QUESTION TIME

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FOR THE

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Thursday, 26 June 2025

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Questions without notice

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Budget—cost-of-living support

MS CASTLEY: My question is to the Chief Minister. After years of refusing to support struggling families in the cost-of-living crisis your government's current approach seems to be that because interest rates have come down, Labor can tax away any breathing space that households might have enjoyed. Chief Minister, is this policy fair?

MR BARR: Obviously the pre-question time hilarity has moved on, which is appropriate. I thank the Leader of the Opposition for the question. I do not concur with the way she has mounted that case in the question.

I think it is important to note that across our community there are families and households in a number of different financial circumstances and the government, through the budget, has provided significant additional cost-of-living support for families in Canberra and households who are doing it tough.

We also recognise though that through a number of changes in the national economy, for example: real wage growth for the first time in quite some time; two interest rate cuts with more on the way given yesterday's further reduction in inflation; and a number of other factors that have eased cost-of-living pressures, that it was appropriate in this budget to look at the sustainability of the public services that many Canberrans rely on.

Canberrans have said very clearly that the government's number one priority should be investment in health. We agree. It is the biggest area of expenditure but it must be paid for. We are in an ongoing discussion with the commonwealth, like every state and territory is, but we also recognise that we too must contribute to ensuring we have sustainable public health services. Not just hospitals, but across the public health system. We welcome investment in primary health care and more access to bulk billing—*(Time expired.)*

Mr Hanson: Mr Speaker, on a point of order. The Chief Minister is justifying his actions, but the question was actually whether it was fair. I would ask if he could respond.

MR SPEAKER: The time has expired, so the point of order is rather academic but thank you.

Mr Hanson: Okay. Fair enough. It was a good one though: an academic point of order!

MS CASTLEY: Chief Minister, when and why did you abolish the cost-of-living cabinet subcommittee?

MR BARR: I thank the Leader of the Opposition for the question. At the end of the last parliamentary term obviously there were a number of changes to the membership of the cabinet and the various cabinet sub committees. The Expenditure Review Committee has taken on the responsibility of assessing cost-of-living impacts as part of annual budget decisions.

MS BARRY: Chief Minister, is the cost-of-living crisis over?

MR BARR: For some, it is; for others, it is not. That reflects the different circumstances that people will face in our economy. From an objective, whole-of-community perspective, inflation is lower now than it was two years ago. The monthly data that came out yesterday for the year to May showed inflation at 2.1 per cent. That is much lower than the 7 per cent it was at several years ago. Real wages are increasing. On 1 July those on the minimum wage will receive a 3.5 per cent pay increase against a 2.1 per cent inflation rate: so a real wage increase. Those who are not on the minimum wage are experiencing wage increases in the order of three to four per cent, depending on which sector of the economy they are in. Again, real wage increases. But not everyone is a wage earner and that is understood, and that is why there are concessions and a range of supports and rebates that are provided by both the territory government and the federal government to ease cost-of-living pressures that some households face.

Economy—credit rating

MS CASTLEY: My question is to the Treasurer. Yesterday, the credit ratings agency S&P Global called your first budget an "unusually weak performance" that would "further erode the headroom" for maintaining our credit rating. Treasurer, was this budget unusually weak, or is the ratings agency wrong?

MR STEEL: I note the S&P bulletin that they put out yesterday. I will not be commenting on commentary by S&P, because the ACT government, as we do after every budget, will be engaging directly with the ratings agency in the coming months following the budget. We will be discussing the ACT government's financial statements.

I note that the commentary by S&P is not a ratings action, and I also encourage the Assembly to make sure that their commentary on the budget is accurate and credible.

MS CASTLEY: Treasurer, is S&P correct when they say that fiscal controls are loosening, and this is leading to worse budget outcomes?

MR STEEL: Again, I am not going to comment on S&P's commentary, because we will be engaging with them directly. What I would say is that the fiscal shock we saw in the budget review this financial year in relation to the growth in demand and cost on our healthcare system—at that level—was not anticipated.

So we could not respond to that immediately in budget review, but we have responded in the 2025-26 budget. We have made adjustments to our fiscal strategy to address that. That includes sustainable revenue measures and curbing expenditure growth in the public service.

MR COCKS: Treasurer, how can you be confident that your weak budget will not lead to a credit rating downgrade this year?

MR STEEL: We will, of course, have that discussion with S&P in due course. What we have set out are adjustments to our fiscal strategy to put the budget on a sustainable footing and to provide operating surpluses from the 2027 year. We will be outlining the measures that we have undertaken in the budget and will continue work over the coming years to make sure that the budget is on a sustainable footing.

Budget—commonwealth grants

MS CASTLEY: My question is to the Treasurer. The budget papers assume a significant windfall for the ACT in terms of commonwealth grants, including an incredible $500 million or 25 per cent more in GST proceeds over the forwards. Treasurer, what assumptions are underlying this forecast, and are you confident the forecast will be realised?

MR STEEL: I do not necessarily agree with the premise of the question. In fact, there has been quite a significant change in GST sharing relativities in relation to our largest non-own-source revenue line, which is the goods and services tax, and that has been partially offset, or fully offset, by changes in GST methodology that have simply recognised the undercount of part of our population, which has been an ongoing problem in-between censuses, so we are engaging heavily with the commonwealth in relation to addressing that undercount. The part of the population that they have counted, which has been factored into the budget, is the resident population around the Australian Defence Force Academy. That is welcome, but there are other people who are residing in the ACT who have migrated here from interstate that are still not being recognised, so that is a source and focus of discussions with the commonwealth that will continue.

Treasury has provided their best estimates of the forecast. I believe that is quite conservative in relation to GST, and it factors in the relativity changes that all states and territories have also had to factor in to their budgets that have recognised that Victoria is now a recipient jurisdiction as a result of the long and protracted lockdowns that it experienced in the pandemic, which in the latter part of the pandemic other states and territories did not face. There will be changes to relativities going forward, but Treasury's forecasts are conservative.

MS CASTLEY: Treasurer, is this forecast consistent with the forecasts of state Treasuries?

MR STEEL: I have already mentioned that the other states and territories have had to factor in changes to GST sharing relativities, so in that sense, yes, it will be similar. But there has been a change that has specifically affected the ACT, which is in relation to the undercount of our population. That has been partially addressed by the recognition of part of our existing population, which has offset that change to relativities.

We hope that the commonwealth will recognise the further part of our population that is undercounted. One of the reasons for that is that their methodology for net interstate migration has been based on where a person's Medicare address is. Over time, as people have been receiving electronic mail from Medicare instead of hard copy mail, people have not seen the need to update their Medicare addresses. I ask the question to all members of this Assembly: when was the last time you updated your Medicare address? I suspect it was a very long time ago. We are working with the commonwealth on that. It has been very productive over the last year, and it is great to see movement that we can now reflect in the budget, but there is more work to do, and we will continue that work.

MR COCKS: Treasurer, why did the government receive $61 million or 85 per cent less than forecast in financial assistance grants from the commonwealth this financial year?

MR STEEL: There is a range of federal government agreements and programs that do differ from year to year. I am happy to take that on notice and come back with some specific information, but I do refer the members to the Federal Financial Relations chapter of the budget that does provide some commentary in relation, particularly, to some of the large agreements, and in particular the National Health Reform Agreement.

Budget—ACT Shelter

MR RATTENBURY: My question is to the minister for housing. Minister, organisations like ACT Shelter play a vital role in advocating for people experiencing homelessness who cannot advocate for themselves. By not appropriately funding organisations like this, you are effectively cutting off the ability for vulnerable people to be heard. Since June 2024, ACT Shelter have been resourced at a level below what is required to function as a viable and effective peak body, and they have indicated that they are now operating on reserves that will be exhausted in the coming financial year. Despite strong advocacy from ACT Shelter, there appears to be no additional funding announced in this budget and the organisation will likely have to commence scaling back their operations. Minister, why has the ACT government failed to provide sufficient funding to ACT Shelter through this budget?

MS BERRY: I thank Mr Rattenbury for the question. I have always worked very closely with ACT Shelter. There has been a great partnership with them, working with the ACT government over a number of years. I look forward to continuing to do that.

In the 2026-27 budget, Shelter will get their baseline funding, including indexation. In previous years, they did get some project funding, which had not been used, and that is the reserve that they are talking about. So we know that they have some funding available to back themselves in, along with the base funding that we have already provided. But we are always happy to work with them on continued funding, and on the work that they do to support housing organisations in the ACT, and particularly around the research that they do.

MR RATTENBURY: Minister. how many other community sector peak bodies made representations to you through the budget process about their concerns that they would find themselves in the same position, with insufficient funding to perform their functions and provide systemic advocacy?

MS BERRY: I would have to take that on notice. Most of these organisations would have put in their budget requests through the normal processes, and through to the Treasurer. They will have been responded to by now; they will have attended the budget lock-up and provided feedback on all of the organisations. The only one that I have heard have raised some concerns is ACT Shelter, but I know that they have funding in reserve for a one-off project—an amount that the government had provided previously. They have been provided with their base-level funding, knowing that they do have those reserves which were unspent previously.

MS CLAY: Minister, do you have current plans for what the government will do if ACT Shelter tell you that their reserves are running out and they will be forced to wind back?

MS BERRY: The reserves were supposed to be spent in previous years and they were not, for a variety of reasons. So they have already had funding provided previously for a particular project. I expect that they will be okay for some time, given that they already have existing funding, as well as their new base-level funding. What happens in the future is anyone's guess. As I said, I am committed to working with organisations like ACT Shelter, because I know that they are an important part of our housing groups in the ACT, and they provide really good advice and partnerships with the ACT government.

Housing—affordability

MR EMERSON: My question is also to the Minister for Homes and New Suburbs. Minister, ACTCOSS's *2025 Cost of living report* cites statistics from Anglicare that found that, in the ACT, there were no affordable rentals for someone on JobSeeker payments and that a couple on full-time minimum wages could only afford one per cent of rentals. Given over 3,000 applicants are already on Housing ACT's waiting list, has the government modelled how much social housing is actually needed to provide housing security to all Canberrans who cannot afford the private housing market?

MS BERRY: The ACT government works with a range of organisations to understand the needs of people in our community across a range of areas of affordable housing, which is why the ACT government has made a commitment to a thousand more public housing properties and another 4,000 community and affordable properties, because we know that there is no silver bullet to resolve the housing challenges that our community is facing and the country is facing. We have seen the federal Labor government going in a positive direction. It has been willing to work with us to provide additional funds so that we can work in partnership with not just the Australian federal government but also community housing providers and other housing groups to make sure that housing is available to meet all our needs.

I know that the housing that we are building now is not enough to house 3,000 people. It would be ridiculous to suggest that the 163 houses that we will be building over the next year and completing in the 2026-27 year to meet the 400 increase in our houses does not add up to house 3,000 people. That is why we need to work across the spectrum of housing, with public housing providing for the most in need, but there are other opportunities for people who can afford a lower rent price, like that provided by community housing providers, including organisations like the YWCA, and Aboriginal and Torres Strait Islander emerging housing providers too.

MR EMERSON: Minister, has the government modelled how much discontinuing the Rent Relief Fund will further increase the need for social housing?

MS BERRY: As I said, the ACT government provided the Rent Relief Fund for a period, and it has made the decision, through the budget process, that, whilst I know it helped a lot of people in a particular period, there is a range of other concessions provided now to support people in our community who are facing financial disadvantage.

MR RATTENBURY: Minister, what are the other available measures that you just referenced that replace the Rent Relief Fund?

MS BERRY: They are not replacing it. I do not think I said that they are replacing it. If I did, I withdraw that. But there are a number of concessions available to people in the community who are facing financial disadvantage, including in my portfolios, such as the Education Equity Fund, where families who are experiencing financial disadvantage can access funds to support their children's education and sport. It includes music supplies and education needs. We provide free Chromebooks to families with children in senior secondary schools so that every student has the same Chromebook and families do not have to have that financial impost at the start of the year. We have Tenant Participation Grants, which have been doubled, so now more public housing tenants will have opportunities to access funds to support them in their everyday life. The Rent Relief Fund was for people who rent private residential properties. The funds that are available through some of the measures that I have described are targeted to people who need the support most.

Budget—health—commonwealth funding

MS CASTLEY: Thank you, Mr Speaker. My question is to the Chief Minister. Chief Minister, your Treasurer has claimed that the commonwealth has not funded ACT health enough, while the federal health minister has said, "I'm not sure there's ever been a bigger increase in commonwealth funding to the ACT hospital system than the one we will deliver this week". Can you please clarify for Canberrans who is correct?

MR BARR: Well, they both are. The commonwealth has provided an extra $50 million, but the commonwealth is not at the point at the moment of being anywhere near the 45 per cent funding that is the aspiration that national cabinet agreed to in December 2023 to get there over a period of time. So that is why the next five-year commonwealth, state and territory health agreement is the most significant matter in the federation—and not just for us, but for every state and territory.

Those who have an interest in how our federation works and how federal financial relations operate, would have looked at each state budget that has now been delivered and seen very similar patterns. The jurisdiction closest in size to us, Tasmania, had to put in over $1 billion extra into their health system over four years. And their budget projected no surpluses or balance for the rest of this decade. That forced a vote of no-confidence in the government and the snap election in Tasmania.

So, all states and territories are facing this challenge. The commonwealth will need to do more, but what that they have said to the states and territories is that we need to step up on foundational support as part of easing the rate of growth of the NDIS. That is a difficult conversation—one that commenced in December 2023 and is still ongoing. It is the most important factor. So, we welcome the extra funding the commonwealth has put in as part of that one-year agreement—but if they're to get to the 45 per cent funding they are going to need to put in a lot more over the next five years.

MS CASTLEY: Chief Minister, why are you forcing Canberrans to pay an extra $250 health tax to fund a health system that is already receiving record funding according to the Labor federal health minister?

MR BARR: Because demand is at record levels. The demand and the cost of providing those health services is exceeding the extra money the commonwealth has put in, such that we have had to put $1.19 billion extra in, in this budget. And that has to be paid for. We are endeavouring to do that in a way that shares the burden, Mr Speaker. But what we are clear about is that we need to make the investment in health.

The opposition can pursue a different approach. They can say, "We'll spend less on health", or less on something else. That is perfectly legitimate, and that is the political debate that we will have. But we have been clear that we will invest in health. We will be calling on the commonwealth to do more as well. But we have also come to the table with a way of funding that extra health care investment.

I and my colleagues have interpreted from the federal election result that there is no appetite in Canberra for a reduction in the public service or a reduction in investment in health. But it is the community's number 1 priority, and it must be funded.

MS MORRIS: Chief Minister, why has the federal health minister accused your Labor government of "breaching the principle of universal healthcare"?

MR BARR: He hasn't. A journalist from the *Financial Review* has. He fundamentally disagreed with that in the press conference, and the transcript is very clear. So, whilst the *Australian Financial Review* political party will have a particular view, and good luck to them—in fact I think they should run. I think there are a lot of journalists who could contribute a lot more to politics, because they have got all the answers. There is a number of them who are certain they do. They should put their name on the ballot paper. Let's have the AFR Party run next federal election, next territory election. It would be a fascinating political contest.

Budget—taxation

MS CARRICK: My question is to the Treasurer. It is about the increasing rates outlined in the *Canberra Times* yesterday. I believe in a progressive tax system. I would like to ask about the highest rates increase by suburb. There are a number of inner suburbs that will have their rates increased by nine and 10 per cent. Forrest, however, is an outlier, with a significant increase of 18 per cent. Forrest already has the highest median rates in Canberra, by a significant margin. The increase will bring their average median rates to around $17,000. Why is the increase in both absolute and percentage terms in this one suburb so much higher than anywhere else in Canberra?

MR STEEL: I thank the member for her question. Yes, we do have a progressive rates system in the ACT, where we ask lessees that own high value land to pay more than lessees with lower value land in the territory through the variable charge on rates. Yes, in the budget we have made the difficult decision to ask lessees with higher value land, over $1 million average unimproved value, to pay more; at a rate of 0.5734 in 2025-26, which is a new bracket. That does mean that suburbs like Forrest will see a higher increase than they would have because we are asking those people to pay a larger share in the contribution to help pay for the critical healthcare services in the budget.

MS CARRICK: Minister, why is it that properties in the Inner North that also have very high values—that have access to the economic areas of Canberra, higher education, jobs, access to the arts, to culture, to facilities—better access than anyone else—why is it that their rates are not, in absolute terms as high, or the percentage increase is nowhere near that, of many suburbs in the Inner South, particularly Forrest?

MR STEEL: I disagree with the premise of the question. We have—right across the ACT—great access to a range of different amenities, in all areas. I have heard many times in this place people describe people in the Inner North as having fantastic access to a range of different services because of their proximate location to the city and many of the centrally provided amenities and infrastructure delivered by the ACT government. Presumably, the reason why some of the rates will not be going up as high, on average, in some of those suburbs is because the value of their land is not as high as in perhaps other areas of Canberra. Of course, that is adjusted on a yearly basis based on average unimproved values and it is very block-specific, so it will depend on the exact specific block. We have put in place a range of measures over previous budgets to make sure any growth from year-to-year is averaged over a longer period of time to stop any great shocks in terms of rate increases.

MR COCKS: Treasurer, why are Canberrans, like those in my electorate, paying the highest rates in the country?

MR STEEL: I thank the member for his question. Rates is an own-source revenue line for the ACT government that supports not only local municipal services, but also supports the delivery of important state government functions, including the delivery of critical healthcare services. We have seen in other local government areas, where they do not deliver those critical healthcare services, very large increases to rates, in particular in New South Wales. I encourage the member to go onto the NSW government websites and have a look at the applications by a range of LGAs that have applied to increase their rates above the threshold set by the state government.

Budget—health

MR WERNER-GIBBINGS: Treasurer, how does the 2025-26 budget invest in high-quality services for all Canberrans?

MR STEEL: I thank Mr Werner-Gibbings for his question. The 2025-26 budget continues to invest in more high-quality services for all Canberrans and supports our city's growth into the future.

This includes a significant investment of $138 million to support public education and training in the ACT. This will support the delivery of the new CIT campus in Woden that will open over the next month; the expansion of the School Youth Health Nurse Program from January next year; and the doubling of the Try-a-Trade program in ACT schools, which expands to 10.

We are also investing in better public transport services, buying 30 more battery electric buses, which will support the replacement of old diesel and gas buses and also help us to grow the services that we deliver to Canberra. We are also investing in more services on Sundays, from term 3 of this year. We are making public transport safer, with investments in Bus Network Officers and Transit Enforcement Officers, as well as better physical protection for bus operators.

The budget also includes a record investment of $1.196 billion into our healthcare system—not just to support growth in demand and cost in the system but to deliver better healthcare services.

MR WERNER-GIBBINGS: Treasurer, how is the government investing to help more Canberrans get access to quality health care closer to home?

MR STEEL: As part of the $1.196 billion we are investing in our healthcare system, the government will deliver on our commitment to support more surgeries, bring care closer to home and expand mental health healthcare services.

This includes funding 70,000 elective surgeries over the next four years, delivering on our commitment that we took the election. We will invest in funding to construct the Inner South Health Centre, deliver new imaging and x-ray services at the Belconnen Community Health Centre and deliver on important commitments that we have made to the community. We are supporting further funding for community-led mental health services and perinatal mental health services, recognising the importance of mental health as part of the broader health system. We will also deliver more funding to support primary care, through more bulk-billing incentives, placements for junior medical officers and professional development and wellbeing support for GPs.

MS TOUGH: Treasurer, why is it so important the government continues to invest in these services?

MR STEEL: I thank the member for her supplementary question. That was the choice that we had in this budget. Of course, it is critically important that we continue to invest in these services. Canberrans enjoy a very high level of services in our city, which is emblematic of the fact that our city has a very high quality of life that has been recognised globally—something that was highlighted in the chamber yesterday by the Chief Minister.

Our government's commitment is to continue to deliver this high level of services in every part of our city. We know what the alternative is; it is the approach that was offered to the community last month by the Liberal Party: deep cuts to the public service and deep cuts to the public services that they deliver. That was soundly rejected by the Canberra community, as it should have been.

Continuing to invest in services and building upon them is critically important for the future of our growing city. As our population grows, our government will continue to support more services for Canberrans—in health, education, training, public transport, community services and so many other areas of government service delivery.

Budget—utilities concession

MR BRADDOCK: My question is for the Treasurer. Treasurer, in question time yesterday you said that your government has increased the utilities concession for electricity, gas and water. Treasurer, this year the utilities concession has been set permanently at $800; however, people who get the benefit received $800 for each of the 2022-23, 2023-24, 2024-25 budgets, as well as this year's budget. Although you have described it as being made permanent, isn't it really gilding the lily to describe it as an increase?

MR STEEL: No; in the absence of any decision, it would have dropped back, but we have made it permanent. But we have also built on the extended eligibility. A recent decision was made in the prior budget to make sure that more Canberrans could access this concession, which is now supporting over 40,000 eligible households and those, particularly, with a healthcare card with Services Australia. It is an important cost-of-living measure that we have made in the budget, but it is not the only one.

I refer the member to the cost-of-living chapter in the budget, where we outline a range of other supports focussing on cohorts that are in need: supporting apprentices, who we know have lower wages, with a payment up to $500, particularly for first year apprentices; supporting stamp duty concessions for homebuyers by furthering tax reform in the budget; and the $145 million investment that we have made in housing, in particular for more affordable social housing and public housing, noting that housing is a major part of the costs in a household budget. We can turn the levers around housing supply; that is where we are focused in the budget, and that will certainly support cost of living as well.

MR BRADDOCK: Treasurer, will you continue to fund the Utilities Hardship Fund, and how much will be available for Canberrans to access?

MR STEEL: Yes, it will still be available for Canberrans to access, and I encourage them to talk with their retailer if they are facing hardship, to talk through the options, but also to make sure that the concession is being applied to their account. Of course, the federal government will also be chipping in $150, which will be paid in the last two quarters of this calendar year.

MR RATTENBURY: Minister, how much will actually be available under the Utilities Hardship Fund compared with last year?

MR STEEL: In terms of the overall amount for the fund, I will take that on notice and come back.

Budget—health—commonwealth funding

MS CASTLEY: My question is to the Treasurer. It was reported yesterday that the Labor federal health minister, Mark Butler, said that next week the commonwealth would increase its funding to the ACT hospital system by 16 per cent, blowing away your claims that the commonwealth is not funding ACT Health properly. Treasurer, have you misled Canberrans on the reality of health funding?

MR STEEL: No. I point out to Ms Castley page 195 of the budget papers, which provides the actual funding from the commonwealth under the National Health Reform

Agreement. As the Chief Minister has already said—clearly, the opposition leader has not pivoted in her line of questioning—the level of growth in demand and cost in our healthcare system is growing well beyond that. That has seen the rate of contribution by the commonwealth—not the actuals; the rate of contribution—going backwards over time, unless it is addressed.

That is shown in the graph presented on page 192 of the chapter on federal financial relations in the budget papers. Unless there is action in a new five-year agreement, the CCR level contribution from the commonwealth would drop, in terms of the proportion funded to our hospital system, compared to what the national cabinet agreed target was, which was to go to 45 per cent over the next 10 years and 42½ per cent by 2030.

We are keen to get negotiations underway again on a five-year agreement, so that we can address the extraordinary pressures that states and territories are facing in our health and hospital systems. An important point to make is this: with respect to the current NHR agreement, including the one-year addendum, which the opposition leader is referring to, the original NHR agreement was signed years ago under a coalition government during the pandemic. Clearly, it did not take into account the fact that we were going to have this extraordinary step-up in demand and cost in healthcare services around the country. So, yes, that will be a focus of the next NHR agreement. This has been seen in every state and territory budget—(*Time expired.*)

MS CASTLEY: Treasurer, was the federal health minister lying when he said yesterday, "I'm not sure there's ever been a bigger increase in commonwealth funding to the ACT hospital system than the one we will deliver next week"?

MR STEEL: I think we have clearly addressed that. There is a difference between the actuals and the $50 million; the additional funding from the commonwealth was very welcome and will help to contribute to the cost of delivering services. But those costs and the demand in the system are growing at a higher rate. We will see a decline in the commonwealth contribution rate over time, if they do not put more into the system in future years. That is the focus of negotiations on a new national health reform agreement, which is intended to last for five years, in order to try and reach a glide path to 42½ per cent by 2030.

MS BARRY: Treasurer, has your decision to slug Canberrans with a new $250 health tax violated the principles of universal health care?

MR STEEL: No, it has not.

Budget—environment

MS CLAY: My question is to the Minister for Climate Change, Environment, Energy and Water. The Commissioner for Sustainability and the Environment's *Close to the edge* report found that "government spending on the environment at all jurisdictional levels is meagre and demonstrably inadequate". That is a direct quote from the report. The report also found that a lack of reform is "tacit acceptance of and contribution to the biodiversity crisis". Environment is one of our 12 wellbeing priorities, yet this budget again does not prioritise the environment, with only two per cent being spent on climate, environment and sustainable development—a smaller fraction of total spending than we had last year and still less than one per cent being dedicated to nature. Minister, do you accept that this year's budget funding will see a continued degradation of our environment?

MS ORR: No; I do not.

MS CLAY: Minister, why is funding for the earless dragon in the budget $4 million when you earlier announced $4.5 million?

MS ORR: I will take the detail of this on notice. My understanding is that components of that funding continued from previous years, so it is effectively offset against funding that was already provided, as well as new additional funding. I will take it on notice to double-check that I am correct.

MISS NUTTALL: Minister, will you commit to the Landscape Plan, which has been funded in this budget, preventing the degradation and removal of habitat for development?

MS ORR: I will not be pre-empting in question time any policy decisions that are still to go before cabinet, but certainly the point that Miss Nuttall has raised in her question is included in all things that are open to consideration. Cabinet will consider it in due course, once we have appointed a government landscape architect and they have had a chance to develop and provide a briefing to cabinet on what the Landscape Plan should look like.

Budget—lakes and waterways

MISS NUTTALL: Thank you. My question is also to the Minister for Climate Change, Environment, Energy and Water. Minister, I was pleased to see $177,000 announced for continuing the Healthy Waterways projects for Lake Tuggeranong and Office of Water staff in this budget this week. The Healthy Waterways website indicates that there are seven projects underway to support the health of Lake Tuggeranong, and one proposed. Minister, will this funding be used to start the final prospective project listed on the website, which is reconnecting the old creek line at Tuggeranong Homestead?

MS ORR: There are a number of projects, as the member has pointed out, in the broader Healthy Waterways program. Those projects are all quite technical, and require a fair bit of planning and technical work to proceed before than can go. That is what we are working through. So, I can take the detail of Ms Nuttall's question on notice, but I would say that we will continue to work through that program as we can, in developing up the technical aspects that need to be done.

MISS NUTTALL: Minister, will all waterway projects for Lake Tuggeranong currently underway be completed before the next budget, given that the new funding is only for this year?

MS ORR: Mr Speaker, I think it is fair to say that we always set out with good intentions on these exploratory works but then we can not always anticipate everything. We do see delays for them. So I am a little bit hesitant to give a blanket answer to Ms Nuttall's question. However, I would say that we are certainly going with the best understanding and assumptions we have, and set the timelines in accordance with that. We continue to work through to the best of our knowledge and abilities in getting these learnings, which are actually quite nation-leading in a lot of the water work that we are doing in restoring those waterways. My only hesitation, as I said, in providing a more concrete answer—concrete doesn't feel like quite the right word when you're talking about water—but providing a blanket statement to Ms Nuttall's question is that there are always things that you can't anticipate, and we do need to leave a bit of room for that.

MR RATTENBURY: Minister, is this $177,000 the only funding allocated to Healthy Waterways projects this year, and how does that compare to previous years?

MS ORR: Thank you, Mr Speaker. I refer the member to my first answer.

Budget—cost-of-living support

MS TOUGH: My question is to the Treasurer. Treasurer, how does the 2025-26 budget continue to support more vulnerable Canberrans?

MR STEEL: I thank Ms Tough for her question. The 2025-26 budget continues to support vulnerable Canberrans as we invest in targeted cost-of-living relief, more frontline services and community support and social inclusion. The budget delivers on the government's core cost-of-living relief commitments. This includes delivering the permanent increase of $50 to the electricity, gas and water rebate, now $800, which will support over 40,000 households which are low income households.

We are also supporting a $250 payment for apprentices and trainees and an extra $250 for apprentices in their first year, particularly to support buying tools and equipment that they need to start their apprenticeship. We will provide $150 off light caravan and trailer registration and support more stamp duty concessions for first home buyers, pensioners and people with a disability, by increasing the price thresholds to over $1 million which is now well above the median house price. As part of our package, the government will also support vulnerable new parents by providing baby bundles in partnership with Roundabout Canberra, an important community sector partner.

MS TOUGH: Treasurer, how will the government partner with the community sector to deliver this support?

MR STEEL: We will continue to support our community sector partners through the budget in delivering programs and initiatives, and through a $10 million funding boost for those community sector organisations that have a funding agreement with the ACT government. This funding boost will be provided while the government continues important work to undertake funding reform to support a sustainable and diverse community sector. This is on top of the annual Community Sector Indexation which has provided further funding through this budget. Through the budget, the government will provide $30 million for frontline domestic, family and sexual violence services, partnering with a range of important community sector organisations and Aboriginal Community Controlled and led Organisations to deliver these services. We recognise the important role that the sector plays in supporting a wide range of programs for vulnerable Canberrans across so many parts of our city and for many different members of our community.

MR WERNER-GIBBINGS: Treasurer, what other investments will help Canberrans in need?

MR STEEL: I thank Mr Werner-Gibbings for his question. The budget also provided for the funding for homelessness sector support, with a $16 million investment to extend funding for specialist homelessness service providers. Having a home is an important foundation for so much. The government is continuing to invest in the social, community and affordable housing that our city needs through this budget as part of our commitment of 30,000 homes by 2030.

The budget provides $1.5 million for the Food Bank Fund that will support food banks and community organisations who provide Canberrans access to food relief and essential grocery items. It also provides $2.7 million in funding to a variety of programs to enable community organisations to support vulnerable members of the community, including funding for Fearless Women, Kulture Break and Scouts ACT. The budget also provides more funding to continue humanitarian grants programs as we continue to support individuals and families arriving in Canberra after fleeing global crises, particularly in supporting their access to housing and basic living costs.

Budget—ACT public service

MR COCKS: My question is to the Treasurer. The budget papers show $282 million in savings from the so-called whole-of-government expenditure reform. The government denies these are cuts, but Canberrans see services under pressure and budgets going backwards across several agencies. Treasurer, which agencies are impacted by the $282 million from whole-of-government expenditure reform?

MR STEEL: I thank the member for his question. Again, I refer him to the budget papers. In the initiative description on page 89 of the budget outlook it says:

> Non-employee expenses will grow at 1.25 per cent rather than 2.5 per cent, while employee expenses outside of CHS and school-based staff will grow over the forward estimates on average by 0.86 per cent, rather than 1.41 per cent in the absence of any rebasing of expenditure.

MR COCKS: How is a reduction compared to a previous budget not a cut?

MR STEEL: It is a reduction in growth. The public service will continue to grow and our population will continue to grow, and we will continue to deliver services to the community. What we will be doing, as the public service grows year-on-year, is make sure that the funding we have provided, which is still growing, is prioritised to the areas of government priority and community priority.

We will also be engaging in genuine workload reduction. Ministers will be working very closely with their directorates and agencies on this task. It will be a multi-year task where we will be looking very closely at employee expenses in particular but also making sure that we are curbing the growth in non-employee expenses to achieve these savings.

This is an example of how we are taking responsible action on the expenditure side of the budget, as part of an adjustment to our fiscal strategy to continue to deliver the critical healthcare services that Canberrans need.

MR HANSON: Treasurer, can you explain your understanding of the difference between a savings measure, a cut, an offset and an adjustment?

MR STEEL: I am not going to engage in semantics. There is still growth—that is the difference. There is still growth in the public service. There is still growth in employee expenses, but it will be at a lower rate. So the public service will grow year-on-year.

MR SPEAKER: Can we stop the clock.

Mr Cocks: The point of order is on relevance. What the Treasurer has just said is that he will not engage in a discussion on the subject that the question asks about.

MR SPEAKER: Well, he then set about engaging with the question. Mr Steel, you have about one minute and 35 seconds remaining, if you want to engage further.

MR STEEL: I will address the point of order—why not!—in relation to an opinion. He is asking me for an opinion on what I think in relation to the definition of different words, when I have clearly used words around growth and continued growth in the public service.

Budget—ACT public service

MR COCKS: My question is for the Treasurer, and it is in regard to the impact of the budget on the public service. Treasurer, can you guarantee that there will be no redundancies as a result of this budget?

MR STEEL: The intention is not to undertake deep cuts to the public service. We have been very clear about that. But agencies and their responsible ministers will need to make sure that they keep within the growth that we have set out in the budget for employee expenses, and we will be engaging with a multi-year expenditure reform to make sure we achieve that level of growth over the forward estimates and achieve the savings that have been identified, prioritising our existing resources within government to support areas. We have already been talking with some of the employee representatives about what that could mean, but there is obviously a lot of further work to do over the coming months and years on this matter. We have identified, for example, that we would like to talk about labour mobility within the public service to be able to have people reprioritised into those areas of need—existing staff being better utilised in areas where it is a priority for the government and the community, which can change over time. We are having those discussions. I know the unions are up to having those discussions, and we will work with them to achieve the target that we have set out.

MR COCKS: Treasurer, why did the budget papers not fully detail the movement of FTEs between agencies that result from the budget, and are there any redundancies hidden in those numbers?

MR STEEL: There is very extensive reporting on FTE in the budget, particularly around the machinery of government changes that will come in from 1 July and have been represented in the budget papers, which is yet another example of a responsible action our government is taking to deliver government services more efficiently. That is outlined in the budget papers around FTE but also in the change in expenditure across different agencies as we bring parts of government together and other parts move to other directorates and agencies.

MR HANSON: Treasurer, will you table a document by the end of the day detailing all transfers by FTE between directorates, including the original directorate and the destination directorate?

MR STEEL: I tabled the budget; that outlines the FTE and that outlines changes in expenses between agencies.

Mr Barr: I will ask that all further questions be placed on the notice paper.