been an issue ever since we started this program because when we started we had no metrics around to determine how many cubic metres of space, including cover material, a thousand-odd houses would

consume.

We developed some initial design principles which gave us a lot of flexibility. The design capacity that we established and presented to the taskforce for their consideration is a model that gives us close to a million cubic metres of capacity. It is actually about 958,000. Our estimation, based on the thousand-odd houses including cover material, is that you are looking at one thousand-odd houses consuming around about 600,000 cubic metres, which gives us around another 50 per cent of reserve capacity in the event that we consume more. That is highly unlikely.

We have landfilled over 200 houses now. We have got a pretty good metric. It is about 550 cubic metres per house. That space also then gives us capacity for other things. For example, we were in discussions with the urban renewal taskforce around the demolition of the Currong Flats and bringing that material in there as well because, similarly, that was asbestos contaminated demolition material. As it turned out, we were able to landfill that in the borrow pit, but there is plenty of capacity out there for that.

We have been approached by the New South Wales scheme to look at landfilling about another 30 New South Wales houses. That has not progressed any further than initial discussions, but there is more than adequate capacity there.

MR DOSZPOT: These are Queanbeyan houses, are they?

Mr Trushell: I believe Queanbeyan and within the local district.

Mr Kefford: Mr Smyth, if I might just answer a question—my colleagues have been beavering away while the evidence has been going on. The advice I have from procurement is that there were six trucks turned back on one day that were unable to access. Generally, the waste will stay in the truck on-site, although there are a number of firms that are basically using skip trucks, in which case the skips can be unloaded and left securely at the tip. That is the advice I have got while that conversation has been happening.

THE CHAIR: Thank you. Ms Burch, a new question, and then Mr Hanson, remembering, members, that we finish at quarter to 5.

MS BURCH: My question relates to page 344 of budget paper 3. You made mention in your opening statement that over \$10 million has paid in support to home owners and that there have been 900-plus relocation assistance grants. Whilst we have been talking about bricks and mortar, so to speak, these are homes for individuals and families. Can you walk through what the support looks like? Is it relocation grants? Is it also other supports, depending on the different circumstances of families?

Mr Gentleman: Yes, thanks, Ms Burch. You have raised a very important point there. These are personal assets. The people have been living here for so long and it does affect them differently. I will ask Mr Kefford to give you the actual detail.

Mr Kefford: Thank you, minister. Ms Burch, as you are aware the financial assistance available to the owners of the affected properties was determined at

\$10,000 with an additional two for each child resident in the house. That has been paid as a mix of assistance pre-scheme as well as in relocation assistance grants. That is the total to which you have referred.

Essentially that relocation assistance is paid at the point the affected house is being vacated, so at the least at the point when exchange has happened on the contract. In some cases people are getting to that point and have not accessed any of that assistance. So the full payment is made. In other cases, they have accessed some of that assistance already and it is the balance that is paid. That figure also includes the separate assistance for landlords and tenants to recognise the costs of those two groups. In addition in the financial space, beyond the first right of refusal, is the stamp duty concession on the next purchase, which has been referred to already.

In terms of the other support, I think this is where again the task force has kind of reached into spaces where sometimes officials do not go. We have designed how we have provided that assistance in different ways. We have gone out and collocated our staff with the community service providers in their premises, which has made it both easier for people to come to talk to us in a different environment, but also made it much easier for us to connect with other community groups. We have had very strong support from the groups to which the minister referred in his opening remarks.

There have been activities where variously the government or the task force has sought the assistance of financial and IT companies in terms of easing that process of moving. What a lot of them, the big ones like Telstra and others, did is basically activate their bushfire response. This makes it easy for people to move, divert phones and do all those sorts of things.

There have been representations made to the commonwealth government in a range of particular policy intersections that have had an impact. One was for elderly people. Essentially, the assistance was sought in exercising discretion by commonwealth officials on assets tests for pensions when we were acquiring houses so that we were not disturbing those sorts of arrangements.

There has been a whole range of connections with groups like COTA, Menslink, Headspace and Relationships Australia. We have done some work with the NDIA in assisting the transition for families who have had people with disability that they also need to accommodate in this shift.

There has been a strong response, for example, from Ron Bell and the Real Estate Institute in bringing together a group of agents who are prepared to provide assistance, again particularly to elderly people who perhaps have not bought a house for a long time. They have been able to join up to assist in that acquisition of new houses in that way.

It has really been about identifying a need as it has come to us and trying to find a way in which we can work in partnership genuinely with community or third sector providers or, indeed, private companies to try to deliver the response that needs to be handled.

MS BURCH: And what about across our agencies, working with the education and

training directorate around enrolments or considerations of new schools?

Mr Gentleman: Housing ACT as well.

Mr Kefford: Yes, we write regularly to our colleagues in Education to say, for example, “These children were in an affected house in October. Can they please access the out of school enrolment part of the response?” We have had, really from when we were set up two years ago, enormous cooperation from our colleagues right across the service in delivering support which, yes, we have evolved as the issues have been presented to us. But I think that has been an important feature of what we have done right from the start.

MS BURCH: Will that continue over the life of this process? It is not just maturing how you demolish the bricks and mortar; it is about maintaining that support for the families as they move through it.

Mr Kefford: It has to be, Ms Burch. What we have seen is that we do not need to be in the community centres for a day a week as we have been. We were there for longer 12 months ago. But what we have done now is still make it possible for people to come and talk to us there, but we have gone to appointments because that is what we need. We are just not getting that level of response. It is something that we will have to continue, as we have done up till now, to evaluate and evolve as the issue continues to work its way through.

MR HANSON: Before I go to my substantive question, can I confirm that in October 2014 the Chief Minister said that lots would be scraped? This is a quote: “So the trees will go, the garden will go, the pools will go, everything will go.” You advised the committee yourself, Mr Kefford, “Blocks will be cleared.” I was a bit concerned, I think, that the story has evolved. But it is clear that the advice back then was scraping.

Mr Kefford: I do not think I ever maintained, Mr Hanson, that that was not the position that was discussed at the start. I think what we have shown, what has happened in the interim, is that our understanding of that and the community response to that has changed. So the government’s response has changed.

MR HANSON: Sure. What is the advice that you have with regard to commercial buildings that may be affected by Mr Fluffy?

Mr Kefford: So far as the government is aware, there are two. One is the now closed and unoccupied childcare centre in Aranda. The other is Ainslie shops.

MR HANSON: Right.

Mr Kefford: Or a portion of Ainslie Shops.

MR HANSON: What is happening with both those sites?

Mr Kefford: As I say, the childcare centre, which is in a former house, is closed. That was owned by a property trust, I understand. It is outside the scheme because it is a commercial building. The portion of Ainslie shops is, and has been for some time,

under a prohibition notice from WorkSafe.

MR HANSON: Are there still people operating at those shops or have those shops been vacated?

Mr Kefford: My recollection is that it affected two shops on the upper floor of the Ainslie shops above the end where Edgars is. My recollection is—this is going back—that the prohibition has been there since before the task force was formed. My recollection is that they were not allowed to access those—

MR HANSON: They have been sort of sealed off, have they?

Mr Kefford: I believe so, yes. It is not something that we have looked at for some time.

Mr Gentleman: My memory is that there was some work done with an affected commercial operation; not the task force work, but certainly the government assisted a commercial operation in Dickson, an automotive repair shop, where there was some asbestos found.

Mr Kefford: That was not loose-fill.

Mr Gentleman: Yes. That is right, yes.

MR HANSON: So they are the only two sites—

Mr Kefford: The only known properties with loose-fill asbestos that are commercial are those two.

MR HANSON: Yes.

Mr Kefford: There was an occasion early after the task force was formed where there was a suggestion that it had been found at the Northbourne annex across the road from Mac House. I think it was a Defence building, occupied by Defence. While what was found there was loose amosite asbestos fibres, it was not loose-fill insulation. It was decayed lagging from pipes. There is this distinction between where loose-fill asbestos, bulk asbestos, was pumped into the roofs of 1,022 houses, Ainslie shops and what was the Donald Duck child care; it was something else at the point, it was the Goodstart child care in Aranda at the time the task force was formed.

MR HANSON: On another issue, the ANU was commissioned to do an examination of the health impacts.

Mr Kefford: Yes.

MR HANSON: They were due to produce a report, from memory, in August. Has that been delayed?

Mr Kefford: No, there is a series of reports. They have provided the first. There are four stages in that process. They have provided the first report, which has been made

public, which was a data matching exercise of ACT cancer diagnoses—ACT mesothelioma diagnoses—with the addresses of affected houses only for those people who were living in a house at the point they were diagnosed.

The second part of that study was a very small focus group exercise which was largely designed to frame the qualitative survey, which is currently still in the field. I think it was in last week's paper, or the week before, that the ANU has just extended that response period because obviously a better response gives a better base for them in their academic study.

The fourth component, which is probably the most both interesting and complicated, is the data matching of all of the diagnoses of mesothelioma from all of the cancer registries around the country using Medicare data with everyone who has ever lived in a Fluffy house, as well as an equivalent sample of people who have lived not in Fluffy houses.

That has had very significant cooperation from commonwealth, state and territory agencies to allow that to happen. That data matching and mining exercise is happening, managed between the ANU and the Institute of Health and Welfare at the moment. I cannot recall when it is supposed to report, but it is not due yet because they are only in that early stage of the data exercise. The timing of the stage 3—the qualitative survey—will obviously slip because the university has decided to extend the window.

THE CHAIR: Mr Doszpot has a supplementary.

MR DOSZPOT: Further to Mr Hanson's question about how many commercial properties are affected, are you aware of how many schools would be affected by asbestos?

Mr Kefford: Not specifically, Mr Doszpot, no. In terms of loose-fill, none, but obviously—

MR DOSZPOT: Is under eaves considered loose-fill?

Mr Kefford: No, bonded asbestos products are very common in buildings built before 1990. There were a number of public buildings where asbestos fibres were mixed with concrete and sprayed on to metal beams. That was what the big removal at the National Library was. There was an issue with that at the Watson CIT. I think it is the CIT now. It was not before. I think it was a school. I think there was an issue with that at Narrabundah. I have spoken to colleagues in Education along the way about asbestos removal but, again, it is not loose-fill. It is not what we are dealing with here. It is either bonded or that sprayed product.

MR DOSZPOT: Telopea Park had asbestos—

THE CHAIR: Sorry, we are going to have to finish there. We are now heading to sport and rec.

Mr Kefford: We can take it on notice.

THE CHAIR: Minister, our time together with the Asbestos Response Taskforce is over. We will see you in the morning.

Mr Gentleman: Okay, see you then. Thank you, Mr Chairman.

Appearances:

Berry, Ms Yvette, Minister for Housing, Community Services and Social Inclusion,
Minister for Multicultural and Youth Affairs, Minister for Sport and Recreation
and Minister for Women

Chief Minister, Treasury and Economic Development Directorate
Dawes, Mr David, Director-General, Economic Development
House, Mr Jeff, Deputy Director-General, Enterprise Canberra
Priest, Ms Jenny, Director, Active Canberra

THE CHAIR: The committee now calls the Minister for Sport and Recreation. Minister and officials, welcome to the last hearing for today, day 10 of the public hearings of the estimates committee for 2016-17. Please be aware that proceedings are being recorded and transcribed by Hansard as well as broadcast and webstreamed. If you take a question on notice, can you please say words like, "I will take that on notice," so that we can track it through the transcript. In front of you on the table is the pink card, the privilege statement. Could you please confirm for the committee that you have read the statement and understand the implications of privilege?

Ms Berry: Yes.

THE CHAIR: Thank you very much minister. A brief opening statement perhaps.

Ms Berry: Thank you for the chance to make some opening statements today. I welcome the opportunity to discuss the government's ongoing investment in sport and recreation in our community. The 2016 budget investment will deliver some great new sports facilities for the ACT, including \$33 million for a new pool at Mount Stromlo, \$4½ million for the Narrabundah ballpark and \$1.1 million into the community football and sports infrastructure grants. Quality and accessible sports infrastructure is a key to growing participation and physical health in our community. The budget investments that I have mentioned above are a record of investing in this infrastructure for the community, building on the numerous projects funded through this government.

Alongside infrastructure my focus as minister has been on continuing to support participation and inclusion in sport and recreation for all Canberrans regardless of age, ability, gender or background. The evidence in favour of being active is pretty clear cut. It is beneficial for education, for good health, for social inclusion and for self-esteem and for building strong communities, and there are many sporting communities thriving in Canberra which I have been able to get to know better as Minister for Sport and Recreation—from skateboarding to quidditch.

The government's focus on inclusion is why we have made a point of funding programs which deliver these results for the community through the increase in participation funding program. The last round of that program included \$7,400 for the ACT Down Syndrome Association to support the extreme stars dance trip; \$3,000 to the Mon Association of the ACT to enhance the women and girls swimming program; \$3,800 for the Ginninderra Athletics Club to acquire a new race starting system that

meets the needs of participants who have a hearing impairment.

All of these initiatives build on the government's ongoing investment in maintaining high quality facilities which include more than 280 hectares of irrigated sports grounds comprising 711 individual hireable fields. These grounds hosted 86,000 hours of community hire in 2015 including 22,000 hours of use under lights for which the government subsidises 86 per cent of the cost.

The ACT government also continues to support the operations of five public pools including the new pool at Gungahlin with \$785,000 invested in our ongoing pool management program last year. These five pools had over 800,000 total visits in 2015.

Nonetheless our city continues to grow, and maintaining Canberra's status as a highly livable and active city means ongoing investment in these things alongside the strong social inclusion agenda which has also been a feature of the 2016 budget.

Just before we go on, when I was here under the community services portfolio I had a question from Mr Doszpot regarding the community street soccer program. I had responded to a letter that I had received from Mr Doszpot about this program in April when we were not able, at that time, to commit to providing any sort of additional funding to this program. However I have asked Active Canberra officials to get in touch with the program and see if there are other ways that we can support them and find other facilities that might work for them that do not cost them as much money.

MR DOSZPOT: I appreciate that. Thank you.

THE CHAIR: Thank you minister. Minister, in budget paper B, page 26, output class 9.4, table 23, what is the reason for the reduction in spending on sport and rec in this year's budget?

Ms Berry: Thank you for that question. I asked the same question when we were looking at these papers leading up to this. This is about some of the initiatives that Sport and Recreation funded previously ceasing. I might get Mr Dawes to explain a bit more to the committee about what happened there.

Mr Dawes: This may fall into a couple of other categories that we have discussed earlier as well with some of the programs that are ceasing. I am more than happy to take that on notice and provide you with a breakdown of where that movement is. It is just that a number of programs are coming to completion and are not funded.

THE CHAIR: For both total costs and controlled recurrent payments?

Mr Dawes: Yes.

THE CHAIR: How many staff worked in sport and rec under the 2015-16 budget and how many will be there under the 2016-17 budget?

Ms Priest: Our current FTE count is 44.01. In terms of a breakdown of those actual years I might have to get back to you on those.

THE CHAIR: You are losing \$2½ million at least. Does that result in staff losses?

Ms Priest: I beg your pardon.

THE CHAIR: With the reduction in total costs and CRP, does that result in staff losses?

Ms Priest: There are no staff losses in Active Canberra at this point in time, no.

THE CHAIR: Sport and rec helps a lot of organisations. What work did sport and rec do with the movement of the Brumbies to the University of Canberra?

Ms Priest: I think Mr Dawes might have addressed that somewhat at a recent hearing. I might ask him to start.

Mr Dawes: I am happy to reiterate. We did not assist the Brumbies in moving to the Canberra university. Originally there was a million dollar grant provided to the Brumbies to do some work at the Griffith Oval which we allowed them to transfer and take with them to the UC campus. And then what we provided was \$5 million for part of the sporting commons which was to do with community sport.

THE CHAIR: And what community sport in particular was assisted by that \$5 million?

Mr Dawes: That was set up for ACTSport to move from Hackett to that facility.

THE CHAIR: How much space does ACTSport occupy?

Mr Dawes: I will have to defer to Ms Priest. I just forget the square meterage of that, to be quite honest.

Ms Priest: ACTSport, as you know, are no longer operating out of the sporting commons. In terms of what they received as part of the \$5 million grant—and there was a \$5 million grant over four years to the University of Canberra—part of that arrangement was a 25-year peppercorn lease to ACTSport. I will have to come back to you with the exact dimensions of the space that was granted under that sublease. We will come back to you with that. That tenure arrangement is now transferred over to and is being managed on behalf of the ACT government in consultation with Active Canberra by ACT Property Group, the ACT government's real estate agent, and they are continuing to manage the subtenants that sit within that tenancy.

Mr Dawes: And just recently we have gone out to look at what other community sports might like to locate into that space. To date we have not had any responses from anyone in that community sport area. There is some space available there that we are happy to provide. We are looking at a short-term tenancy there for the next few months until we find someone but it will be very short term because obviously we want to ensure that it is made available for community sport.

THE CHAIR: What happened to ACTSport?

Ms Priest: ACTSport made a decision at the end of the last financial year to wind up its operations and it has proceeded to do so over the past 12 months.

THE CHAIR: Was that decision as a consequence of the move?

Mr Dawes: I do not believe so. I think one of the issues may have been that ACTSport were looking at their business model for some time. I think that, again, it is like a lot of businesses. They need to be renewing, looking at how they are conducting business. I think it is fair to say that we provided them with their triennial funding as well. We actually advanced that triennial funding six months in advance of when it was due there a few times as well to try to help them, assist them to get over some of the periods until they settled into their new location. But I think, again, it comes back to business decisions that may or may not have been made that I am not privy to at all with ACTSport.

THE CHAIR: What did the taxpayer actually get for the \$5 million, how much square meterage?

Mr Dawes: That is actually what we have taken on notice. We will come back to you with the square meterage of that space. We had a lease there for 25 years for community sport at peppercorn rent. We will be making sure that that is made available to community sport. There are some organisations that followed ACTSport into there. We are maintaining support for some of those organisations and there is space available there to be occupied.

THE CHAIR: Mr Doszpot has a supplementary.

MR DOSZPOT: The question is: how much? Please take it on board. I understand about one-third of the sports hub is what ACTSport would have been housed in and the other two-thirds were the Brumbies, as I understand, and they paid \$10 million. Is that correct?

Ms Priest: What the Brumbies paid to the UC? I am not exactly sure what the Brumbies paid to the UC.

MR DOSZPOT: Was this not a joint effort between ACT government and the Brumbies to build this?

Mr Dawes: No. Actually we were committed to providing that community sports space. The other transaction between the UC and the Brumbies was their own. But I think the numbers that you are quoting are the quantum.

MR DOSZPOT: ACTSport were happily ensconced in Sports House for a number of years and had an income stream from the rental of the other units there. They were given an undertaking by an individual who, I am told, was representing the ACT government. When I asked this question of Ms Priest at the last annual reports inquiry I believe it was Mr Lamont who was acting, I think you said, for the University of Canberra.

Ms Priest: Correct.

MR DOSZPOT: A newspaper report suggested that University of Canberra said that Mr Lamont was not acting for them. This may be a different deal but I am just referencing what was in the papers. The question that we put then was: who was acting for the ACT government to put the proposal to ACTSport? Who negotiated with ACTSport to leave their previous premises to come to this sports hub? I will pose the question again: who from the ACT government negotiated with ACTSport for the move from Sports House?

Ms Priest: There were negotiations undertaken involving Property Group, who are the landlord of Sports House previously at Hackett. They were the ultimate landlord of that ACT government property. There was a desire to move ACTSport out of those premises to part of the new sporting commons. There are a number of key objectives. There are four key objectives which I am happy to relay to you in terms of the new sporting commons including to create a hub for sport-related research and education including increased research and education engagement with community sporting orgs; to promote collaboration between UC, community sporting organisations and other industry sectors in the territory; to provide opportunities for participation in sport to territory residents; and to provide suitable accommodation to territory-based community sporting organisations where they require that type of accommodation.

I have spoken about this before. I reiterate that the sporting commons was a new paradigm that was being developed to benefit community sport in that way, in a multiplicity of ways, and there were a number of opportunities for ACTSport to leverage greater benefits out of their collocation in that.

MR DOSZPOT: Apparently part of the problem is the sports hub, an excellent concept. The information provided to us is that not only were ACTSport enticed to move from their previous place where they existed quite comfortably in running their activities but they agreed to an amount of money that they were told pays rental. They were told in the end, I think by you, Mr Dawes, that that was not correct. In the interim their funding was cut by \$40,000. While they were paid an early payment on future funding they basically were deprived of the rental income and their funding was cut.

Ms Priest: Their funding was cut? When was their funding cut, sorry?

MR DOSZPOT: I do not have the figures. I am asking you.

Mr Dawes: We can provide you the figures. To my knowledge, there were not funding cuts. To be 100 per cent clear I am happy to clarify that for you.

MR DOSZPOT: And the understanding that they had and the acceptance of the move from Sports House to the sports hub and why that was changed when that was the only reason they agreed to move? Ms Priest, you mentioned that they had ample opportunity to use the space at the sports hub. The sports hub is open plan. They were trying to get other sporting groups in who were in smaller offices as they were in Sports House. The plan did not work for them the way that it should have.

Ms Priest: That was known to them and it was a point of discussion throughout the negotiations that were being had with the University of Canberra and ACTSport. It was known to them that it was a different paradigm and a different environment to the one that they were operating in at Hackett. That was plain and made clear from the outset. In the end ACTSport agreed to relocate to the sporting commons on the understanding of that arrangement. What other promises or things that might have been made that were not documented, I am not sure.

Ms Berry: I know that Mr Doszpot has a special interest in this particular issue and that before I was sport and recreation minister it was talked about during estimates hearings last year, I think, and previously. I have come in at the end of that whole process with ACTSport. I had meetings with Mr Roberts. Active Canberra had a number of conversations with him as well, and my staff did as well, to try to get through the last part of this process and move on and decide where we were going to go to next as a community.

We have got to that point now. ACTSport has wound down its operations; its operations are completed. ACTSport has concluded all of its obligations in winding down its organisation. The execution of the deed between ACTSport and the territory has been formalised. All of those matters that needed to be taken care of in winding down its operation have occurred and all of the intellectual property rights for the Hall of Fame and the ACT sport star awards have been signed over to the territory as well.

I will be making an announcement on those two matters very soon. I know it is of particular interest to the community and the sporting community as well that we continue recognising our sporting athletes, volunteers, spectators and our sporting community. I will be making an announcement on that and I know that is something that is of interest to you as well.

MR DOSZPOT: It is of interest—

Ms Berry: For the history of ACTSport itself we can take on the questions and inquiries that you have made again and perhaps maybe if they have been asked previously we can direct you back to estimates hearings from last year and we can talk about some other questions that the committee might have about other things that are happening in sport and rec.

MR DOSZPOT: Appreciated.

Ms Berry: I know you have a personal interest in this and we want to try to make sure—

MR DOSZPOT: It is a personal interest for community sport. If you could take those on board. I have one final question related to it but it is not to do with ACTSport. What has happened to the investment of the \$5 million that the ACT government has given? Is that a 20-year rental, did you say?

Ms Berry: Twenty-five.

MR DOSZPOT: Who is the rental with? Is it the University of Canberra?

Ms Priest: Property Group have taken over and are managing now that tenancy agreement.

MR DOSZPOT: But is it with the University of Canberra or with the sports commons?

Mr Dawes: It is a peppercorn rent for 25 years. That was part of what we received. We are not paying rent. It is a peppercorn rent. That is a space that is being now managed. That portion where ACTSport were in the building, up in the top right-hand corner as you go in, is managed by Property Group. It will be up to Property Group, which is ACT government, to try to get other tenants. We have been out to all of the sports and there has not been any interest in going in there. That is something that will be ongoing. What we are looking at trying to do to ensure that we do get some revenue that we can actually put back into community sport is renting it out on a short-term basis with one month's notice if, for example, some community sports are requiring to go into it. Collection of any rental that we receive for that space will be then put back into community sport.

MR DOSZPOT: The last question on it is: if there was a peppercorn rental the straw that broke the camel's back was a rental that ACTSport were being charged which was contrary to their understanding for going into the hub. If there is a peppercorn rental why did ACTSport have to go broke to achieve the aims—

Mr Dawes: I think you will have to ask ACTSport that.

MR DOSZPOT: to achieve the aims, I have got to say, of the ACT government in moving them out of one place into another and then basically making the association a fair loss to Canberra for community sport? My question is: why were they not given the opportunity to pay peppercorn rent and continue with their great services?

Ms Priest: Can I answer that question? I can give you a clear answer to that question. They were entitled to a peppercorn rent and that was the situation for ACTSport. They then on-let the premises. Outgoings had to be paid of course because there was still a cost of outgoings—the cost of electricity, use of those sorts of things. But ACTSport definitely were not charged rent. They had a peppercorn rental available to them. They were collecting rental from their tenants that they had there.

In terms of what their financial arrangements were and how they managed those in that context, that would be a matter that you would have to ask ACTSport but they certainly were not charged rent while they were in those premises. They had a peppercorn rental available to them and that was the situation.

THE CHAIR: Mr Hinder, a new question.

MR HINDER: Minister, I have got a question about maintenance and use of sportsgrounds. Can you give us some indication about the pressures facing government around maintenance of sportsgrounds?

Ms Berry: Yes I can. In my opening statement I talked about the number of

sportsgrounds that we have and the maintenance that is involved in 280 hectares, 711 ovals, and 86,000 hours of community hire. Some of those ovals have lighting as well. All of those costs are subsidised; 86 per cent of the costs of those ovals are subsidised by the ACT government through Active Canberra. Because of the popularity of our ovals and because of their usage rates they do come under a bit of pressure. So rehabilitation of those ovals is important and we need to make sure that we properly care for them, not just through the time that they are being used but also give them a break every now and then—re-seed them, re-turf them if that is required, aerate them—from the thousands of feet that are walking all over them for the rest of the year. Did you want to expand on that, or is that pretty much it?

Ms Priest: That is largely it unless you had a specific point you wanted to inquire into.

MR HINDER: I understand there is a booking scheme for sporting organisations wanting to use ovals. I have had it suggested to me that there has been some abuse of that by some codes who book every oval—which may be an exaggeration—because there is no penalty for them if they then cancel that booking, I think it is, by the Wednesday of the week for which the booking was made. There is then a requirement for any other organisation that might want to book that now vacant oval to have booked that by Tuesday or something like that, which is not actually practical.

Ms Priest: I can clarify our process. We have a twice a year bookings allocation process that we go through which is with the larger peak bodies and sports that have been the principal primary users of those ovals. There are a number of historical users of a number of ovals, which you would be aware of. Twice a year we have an allocations process where everybody comes together and we basically go through what the booking requirements are of all the sports. They are then required to go through a process of booking and paying for those bookings. There is a minimum period within which, if a booking is going to be cancelled, that needs to be done, and that is to ensure that there is ample time to fill bookings.

If somebody wants to cancel a booking a day or two days before it is due to be used, then they pay the penalty of having to pay for that booking. I would have to absolutely double-check this but I think there is a four-day cancellation ability and then there is the ability for others to be on notice and get to use those facilities. We generally find that most people are able to be accommodated but if there are specific examples or if individual sporting groups are having difficulty, we would be more than happy to talk to them about what those difficulties are.

MR HINDER: Is there a two-week closure of sports ovals and is it the same two weeks?

Ms Priest: Twice a year. It is.

MR HINDER: What is the reason for that? I am assuming if they are doing the same things they are not on every oval for the full two weeks.

Ms Priest: I think the minister in her answer alluded to it as well, but I would just like to reinforce it. In addition to going through the restorative processes that we do—dethatching, seeding, over-sowing and a whole range of things, erecting and taking

down goal posts from last season's sport and making preparations for the next season's sport—the important element of actually resting those grounds cannot be understated. Good turf management practice across the country reinforces the need to do that. It is really not just a case of saying, “Can't you sequence it better and only close some and not close others?” We deliberately, after trying a number of different methods, made a conscious decision: (a) because of resources but (b), and importantly, because of the importance of ensuring those grounds get a rest for two weeks—it is not a long time, but it is a necessary rest—to rest them so that they can actually recover, regeminate and be ready for the next sports season. That is the reason we do it that way.

We are, over time, looking at where we can have a larger mix of synthetic turf. Synthetic turf you can flog to death, different to your natural turf. We are looking at getting a better ratio and mix of synthetic turf so that we can actually have sports able to use those all year round and for much longer and more hours. The other aspect of getting greater and better use out of sportsgrounds is lighting so that we can actually extend the hours of use. That, combined with a synthetic option, can often increase and provide a much greater availability of hours for sportsground use.

MR HINDER: You are talking to a former member of the turf committee of Canberra stadium. There is a therapeutic value to the spelling—

Ms Priest: There is a therapeutic value.

MR HINDER: Thanks for answering.

THE CHAIR: Mr Doszpot, a new question, and then Ms Burch.

MR DOSZPOT: Thank you. Minister, budget paper 3, page 135, outlines \$400,000 to deliver options for a new aquatic centre. Can you tell us what that relates to?

Mr Dawes: That refers to the \$400,000 that we have as part of the city to the lake project where we are looking at alternative locations for the aquatic facility that is in the city.

MR DOSZPOT: The Canberra Olympic Pool; is that right?

Mr Dawes: The city pool, yes. As we are aware, that has been earmarked potentially for a stadium down the track. As well, we know we have got some issues with that particular facility. That has been well recorded in the media over the past few years. We have even been talking with the ANU, as I think I have already said publicly; as they are developing part of their campus they have a desire to build a pool there. Is there an opportunity to share something in that order? We are reviewing that. That \$400,000 is the feasibility to look at different locations—what is going to be the best—because obviously wherever we go we need to make sure it is readily accessible to the community.

MR DOSZPOT: Is there a time frame for this to happen?

Mr Dawes: That is work that we will be doing in the 2016-17 financial year, yes.

THE CHAIR: Ms Burch, a new question.

MS BURCH: Budget statement page 43 refers to the number of nationally identified priority athletes supported by the ACT Academy of Sport. You have got 100, 100 and 100. Why a neat 100, and what sports do we support? There are all levels of sport from emerging sports and Paralympics right up to those that aspire to go to Rio, for example. So why the flat 100 and what is the scope of people that you would support?

Ms Priest: At the moment we are probably trending a little above 100. At the moment we are probably looking at supporting around 120 athletes. Of those athletes, 17 are being supported under an individual scholarship. The others are being supported through various programs. We have hockey, cycling, rowing, football and netball programs and pending at the moment is an athletics program. Across the board, that is roughly how many athletes we are supporting. We are supporting them in terms of emerging talent and getting them ready for Olympic events.

MS BURCH: You support Special Olympics and Paralympics as well?

Ms Berry: This year the Paralympics and the Olympic team were supported with \$200,000—\$100,000 each—which I think is the highest amount of funding in the ACT government’s history for those teams. In addition to that, there was an additional \$80,000 to support athletes who were leading up to getting their—

Ms Priest: Their individual athlete program.

Ms Berry: Yes, and getting what they need to get to Rio. So \$280,000 is pretty outstanding for the ACT government.

MS BURCH: How many are we sending to Rio?

Ms Berry: Some athletes are still going through the process of getting through their trials and other different selections.

Ms Priest: We do not have a final figure yet.

Ms Berry: For the Paralympics I think there were about four that were here about a month ago when we announced the funding. We will let you know.

THE CHAIR: Mr Hinder has a supplementary.

MR HINDER: Minister, is it true that the IOC’s John Coates described the territory government’s contribution to the Olympic effort as “unprecedented” last Saturday night at the Olympic committee fundraising dinner’s gala event?

Ms Berry: I was not at the gala event. Were you there?

Ms Priest: I was not, but that would be accurate.

Ms Berry: If he said that, that is accurate.

MR DOSZPOT: Were you there?

MR HINDER: I was, as it turns out, minister, and that is exactly what he said.

Ms Berry: That is excellent and it is unprecedented.

Ms Priest: It is unprecedented.

Ms Berry: For both the Paralympians and the Olympians to get equal amounts to give them the chance to represent not just the ACT but Australia as well at Rio is pretty exciting for all of us here. When we announced the funding there were some young children from Ainslie Primary School there. It was quite incredible how they reacted to the athletes that were around them and the chance that one day maybe they could be one of those athletes and compete.

MR DOSZPOT: What was the funding?

Ms Berry: \$200,000—\$100,000 each for the Paralympics and the Olympics.

MR DOSZPOT: That is ongoing funding?

Ms Priest: It is a one-off.

Ms Berry: That is a one-off. In another four years we will have another look at it— whoever is here then.

MR DOSZPOT: So that is \$25,000 a year?

Ms Berry: No. It is \$100,000 for the Olympics.

Ms Priest: There are two one-off payments—\$100,000 for Paralympians; \$100,000 for Olympians.

MR DOSZPOT: Thank you.

MR HINDER: Here's to a top five finish.

THE CHAIR: As a new question, the clubs in the ACT maintain a lot of facilities— ovals, tennis courts, squash courts, hockey pitches, basketball stadiums, ovals and so on—and contribute significant funds to many sporting teams in the ACT. If there is any diminution of their effort, is sport and recreation in a position to pick up that slack, should it be required?

Ms Berry: Are you talking about community clubs like Basketball ACT, for example?

THE CHAIR: Yes. The Southern Cross Club owns a basketball stadium, the Vikings own a football stadium and Hockey owns—

Ms Berry: It would not normally be the case for the ACT government to support facilities that are not owned by the ACT government.

THE CHAIR: No, that was not the question. If clubs fold and are not able to provide those facilities to the community, and if clubs have diminishing income and are not able to make the level of community grants that they currently make, will the ACT pick up that slack or do those sporting groups go begging?

Ms Berry: The ACT government through Active Canberra has provided funding for organisations like Basketball ACT, for example, who are building some new facilities on land that they own. They are just going through a development application process at the moment to make sure that they are able to do that, and to bring a new emerging type of basketball for Canberra and Australia, which is three on three, but also allow for some more room outside of that facility for overflow, for people to be able to use those outdoor courts as well.

Ms Priest: It is a question that has not presented itself, Mr Smyth, so it is a question that we probably have not turned our mind to. If we were asked, within our existing budget envelope, to take on board all of the existing facilities that are operated, owned and run by clubs and perform all of the functions that they currently perform, I would have to say, in all honesty, that our budget would not extend to that at the moment.

Ms Berry: And keeping in mind that we subsidise 86 per cent of sporting ovals with only 14 per cent being contributed by the community—

THE CHAIR: That is okay. That is what governments do.

Ms Berry: That is right.

THE CHAIR: Governments provide ovals and things like that for people to recreate on.

Ms Berry: That is right, and they are excellent facilities.

THE CHAIR: Has there been an assessment or is sport and recreation able to tell the community what the value of the clubs' contribution is to sport in the ACT and, if that contribution does not continue at the existing level, what the impact would be on the outcomes that we currently get?

Ms Priest: We have not done that evaluation.

Ms Berry: I guess the clubs would be in a better position to say what clubs or sports they support.

THE CHAIR: Is it of concern to you, minister, as the Minister for Sport and Recreation, that the clubs feel threatened by the government's decision to put poker machines into the casino and that a diminishing return would mean they would have to cut the grants they give to all groups, including sporting groups?

Ms Berry: That has not been a position that ClubsACT or any of the clubs have put to me.

THE CHAIR: So no clubs have contacted you, or you are not aware of any of the programs or the advertising that clubs are running saying that their ability to sponsor sport and provide facilities is at risk because of the government's decision?

Ms Berry: I have not been approached by any clubs.

THE CHAIR: Okay. But for Ms Priest, if that support for sporting facilities and sporting clubs diminishes, you are not in a position to pick up that slack?

Ms Berry: Well, if every club in Canberra closed down, if that is what you are suggesting—

THE CHAIR: No, I did not say that. I just said—

Ms Berry: If that was the case then of course the ACT government at the moment, and I do not think at any moment, would be able to, and I do not think that that would be the case for clubs in the ACT. I know that ClubsACT has met with my office but did not raise this particular issue, not with me. I have not met with anybody from clubs or ClubsACT about the particular issue that you are talking about here today.

THE CHAIR: Are you concerned that there may be a threat to the facilities and to the level of support for our community-based clubs and their ability to provide resources?

Ms Berry: I am not aware. That has not been the concern that has been raised with me.

THE CHAIR: Thank you. Mr Hinder has a supplementary.

MR HINDER: Minister, my understanding of the very valuable contribution that the community clubs make to sporting organisations, and all sorts of organisations around the territory, is that the revenue is attached to gaming profits. If hypothetically, as Mr Smyth posed his question, the machines were at some point in the future to be sold, other than those that are retired as a requirement of that process, those machines will still be producing gaming revenue. Further, my understanding is that the revenue or the contribution to the community that would be required from some entity like the casino, if they were to get them, would be a higher requirement than that currently imposed on clubs. Does that sound right to you?

Ms Berry: It is really not an area that I am in responsible for in my portfolio but I can take it on notice and provide it to the responsibility minister to answer.

MR HINDER: But the revenue would not disappear; it would still be there?

THE CHAIR: The revenue is declining. That is the problem.

Ms Berry: I am really not the person that can respond to that. I really cannot.

THE CHAIR: Have you spoken up in cabinet to protect the clubs that support sport so well in the ACT?

Ms Berry: Conversations that happen in cabinet are conversations that happen in cabinet.

THE CHAIR: I am not asking for the content; I am just asking whether you have spoken up for clubs?

Ms Berry: Well, I am—

THE CHAIR: Have you spoken up for clubs outside of cabinet so that they can continue to support sport?

Ms Berry: That is not a question that I am responding to today in my capacity as Minister for Sport and Recreation.

THE CHAIR: I am asking you a question in your capacity as Minister for Sport and Recreation: have you thanked clubs? Have you spoken up for clubs? Do you understand the contribution that clubs make both in—

Ms Berry: I understand the contribution that they make.

THE CHAIR: Can I finish—the provision of facilities and in support for individuals and teams in the ACT?

Ms Berry: I am aware of the contribution that community clubs make to the ACT.

THE CHAIR: Aware?

Ms Berry: Well, I am pretty aware. I think you would know that.

THE CHAIR: Pretty aware?

Ms Berry: But I cannot, I am not going to, respond to questions about clubs in my capacity as Minister for Sport and Recreation.

THE CHAIR: You do not see the link—

Ms Berry: I have already responded to the question.

THE CHAIR: between clubs and their contributions and your—

Ms Berry: I have already responded to the question.

THE CHAIR: But it is a reasonable question. You do not see the link between clubs and your role as Minister for Sport and Recreation?

Ms Berry: You have already asked the question and I have responded. I cannot answer any more questions about that in my capacity as sport and recreation minister.

THE CHAIR: No, that is a new question. I had not actually asked that question.

Ms Berry: I have responded. I will not be responding to any other questions about clubs in my position as sport and recreation minister unless you have a specific question about sporting facilities here in the ACT.

THE CHAIR: I did. I said, “Are you aware of the link—

Ms Berry: And I responded. I know you do not like the answer but I have given you the answer.

THE CHAIR: No, it is a new question. You have already pre-empted by saying “I already answered” before I asked the question—

Ms Berry: I have already given you an answer to that question too.

THE CHAIR: So you have answered all my questions? That is fantastic.

Ms Berry: I will refer you to—

MR HINDER: I have a new question.

THE CHAIR: Aren’t you lucky that we have come to the end of our time—unless you have a question that can be answered by one word?

MR HINDER: Can I ask one quick one? As former vice-president of North Canberra Futsal, we ran out of indoor facilities some years ago and had to turn kids away. Is there a plan for more indoor facilities across the territory, particularly for futsal?

Ms Berry: We have been doing some work with Education to have a look at some of the facilities that might be available in education, through schools throughout the ACT. That has been a really great process. We have been able to identify some facilities that have been then made available to teams or organisations that might have lost a facility for different reasons.

One of those teams that we have been able to find a new home for is the Woden Dodgers basketball team who were previously at the Woden basketball stadium. They have been able to find a new home at—which school was it?

Ms Priest: Alfred Deakin high.

Ms Berry: Alfred Deakin high. That has been really great for them because they have their own home ground, or basketball stadium, that they can call their own. In addition to that, we have been looking at how education spaces can be built more for than just education but as community facilities for sport and also perhaps be able to be used with multicultural groups in the ACT that might need some extra space.

One of the wonderful issues that we have in the ACT is that our multicultural community is growing and continuing to grow. So we are looking at different kinds of

ways that we can provide facilities for them. Ms Priest alluded to the technology around synthetic turf and how that is improving every day for different sports to be able to use. We are going to have a look at some of the facilities in schools that have facilities with synthetic fields. For example, Kingsford Smith has a synthetic field; Belconnen high recently had a synthetic field put in; a new synthetic field at Melrose is underway at the moment. We are looking at whether they can be used by sporting groups as well. I am referring to outdoor facilities as well as indoor facilities for different groups.

Ms Priest: I also mention that we are, after Capital Football's release last year of their strategic facilities plan, working with them on some options around future facilities for futsal.

THE CHAIR: We will have to wind it up there. I know there are more questions but our time is at an end on this, the penultimate day of the 2016-17 estimates committee. On behalf of the committee I would like to thank various ministers, the Speaker of the Assembly and all the witnesses and officials who have appeared today.

If witnesses have taken any question on notice, could they please get those answers to the committee secretary within five working days, the first working day being tomorrow. The secretary will provide a copy of the proof transcript of today's hearing when it is available for any corrections or additional information you wish to supply.

Tomorrow we return mainly with Minister Gentleman for planning and then I think Mr Corbell has a final visit to the estimates committee with the estimates for environment. At 12.30 there is a recall of the Minister for Racing and Gaming to address some issues concerning pokie machines going into the casino. With that, the committee is now adjourned.

The committee adjourned at 5.34 pm.