



**LEGISLATIVE ASSEMBLY FOR THE  
AUSTRALIAN CAPITAL TERRITORY**

**SELECT COMMITTEE ON ESTIMATES 2024-2025**

**(Reference: [Inquiry into Appropriation Bill 2024-2025 and  
Appropriation \(Office of the Legislative Assembly\) Bill 2024-2025](#))**

**Members:**

**MS N LAWDER (Chair)  
MS S ORR (Deputy Chair)  
MISS L NUTTALL**

**TRANSCRIPT OF EVIDENCE**

**CANBERRA**

**FRIDAY, 26 JULY 2024**

**Secretary to the committee:  
Dr D Monk (Ph 620 50129)**

**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

<b>ACT Integrity Commission</b> .....	<b>477</b>
<b>Canberra Institute of Technology</b> .....	<b>490</b>
<b>Chief Minister, Treasury and Economic Development Directorate</b> .....	<b>490, 544</b>
<b>Community Services Directorate</b> .....	<b>459, 531, 544</b>
<b>Education Directorate</b> .....	<b>459</b>
<b>Major Projects Canberra</b> .....	<b>490</b>
<b>Suburban Land Agency</b> .....	<b>544</b>

## **Privilege statement**

The Assembly has authorised the recording, broadcasting and re-broadcasting of these proceedings.

All witnesses making submissions or giving evidence to committees of the Legislative Assembly for the ACT are protected by parliamentary privilege.

“Parliamentary privilege” means the special rights and immunities which belong to the Assembly, its committees and its members. These rights and immunities enable committees to operate effectively, and enable those involved in committee processes to do so without obstruction, or fear of prosecution.

Witnesses must tell the truth: giving false or misleading evidence will be treated as a serious matter, and may be considered a contempt of the Assembly.

While the committee prefers to hear all evidence in public, it may take evidence in-camera if requested. Confidential evidence will be recorded and kept securely. It is within the power of the committee at a later date to publish or present all or part of that evidence to the Assembly; but any decision to publish or present in-camera evidence will not be taken without consulting with the person who gave the evidence.

*Amended 20 May 2013*

## **The committee met at 9.01 am.**

### Appearances:

Berry, Ms Yvette, Deputy Chief Minister, Minister for Early Childhood Development, Minister for Education and Youth Affairs, Minister for Housing and Suburban Development, Minister for Women, Minister for the Prevention of Domestic and Family Violence, and Minister for Sport and Recreation

### Education Directorate

Haire, Ms Katy, Director-General

Efthymiades, Ms Deb, Deputy Director-General, System Policy and Reform

Moore, Dr Nicole, Executive Branch Manager, Strategic Policy

Brookes, Ms Clare, Acting Executive Branch Manager, Education and Care Regulation and Support

### Community Services Directorate

Rule, Ms Catherine, Director-General

Summerrell, Mrs Jessica, Acting Executive Branch Manager, Support Services for Children

**THE CHAIR:** Welcome to the public hearings of the Select Committee on Estimates inquiry into the Appropriation Bill 2024-2025 and the Appropriation (Office of the Legislative Assembly) Bill 2024-2025. The committee will today hear from the Minister for Early Childhood Development, the Integrity Commission, the Minister for Skills and Training, the Minister for Disability, and the Minister for Housing and Suburban Development.

The committee wishes to acknowledge the traditional custodians of the land we are meeting on, the Ngunnawal people. The committee wishes to acknowledge and respect their continuing culture and the contribution they make to the life of the city and this region. We would also like to acknowledge and welcome other Aboriginal and Torres Strait Islander people who may be attending today's event.

The proceedings today are being recorded and transcribed by Hansard and will be published. The proceedings are also being broadcast and webstreamed live. When taking a question on notice, it would be useful if witnesses used these words: "I will take that question on notice." This will help the committee and witnesses to confirm questions taken on notice from the transcript.

We welcome Ms Berry MLA, the Minister for Early Childhood Development, and officials. I remind witnesses of the protections and obligations afforded by parliamentary privilege and draw your attention to the privilege statement. Witnesses must tell the truth. Giving false or misleading evidence will be treated as a serious matter and may be considered a contempt of the Assembly. Please confirm that you understand the implications of the statement and that you agree to comply with it?

**Mrs Summerrell:** I have read and acknowledge the privilege statement.

**Ms Rule:** I have read and acknowledge the privilege statement.

**Ms Haire:** I have read and understood the privilege statement.

**Ms Efthymiades:** I have read and acknowledge the privilege statement.

**THE CHAIR:** We will proceed directly to questions. I would like to ask about the universal access to preschool for three-year-olds. Minister, can you give us an update on the number of providers that have signed up to provide this service?

**Ms Haire:** I will hand over to Dr Moore in a moment. I am very happy to let the committee know that 82 providers, representing 142 services across Canberra, have signed on for the rollout of three-year-old preschool, which commenced in Canberra on 1 January 2024. Dr Moore can give you an update on the number of children who have been enrolled, as well as any other program elements that you would like to discuss.

**Dr Moore:** I have read the privilege statement. In quarter 2 we had 3,183 children enrolled in the three-year-old preschool program. We are in the process of cleaning the data for quarter 3, but it looks like we have gone up by a couple of hundred children. We will be able to provide that data soon, but it is certainly looking like we are closer to 3,400 children.

**THE CHAIR:** How many eligible children are there?

**Dr Moore:** In the ACT we estimate that there are around 5,000 eligible children.

**THE CHAIR:** With your forecast for the number of eligible children who have signed up, is this what you expected? How does it go against your forecast?

**Dr Moore:** Actually, we are really excited. In the first six months, to have over 3,000 children is a great outcome. Obviously, it is non-compulsory, so it is a parent's choice as to whether they enrol their child in preschool or not. Certainly, over 3,000 is a really good outcome, six months in.

**MS LEE:** Going back to the providers representing the 142 services, is that also in line with what you were expecting; or is it lower or higher?

**Dr Moore:** It is actually really good coverage. About 85 per cent of providers of services in the territory have signed on. We were not quite sure what to expect, to be honest, but we are really excited by the take-up. There is coverage across all of the ACT. We were concerned that we may have some gaps, but we certainly do not, so that is great.

**MS LEE:** With the providers who have not signed on, have they given reasons why they may not have done that?

**Dr Moore:** Yes. A small number of services were not eligible to participate, so they were not invited to join the program. There are a couple of providers for whom, for their particular service, it was not considered financially viable. Typically, that is

where they are a higher cost service and they do not have a diversity of children. They have high-income families, so the Child Care Subsidy is not there to supplement the program. There are a couple in that boat, but we are working with those that were not eligible to make sure that, if they are interested, they are able to meet the program requirements in the future.

**MS LEE:** Just to confirm, with the people who were not eligible, so you did not invite them, they were in the category of what you just explained; is that right?

**Ms Berry:** There is more to it than that. That is just one example.

**MS LEE:** What are the other reasons why they would not be eligible?

**Ms Haire:** One of the important things about the three-year-old universal initiative is that it is about having quality early childhood education for children. In order to select the providers to invite, there were quality criteria applied, and that is the main eligibility that Dr Moore was referring to. Obviously, we are under the national law, so we use the National Quality Framework, which is applied across Australia, so it is an objective and accepted quality framework. We use ratings from that, translating into our criteria. I will ask Dr Moore to expand on that.

**Dr Moore:** One of the largest providers of services that chose not to participate were the Catholic services, the Catholic systemic preschools, and that is because they do not have three-year-olds. That is where they come from.

In terms of the eligibility criteria, we look at two of the national quality standards—quality standard 1, which is around educational programs and practices, and quality standard 7, which is around governance and leadership. We want to make sure, obviously, that the services that we are partnering with are delivering a quality educational program and that they have the right governance in place.

**MS LEE:** In terms of the funding, the \$5.917 million for the ICT program for universal access, is that in addition to the original \$50 million that was announced last year, or is it part of it?

**Dr Moore:** It is part of the funding. There is \$12 million a year for the delivery of the preschool component, and there is the information management system. The information management system is something that we are in the process of building. We have had an interim solution in place for this year, to enable us to get started, but we are using all of the lessons learnt for this year to build a system that will make it easier for providers, with less manual reporting, and streamlining of the back-end systems so that we can run the program efficiently. A big part of that investment involved our responsibilities to the commonwealth, because they have given us the agreement to provide the third-party payment, so we need to be able to collect the data and make sure that we are accountable in the way that those funds are being used.

**MS LEE:** You mentioned \$12 million a year. With the \$50 million, that is for four years; then there is \$5.917 million for the ICT system. Is there any other amount?

**Dr Moore:** Part of that funding, within the \$50 million, also goes to the workforce

strategy that is supporting the rollout of three-year-old preschool.

**MS LEE:** How much is that?

**Dr Moore:** It is about \$3 million—\$3.335 million, to be exact.

**THE CHAIR:** I asked earlier about whether the number of eligible children who signed up was above or below your forecast. You were saying you were not quite sure what to expect. Did you do no modelling or forecasting? How did you know how many providers you needed? What kind of take-up were you expecting?

**Ms Berry:** That is a really good question. One of the mistakes that perhaps other states have made around rolling out three-year-old universal access to preschool is that they have not done the work beforehand to identify the infrastructure that is required. Because we want it to be quality and not just a money grab from services to provide a babysitting service—it needs to be preschool quality education—we need to make sure we have a sector that can meet those needs as well.

It is about understanding our birth rates, through a range of different data sources, and working with the sector, leading up to the rollout of the program, in order to understand what they were going to do. That is why we phased it in, in that first instance, with the vulnerable families, in the initial group that went out, to understand how it was going to work, and to listen to the sector and see what else we needed to do to support the program when we started doing the full rollout.

**Ms Haire:** We did extensive modelling, so we were confident that we had the number of children who were eligible. We also did a survey, as the minister said, of the available places across the not-for-profit and for-profit providers, as Dr Moore said, to ensure that there would be eligible providers across the geographic reach of Canberra. Using a range of detailed studies, that was how we developed the model.

We consider having almost 3½ thousand children within the first six months to be an excellent outcome. We have also spent a lot of time ensuring that there is information, both through the providers and out in the community, so that people know about this new service. We are pretty confident that, as that builds, by next year we might reach up to 80 or 85 per cent of the children who are eligible for the service.

**MISS NUTTALL:** Talking about the Set up for Success goal of all three-year-olds having universal access to 15 hours a week of free preschool, what is the estimated year of completion for 15 hours a week?

**Ms Haire:** At the moment, under the Set up for Success strategy, as you would know, there is a phasing in. At this stage the government has committed to and announced the targeted preschool, which the minister just mentioned, which began on 1 January 2020, which applies to all vulnerable three-year-olds in the ACT. That has been running for four years and more than 1,000 children access that program for two days a week. This year, the next layer has been the one day a week of universal three-year-old, which we have just been talking about. The final stage, which is set out in Set up for Success, has not yet been announced by government. It is a future decision of government.

**MISS NUTTALL:** There is no current target of 15 hours a week for universal preschool?

**Ms Berry:** No, that is the target.

**MISS NUTTALL:** In that case—

**Ms Berry:** We are just not at that stage yet. That was why it was so important that we worked with the sector to roll out this program, so that we did not get it wrong. It was so important that we got it right. We worked with the sector. We understood what the needs were. We started with those vulnerable cohorts. We also increased enrolment within our Koori preschools. And we can understand the numbers better and what our sector needs to support them for a full rollout. If we had gone straight in and poured it all in, it was at risk of failure, because the sector was not ready.

**MISS NUTTALL:** Do you have any view as to when we might be at the point at which the government sets that target of 15 hours a week?

**Ms Berry:** That is the target that we have been working towards, and it is definitely in our strategy, but future budget announcements will be for future governments to decide.

**MISS NUTTALL:** With all of that in mind, and I understand we have done modelling to check the level of eligibility, has there been any work done to see whether, with the capacity that childcare centres have right now, they would be able to expand that to 15 hours a week?

**Dr Moore:** In the modelling that we did, we looked at the average take-up at the moment. Most children in the ACT access an average of 3½ days of ECEC, so there is capacity within services to go to two days. The issue we need to work with, as the minister has alluded to, is the workforce, and making sure that we are working with the sector to have enough qualified early childhood teachers across all days of delivery.

**MISS NUTTALL:** Going to workforce, what impact have the ongoing workforce strategies across the early childhood education and care sector had on the rollout, the Set up for Success? How are we managing that?

**Ms Haire:** A crucial part of Set up for Success has been the workforce strategy that was released last year. That is both about encouraging more people into the profession and increasing the skill and qualifications of those who are already there. It is an integrated strategy and there are a range of components in it. I will ask Dr Moore to set them out for you in a moment. It is part of why, as Dr Moore said in answer to Ms Lee's question, the announcement of the three-year-old universal program went hand in hand with the workforce strategy, because the two need to travel along together.

As a framing point, one of the elements of quality that we have been very focused on is that, in order to have a quality three-year-old program, children are in a room with a qualified teacher. Increasing the number of qualified teachers, as well as having the



other workforce numbers, is really important. We have a multifaceted strategy to increase the number of qualified early childhood teachers in our services, alongside increasing the overall capacity and numbers in the workforce. I will ask Dr Moore to go into more detail on that, if you would like.

**Dr Moore:** The workforce strategy is obviously a key component, as has already been mentioned. It goes for two years, 2023 to 2025, and it sets out a range of actions that we have developed, in consultation with the sector, and with consultations held in 2022. We are confident that these actions will make a big difference locally; and, of course, they align with the national workforce strategy.

We have already made significant progress. There are 14 actions under the strategy, and we have completed seven. I can give you a rundown of those. Six are underway and one is flagged for next year. Before we go through those, I want to mention that we have a Valuing Educators Reference Group that has been established with sector representatives, and they have been key to how we implement the strategy. We are not doing it on our own; we are making sure that we stay connected with them.

With some of the significant progress that has been made, we have established early learning connections, which is a really important program. It is funded in the budget, as part of that workforce strategy, with just over \$2 million over four years. It is providing support particularly to women to enter and stay in the ECEC workforce. It is more than scholarships; it is wraparound support. It is supporting them to access diploma, degree and certificate-level qualifications, with coaching and mentoring support. It is also about working with employers to provide mentoring and support to them on how to support the workforce. There are also paid placements, which is a significant issue for this workforce. That has been a really important part of the workforce strategy. Already, 78 participants have been supported through that program.

We have also amended the Education Act to recognise the importance of early childhood and to make early childhood education a right for children here in the ACT. Part of that was about enabling ACT early childhood teachers to be registered with the Teacher Quality Institute.

We have run an ECEC communications campaign, which was significant for our sector. They said that, if we want to attract people into this profession, we need to value it and we need to communicate that to communities, so that people can see this is not babysitting; this is education, and it is providing a really important developmental opportunity for children. We have delivered that. The early childhood degree scholarship program continues, and my colleague can talk to that, if needed.

With the Valuing Educators Reference Group, we have developed a couple of key products, the first being educator professional standards. That is about helping services to have those professional development conversations with staff, to recognise that they are a profession and there are career pathways for people in the ECEC sector. They have recently been released, with the support of the reference group.

The last action that we have completed has been to deliver a coaching, mentoring and peer support guide—again, to help services to provide that professional development

in-house. What we have heard really strongly from the sector is that, with the workforce crisis and challenge, it is difficult for people to leave the service to go and access training. Upskilling people to provide that coaching onsite has been a really significant part of our strategy, to make sure we are still investing in people's professional development but in different ways.

With some of the things that we have underway, we are continuing our advocacy, particularly nationally, around the importance of the early childhood workforce. We will continue to do that. We have done some work on a workforce development program specifically around inclusive education and play-based learning with intentionality.

We are currently working to establish an Aboriginal and Torres Strait Islander-specific scholarship, to attract more Aboriginal and Torres Strait Islander people into this workforce. Really importantly, we are doing that with community. We are partnering with an ACCO to deliver that program. We will be establishing a professional learning network and a professional learning and resource portal. That work is also underway.

**MISS NUTTALL:** Thank you. I have one more supplementary. You spoke about advocacy to the commonwealth government. That is really important because I understand that a lot of the levers to actually improve conditions for our workforce sit outside the ACT jurisdiction, like award wage determinations and things like that. What representations have we made to the federal government? What else can we do to really encourage them to set the conditions that we need in place?

**Ms Berry:** I will start with that. Certainly, as Minister for Education and Youth Affairs and Minister for Early Childhood Development, I have advocated with my federal colleagues at every single opportunity, both in the former government and in the current government. What we are seeing with the current government is at least recognition of the early childhood space, not as a childcare service but as a vital service for young people in their early childhood development and their brain development, setting them up for a life of success in school.

We do not have all the levers, as you say, Miss Nuttall, but we do have a range that we can pull, so that is what we are doing through our workforce strategy and through the early childhood strategy. I note that the early childhood educators union, the United Workers Union, is campaigning with its members—and it has been for decades—for recognition in this space and for professional wages. Yesterday, the union was calling for a 25 per cent increase to wages to address the crisis in the sector. It is really important that we show the federal government the work that we are doing so that they can see we are not just sitting on our hands and expecting them to do everything. We are certainly putting on as much pressure as we can, and we are working with the United Workers Union as well to continue advocacy on behalf of the educators.

**THE CHAIR:** We have three more minutes on this question, and Ms Orr still has a supplementary. Do you want to go to this first, Ms Orr?

**MS ORR:** Thanks. I was going to ask about the teacher workforce. You did cover it,

but I want to get a little bit more information on the scholarships and the impact that they are having on supporting the workforce.

**Ms Berry:** It has been received really positively. Any recognition of the profession is well received. Over the last few years, the work that we have been doing in the early childhood space has certainly made a difference for the workforce in feeling respected and valued for the work that they do. We talked a bit before about knowledge of the preschool program for three-year-olds. We did a communications campaign which was really well received. It is the festival of democracy, and I have been out doorknocking, as I am sure you all have, except you, Ms Lawder—happy days! When I have talked to people, everyone I ask who has preschool children knows about it. That is a really great sign that we are cutting through as well. We still have work to do across the country and here in the ACT to really understand the difference between day care and professional workers providing early childhood development. Perhaps there is some more data that we can provide around scholarships and that success specifically.

**Ms Brookes:** I can speak to that. We are providing 16 scholarships of up to \$25,000 a year, and there is also an additional sum of \$4,000 to assist in the backfill, because those scholarships involve a practical element. That is to assist the employer as well as the employee. We find that, in a lot of the applications we get, people have already commenced their studies. Where that is the case, we will award that on a pro rata basis, which allows us to award more scholarships. We offered 21 scholarships last year and 11 of those were partial scholarships. We have 58 scholarship holders currently studying, and nine have completed them.

**MS ORR:** I think that is three minutes, Chair.

**THE CHAIR:** Thank you. We are moving on to a substantive from Ms Lee.

**MS LEE:** Thank you, Chair. Minister, one of the key findings in the Literacy and Numeracy Education Expert Panel final report is about literacy teaching practices that should be common in all classrooms. The report said, specifically in relation to preschool literacy, that educators and teachers should “use play activities drawing upon phonological awareness—for example, words in sentences and rhyme—and the concept of letter-sound relationships”. That is a direct quote. Will preschool educators be required to teach phonics and phonemic awareness in classrooms?

**Ms Berry:** We do not operate the early childhood centres. They are community based or privately owned centres. However, I would say that the profession is well aware and will always work towards bringing in those recommendations that you have quoted, Ms Lee. I have witnessed myself, over decades of working with the early childhood sector, the importance of play based learning and drawing on learnings around rhyme, phonological awareness and song, as well as rolling in cultural awareness around that. So, whilst we can provide additional supports, I do not know that we can dictate a specific program to the early childhood sector. They are required to provide planned preschool education. That is why we have qualified preschool teachers, and they are very well regulated. They are probably, in some people’s minds, in an over-regulated sector compared to any other profession, and they are required to abide by the National Quality Framework. Is there anything more?

**MS LEE:** I see Ms Haire talking, so I assume there is something to add.

**Ms Haire:** I am happy to supplement what the minister has already said. For early childhood education, there is a national curriculum: the Early Years Learning Framework. The expert panel in fact endorsed the approach that is already underway, which is, as you said, Ms Lee, the play based learning approach, which includes pre-literacy activities, which are really important. As you know, preschool is provided in all our public primary schools. As part of the rollout of Strong Foundations, from 2025, teachers in our preschool programs will be part of the work that happens within the schools, noting that they implement the Early Years Learning Framework curriculum, which complements version 9 of the Australian Curriculum, which is what we support all our teachers to implement.

There are a couple of different elements to this, as the minister has pointed out. We regulate and support the ECECs, and they are also subject to the Early Years Learning Framework, which is, in effect, what the expert panel endorsed. In our public primary schools, teachers will be part of the professional learning and support that is rolled out, which will reinforce the practice of using play based learning for the really important pre-literacy skills that are so essential for children to succeed in literacy later, when they enter proper primary school.

**MS LEE:** The minister answered my question about providing some support. Ms Haire, you outlined that the early childhood educators would be part of the Strong Foundations program. Could you give a bit more of an outline of what that support looks like and the implementation of it in terms of funding? Is it training? What does that look like?

**Ms Haire:** At the moment, Ms Lee, we are still working with school principals and advisors on the implementation plan. As you would know, the minister accepted all the recommendations of the report in a statement in the Assembly at the end of last month and laid out the pathway to providing more advice about implementation. We are still in the process of doing that consultation. What we want to do—similar to Strong Foundations and very similar to the rollout of universal three-year-old early childhood education—is work with the profession and the people who will be delivering it so that we are not announcing things from the top down. We are working with our staff and our school leaders to develop an effective implementation plan. That will be happening in the next couple of months.

**MS LEE:** Is there a time frame in which the implementation plan will be released?

**Ms Haire:** I think the minister has said it will be before the end of the year.

**Ms Berry:** That is the plan. We want to make sure we get the plan right, and we are working with a number of enthusiastic school principals who put their hands up to be part of the consultation to develop the plan. Those school principals come from a range of places across all our school settings. We will take the time that we need, but I want to get started on it and get it moving. I have made the commitment to do that before the end of the year. If we can get it done earlier, I will, but I do not want to rush into something just for the sake of getting it out.

**MS LEE:** So there is no guarantee it will be done, for example, before the election?

**Ms Berry:** I am hopeful that will be the case, but I will be guided by the group.

**MS LEE:** Ms Haire, you mentioned earlier that the work the panel endorsed is happening already, with children doing pre-literacy. Do any of the early childhood education centres that the government runs—

**Ms Berry:** We do not run any centres.

**MS LEE:** In terms of them being in your public schools, do you run a pre-literacy program?

**Ms Berry:** We have some early childhood centres connected to our schools. I do not know how many there are, but we basically do that now for every new primary school we build, but we do not operate them.

**MS LEE:** I understand. But do they run specific pre-literacy programs?

**Ms Haire:** The nature of play based learning is that it is not a stream of programs; it is, in fact, an integrated approach to children's learning, as you would probably know from your own daughter.

**MS LEE:** Yes.

**Ms Haire:** The way early childhood teachers design and structure those programs is truly remarkable. They build in the development of awareness of letter sounds, and there are also pre-numeracy strategies as well—I have to say that because Ms Efthymiades is very passionate about that point—to recognise shapes and get familiar with the concept of numbers as well. That is an integrated part. In general, it is not in the early childhood programs of our public schools. It is not an individual stream, because the Early Years Learning Framework, which is the national curriculum for early childhood, requires an integrated program which has play based learning at its heart.

**MS LEE:** Thank you.

**THE CHAIR:** Ms Castley.

**MS CASTLEY:** Thank you, Chair. I have a question about childhood early intervention. I understand that the team provides early intervention and prevention services, including for children beginning to display some behavioural concerns. Could you give us an overview of the programs addressing conduct disorders? What age groups do they work with, and how do you measure success?

**Mrs Summerrell:** Thanks for the question. The Child Development Service provides early intervention and support for children aged nought to six, and that can be for a range of factors. We run through speech, OT and physio. The process would be that a parent or carer who has concerns about a child in that age group would come to an

initial screening appointment, and then they would be seen by someone for speech, OT or physio. From that, they would progress to assessment, if that were warranted, to determine the underlying cause of whatever the presentation is. Often a child will present with one issue, but there may be other factors at play as well, and that happens as part of the assessment.

If the child is within the ages of two to three, they would go to the funded two- to three-year-old pathway, and that would provide intensive therapeutic support for the child, depending again on what their condition is and assuming that they do not have a diagnosed disability that would be managed through the NDIS. If they are outside of that age range, again depending on their age and depending on what it is they are presenting with, there are other options for some parental support. The clinicians work with schools as well if it is a school-age child. There are also other providers in the ACT who can provide that support.

It is difficult without knowing the exact condition. Obviously, if the child is developing symptoms that might need to be screened for other things—like autism, for example—they would go down the autism pathway. It depends on what they are presenting with. That support is available for all parents in the ACT with children aged nought to six.

**MS CASTLEY:** What work does the team do with regard to preventing behaviours linked to violence and family violence? Is that included in this program?

**Mrs Summerrell:** The Child Development Service works in close partnership with our child and family centres, which I note does not neatly fit into Minister Berry's portfolio, but they do work together. The child and family centres provide wraparound case management and support for families. If a family presented with a child that was displaying behaviours and the cause of that was disclosed to be as a consequence of or as a factor in family violence, they would be—the two services kind of sit together, so I was going to say they would be referred, but it is not a formal referral process—offered the opportunity to work with a child and family centre practitioner who would provide case management. There are support groups in the child and family centres that can also support that.

**MS CASTLEY:** Is that more about when the child is in a family where there is domestic and family violence or if the child is displaying aggressive and violent behaviour?

**Mrs Summerrell:** It can be both.

**MS CASTLEY:** We have seen some trends with regard to deep fake porn and all that sort of stuff. Is that part of this or are the kids too young at this point? Is this team dealing with any of that sort of stuff—behavioural issues with regard to poor behaviour?

**Ms Rule:** There is no specific program, particularly for this age group, dealing with issues like deep fake porn. As Mrs Summerrell has said, children and young people present to our services with a whole range of issues and a whole lot of factors behind them, so the first thing is to assess what those issues are and to try to link those

children with the right services. As they become older, if children or young people are displaying problematic behaviours, the Therapeutic Support Panel that has been established can look at the circumstances of the young person and, again, refer them to other services to try to wrap around the kinds of supports that are available—those that are provided by the government, the community sector and the private sector—to make sure that the therapeutic interventions are happening. The numbers are very small, so it really depends on what the circumstances are on a case-by-case basis and the interventions we might be able to offer.

**MS CASTLEY:** I have some questions about whether it picks up things like eating disorders, but I guess the zero to six age group would be too young, one would hope.

**Ms Rule:** Not necessarily. Again, there are very small numbers. We deal with people aged zero to 18, so we sometimes do see those circumstances in very young people, but certainly in the pre-teen and teen group. That is where we work closely with our colleagues in Health to refer those children and young people to the right kinds of health services.

**Ms Berry:** If we go back to the beginning of the questions that we were asked around early childhood, the preschool program for three-year-olds and support for vulnerable children is where we can also identify it very early and provide wraparound supports for the young people and their families. That includes all the connections that Mrs Summerrell mentioned in child and family services. There might be other health needs that a child has that could explain their behaviour. It can be as simple as a hearing or sight test to understand that a child needs some grommets or something in their ears, and that is why they are playing up. We can identify all of that, but we were not really able to do that before this program was introduced. That is the exciting part of early childhood education and universal access for vulnerable children, but also the program for three-year-olds: we are intervening much earlier than we ever have.

**MS CASTLEY:** I understand that is how it works, but I want to know whether there is more to do with violent behaviours and things like that, and what your team does to help kids in terms of those issues.

**Ms Berry:** The other area, and it is not in this portfolio—it is in domestic and family violence—is specifically in relation to the Beryl refuge and the work they are doing with the bus. I cannot remember the name of the bus. We matched funding from the Commonwealth government for them to fund a bus. They do exactly that kind of work—they work with young people and students suffering trauma—but they are able to be mobile with their services.

**MS ORR:** I want to get a bit more information—and maybe Ms Summerrell will want to continue—on what that program actually covers, the flexibility that is built into it to respond to the range of needs that might present from younger people and the importance of having that program for learning outcomes.

**Ms Rule:** Do you mean through the Child Development Service?

**MS ORR:** The one that we were just talking about.

**Mrs Summerrell:** The Child Development Service is a clinical service—so speech, OT and physio. The services that they provide respond to a range of presentations that children have. For example, it could be fine and gross motor development. It could be a child who presents who developmentally might be seen by MACH in one of our Child and Family Centres. The MACH nurse might identify that the child is not rolling over and not crawling, and then they will suggest that the child be assessed through the Child Development Service. Then they will do that assessment. They make a decision at the beginning whether they do a multidisciplinary assessment or an initial. If it is very clear-cut—the child is just not crawling or not speaking or something—it can be a single discipline, but they can do a multidisciplinary assessment as well and then identify what the reason is for that child's development and delay or vulnerability.

In some cases, it is that there is a developmental delay, and the child has just, for whatever reason, not developed the muscle gain or whatever is required to do that crawling, walking or whatever. But, in some cases, it could be trauma—going to the points that you were making before—and it could be that the child is not developing because of that. Based on the presentation, the clinicians will make a decision on what the best method would be to help support that child. Again, like I said, if it is in that two-to-three-year-old age group that the government has funded that intensive support for, then they will have an intensive therapeutic response to that. If the clinician believes it is trauma based, there are some group-based programs, a small number of sessions, that the Child Development Service run to support parents and to help them understand what some developmental markers could be—the same with feeding, speaking and that sort of thing.

It is that really early intervention and working in close partnership with our colleagues in education and childcare centres to help identify as early as possible any of those factors of concern and then to try and identify, like I said, whether it is a physical issue in terms of development or is it trauma-based or some other cause.

**THE CHAIR:** The release of the Productivity Commission's report on government services in May of this year showed that, once again, the ACT has the highest median weekly cost for approved child care, both in centre-based child care and family day care in Australia. Concerningly, the ACT also has the highest out-of-pocket cost for child care in Australia. My understanding is that that is after subsidies are applied. Minister, do you know why the ACT continuously has the highest cost for child care and the highest out-of-pocket costs for child care in Australia?

**Ms Berry:** I think there are a couple of reasons. One of them is the way that the data is collected and the comparisons that are made. Canberra is one big city, I guess, and it does not have regional settings where there is much more affordable early childhood education. So our average across the city is pretty high based on that. We also have a range of high-income earners in the ACT. That can also impact on what people are willing to pay. So some services, particularly for-profit services, might charge more and more parents can afford those services because of their higher incomes. For example, in New South Wales, you will have a regional setting that might be a much lower fee for early childhood in the region; whereas, in the city, it will be very, very high. Is there more to add to that?



**Ms Brookes:** Yes, I can pick up on that. In relation to the costs, the Productivity Commission and the ACCC also recognise that staffing costs are the majority of the costs in services. Around 70 per cent or more of the costs relate to staffing and the next piece of cost is land value, which, again, is higher in the CBDs. In relation to the staffing costs, we know from the last staff survey, the Early Childhood Survey in 2021, that 58 per cent of staff in the ACT are paid above-award wages. We have another survey which has just been completed, and we should get those figures at the beginning of next year, but that is likely to have increased. We have also got lots of competition in relation to other sectors. Early childhood, although very rewarding, is a very responsible job and qualifications are required. So there is competition for those scarce staffing resources as well.

We also have a higher proportion of younger children in education and care in the ACT in terms of both percentages of children but also because of the way that we offer four-year-old preschool. Most children go to ACT government schools for that. That means that there is a lower percentage of older children in our services and a much higher percentage of younger children and, obviously, you need a much higher staffing ratio for younger children.

**MS LEE:** Ms Brookes, you mentioned that 58 per cent of ACT educators are paid above award. How does that compare to the other jurisdictions?

**Ms Brookes:** The average across all jurisdictions is 35 per cent. So it is quite significant. I think the average at that time was 18 per cent above award.

**MS LEE:** When is the new set of data going to be available?

**Ms Brookes:** It should be available at the beginning of next year—probably February next year.

**Ms Berry:** I am not sure—I have not looked at this for a while now—but the other reason that there are higher wages in the ACT is that there is still a higher number of community-based services who often employ under enterprise agreements, and they are often above award as well. It is more than any other state and territory, I think. I do not know if that has changed. I know the numbers are shifting in the ACT, but it was always the case that we had a higher number of community not-for-profit services who offered higher wages. Because they do not operate for profit, they would put extra funding into their staff's wages.

**MS LEE:** I am assuming that, depending on the publication, obviously, the pay rates are different. Do you have data that confirms whether the ACT has, for example, a higher proportion of those who have a diploma compared to a cert VI?

**Ms Brookes:** That would come out in the staffing survey. We would have the 2021 figures, but I would have to take that on notice.

**MS LEE:** Thank you. I know that was sort of discussed earlier, but I want to go back to the scholarships. You mentioned that there were a number of scholarships. Do you collect data in terms of demographic details of the people who apply and are awarded scholarships?

**Ms Brookes:** We take some details at the application stage. It is quite limited. To access the scheme, you have to be working in an ACT service and not in a government or non-government school setting. You have to either be a resident or a citizen. You have to show commitment in working in this sector and staying in this sector. There are other questions regarding Aboriginal and Torres Strait Islander and people with disabilities. We actually take information on that. Again, if you wanted a breakdown on that, we would have to take the question on notice.

**MS LEE:** Do you also collect data about how many are from the CALD community?

**Ms Brookes:** We do not at this time.

**THE CHAIR:** Are you taking the previous point on notice? You said, “I would have to take that on notice.”—

**Ms Brookes:** If you require a breakdown of those applications, I will take that on notice.

**MS LEE:** That would be great.

**THE CHAIR:** So you will take that on notice?

**Ms Brookes:** Yes.

**MS LEE:** But you do not collect data in terms of CALD?

**Ms Brookes:** No, we do not.

**Ms Berry:** But I would say anecdotally that there are increasing numbers of people from CALD who are working in the early childhood space.

**MS LEE:** There is no doubt. It is obviously a massive cohort. I guess what I am getting at is that I want to make sure that those scholarships that are available and, given the huge cohort of the CALD community who actually work in the sector, that they also know about. If they do not know about it, it would be a pretty unfair disadvantage the CALD community if they are not accessing those scholarships. That is why I was wondering whether or not you collect that data.

**Ms Brookes:** Anecdotally, from meeting the scholarship recipients, I would say that there was a good mix. In relation to the applications, they do have to have support from their services as well. So the service leaders are very well aware of this, and they will often suggest to their staff to apply.

**MS ORR:** I want to get a bit more information on the investments and implementation of the Child Development Service in public school settings.

**Mrs Summerrell:** The Child Development Service over recent times has been running a series of school pilots through schools. This is a collaborative partnership with the Education Directorate. The first pilot started at Evatt Primary School, which

was a screening pilot. It was a speech-specific screening pilot. We tested what the uptake would be if we ran a screening service in the school and communicated with the school community around that and what it would look like. It was highly successful, and the school community provided significant feedback about how much of a benefit it was to be able to access that screening service at school. We did it at a time that was convenient for parents. The school did it in partnership with their literacy week. They had a barbecue on in the afternoon. It was an amazing program.

From that, we worked with the Education Directorate to look at how we could expand the pilot and, rather than just providing the screening option, to provide the option for interventional therapy for nought to six-year-old children who are in the school community or linked with the school community. So, if you have got a child who is in the school, but they have got a sibling who falls in that category, then we would still see that child as well, or if there was someone known to the school community that really needed that service, we would see them through the school pilot as well.

We ran the first pilot of that in Margaret Hendry School, and we saw a range of children. Again, we ran the sessions throughout the school day. It has been an iterative process where we have learnt lots every time that we do it. We ran before school, during school and after school sessions at Margaret Hendry. What we found was not surprising: the before and after school sessions were much more popular than the in-school sessions. We were able to work really closely with teachers as well, in terms of understanding what the presentations were for children. Obviously, we need parents to be part of the process, but schools have really good information as well.

Part of the collaboration, which has continued in each pilot that we have done, is that we have used speech pathologists from the Education Directorate to deliver part of the model, and then the Child Development Service has provided the OTs and the physios. That sounds very simple, but sometimes with some of the things that we see in information sharing and with cross-directorates working together—surprisingly, the world did not fall apart, and it happened perfectly and beautifully. We have been able to collaborate, which has meant that the speechies that the Education Directorate have are then able to continue to work with those children and families once we exit. That has allowed that full multidisciplinary approach. We did that at Margaret Hendry and the following term after that we went to Gordon Primary School, which, again, was hugely successful. I think there were around 20 children with quite significant needs who received a therapeutic intervention at Gordon Primary School.

Prior to that, at both schools, we also had an embedded child and family worker in the schools to provide that wraparound support for families as well. So they were linked in. To the point that I made before, sometimes children present with what might be a developmental concern, but there may be an underlying issue of trauma or some other experience. So we had service in there as well.

This term, the team are in the Southern Cross Early Childhood School. They have just started. They are actually in place today, out there delivering the service. They do initial screening and assessment, and that is based on information provided by the school and by the parents. Again, the speech pathologists are provided by the Education Directorate, and we have provided OT and physio.

It is an amazing program and it is delivering. What we are really working on at the moment is looking at how we can best deliver services to the community that meet their needs and in a location that is safe and accessible to them. The model of delivering in schools and the partnership that we have had with Education has been brilliant in enabling a location that we can actually go and deliver the services in and an environment where families are really comfortable. They are not worried about how they are going to get there, they are not worried about parking, they are not worried about where to go when they walk in, the people around them are familiar and it is just that really safe environment. All the research shows that that is likely to get the most benefit for young people in an early intervention space. It has been a fabulous pilot and partnership.

**Ms Berry:** It really is. These families would have been missed had we not trialled this sort of pilot to go into schools to work in partnership across a range of areas. This is Community Services, Education and Health in a lot of ways but also other outside community providers and supports for these families. There are probably a fair number of CALD families accessing this program, who just would not have had we not been at their school, and it had been an opportunity for them and it was safe, as you say, with soft referrals through relationships that were already known and trusted—school principals and other teachers. So, yes, it is a very successful program, and we are really learning a lot from it.

**MS ORR:** Given there has been the pilot and the trial, what are the next steps for, in your words, this very successful program?

**Ms Rule:** We have used the resources that we already have available to us. I think we will continue to look at locations where we may do more of this type of work. But we are also thinking about the facility that the Child Development Service is in. The facility is in Holder, and it is a very old building. So we have some real challenges about that physical location. It is giving us an opportunity to think about future service delivery models and whether the service is a more mobile service or based in other settings like, perhaps, community health centres or schools or what we call “natural settings”, where we will come to people who need us rather than the other way around.

There is a bit of work going into that at the moment. I expect in the next term of government that is something we would want to have a discussion with government about: what the future looks like so that we can deal with the physical bricks and mortar issues, and a very crumbly old building in Holder, and what we have learnt in these pilots and the innovation that has actually led to some really great outcomes. We have lots of ideas but we are just not quite there yet. But we will continue to do school-based work at locations that we work through with the Education Directorate because it has been so successful.

**MS LEE:** You might have to take this question on notice. On the trial that happened at Margaret Hendry, Gordon and now is at Southern Cross, I want to know how those sites were selected. I do not know if you need to take it on notice.

**Mrs Summerrell:** I can answer that really, really quickly. That is done in collaboration with the Education Directorate. We come together and we talk with the Education Directorate. We do try and choose schools where we have had an

embedded child and family worker already so that we have got that kind of relationship and families are already a little bit used to having an external service in there. That is a collaborative decision based on a range of things, including staffing need and what we have seen through that embedded worker.

**MS LEE:** Thank you.

**THE CHAIR:** Thank you for your attendance today. Please provide any answer to questions that you have taken on notice within three business days of receiving the uncorrected proof *Hansard*.

### **Short suspension**

ACT Integrity Commission

Adams, the Hon Michael KC, ACT Integrity Commissioner, ACT Integrity Commission

Hickey, Mr Scott, Chief Finance Officer, ACT Integrity Commission

Nott, Ms Gina, Acting Chief Executive Officer, ACT Integrity Commission

**THE CHAIR:** We welcome the Hon Michael Adams KC, ACT Integrity Commissioner, and officials. I remind witnesses of the protections and obligations afforded by parliamentary privilege and draw your attention to the privilege statement. Witnesses must tell the truth. Giving false or misleading evidence will be treated as a serious matter and may be considered contempt of the Assembly. Could you please state that you understand the implications of the statement and that you agree to comply with it.

**Ms Nott:** I do understand those obligations; thank you.

**Mr Adams:** I also understand and agree with the obligations.

**Mr Hickey:** I understand and agree with the obligations.

**THE CHAIR:** Thank you. We are going to start with a question from Miss Nuttall.

**MISS NUTTALL:** There has been some criticism in the public arena that your investigations do take a very long time. Without reflecting on the complexity of any specific case, and I am doing that on purpose, from where you stand would increased staffing resources support the delivery of findings and reports sooner or is it a field of diminishing returns? I am keen to understand where the bottlenecks are.

**Mr Adams:** Before I come to that answer, can I just give some general information that might help inform that discussion?

**MISS NUTTALL:** Yes, please.

**THE CHAIR:** As part of your answer, but keep in mind that I do not want more than ten minutes, if we can, on any one question.

**Mr Adams:** I shall be only three or four minutes, I think. In relation to Operation Luna, I want to just give you an idea of the scope. We issued 86 summonses and 94 confidentiality notices. We obtained in excess of three million digital evidence items. We conducted 37 private examinations. There are 92 hours of video recordings. There are close enough to 1,900 pages of transcripts of evidence and we provided 58 related persons with copies of the report, for procedural fairness requirements.

In relation to Operation Kingfisher, we issued 70 summonses and 63 confidentiality notices. There were over 1.8 million items downloaded, 44 private examinations, 185 hours of recording, 3,700 pages of transcript, 13 parties provided with initial submissions and we held 27 public examinations.

That gives the context for two only, although they are the major two of our investigations. Coming now, if I may, to your question, the answer is: we can do and we will be making a case for increased resources, but I need to point out that throwing bodies at an investigation does not always make for efficient, timely conclusions, and that is because of the very nature of the investigation.

You get a great deal of material. It is not like you are conducting a police inquiry, where you have a dead body or a bank that has been robbed. What you have is a reasonable suspicion of corrupt conduct, but in a range of potential and possible contexts. So what you then have to do is to winnow the evidence. Of course, you have to divide it up, but the problem with dividing up large tranches of evidence is that person A does not know what person B is looking at and person B does not know what person C is looking at.

Ultimately, it all has to come together in one mind, one way or another. Merely having 10 people look at a very large tranche of evidence you might find is far less efficient than having three or four, and it is always a question in each investigation of how you utilise resources. My approach to resources is that we certainly need more resources. We do not need a very substantial additional number, but we do need a significant number more—or, to be more precise, we need financing for that.

We have, for example, a present FTE approved—although these numbers are somewhat rubbery, I am told by the CFO—of 33. We only have 26 bums on seats. That shortfall, however, we cannot really fill, for two reasons. First of all, Treasury gave us extra positions on the basis of a one-year finance undertaking. How do I recruit someone to a specialist position and say, “I can only give you a contract for a year?”

Even when we get such people—and people do not want, by and large, that kind of employment—in nine months they are looking for another job because they are not assured of a continuing one. What happens when they get the job and I say, “Hey, Treasury has now given the money,” is that they say, “Too late. I have got a permanent job now. It has been nice working here, but I am sorry.” So, in itself, if you were going to design a system which would drive your people out, we have got such a system.

**MS LEE:** Commissioner, we have had a couple of very public revelations in relation to both the investigations that you have just referred to, Luna and Kingfisher. In both those cases and investigations we have seen legal proceedings being commenced. I note that there is a current one that is on foot, which is Ms Haire launching an investigation to stop the Kingfisher one. Also, we understand that the former CEO of CIT, Ms Cover, launched an investigation to prevent you from handing over your report to the Speaker.

In the case of Ms Haire’s legal action, we have had confirmed from the Attorney-General that ACT taxpayers are footing her legal bill. Given that the nature of your work means that there are a lot of public servants that are brought in as witnesses, is it a concern to you that, with legal fees being paid to launch legal action, quite separate to their legal fees being paid to appear before you, it may have an impact on your ability to bring your investigations to finality or at least to reporting stage?

**Mr Adams:** Litigation always has the potential for that to occur. None of the litigation so far has had that effect, but it can do so. The question of the extent of financing and what form it should take is a policy question about which I have some views, but I think they ought to be contributed in a context where the wider policy is looked at.

For example, I think only one Integrity Commission has what is called a privative clause, where you cannot go to the court except for jurisdictional errors. So an alleged incidental error of fact, for example, or non-jurisdictional error of law, you cannot go to the court with, but if it is jurisdictional—that is, if there is a genuine failure to give procedural fairness or the person is not, because of their status, for one reason or another, subject to the jurisdiction of the commission—of course you should be able to litigate that. So it limits the ability to sue for matters.

**MS LEE:** Which commission was that? You said there is one.

**Mr Adams:** Can I take that on notice and let you know?

**MS LEE:** Yes; thank you.

**Mr Adams:** But that is only one. I think there is a great deal of sensitivity to rights in this area, but we are a human rights jurisdiction, and the Human Rights Act gives certain rights. Whether you need to, in addition, give other non-jurisdictional rights I think is a real policy question, and it is expensive.

**MS LEE:** Yes. I am not talking necessarily about the right to take legal action. I am talking about the payment of—

**Mr Adams:** The financing.

**MS LEE:** Yes, the public payment of legal fees. You have said on the record that the Integrity Commission is going to be defending these proceedings—

**Mr Adams:** Yes. We have so far, successfully.

**MS LEE:** Yes. Where is the funding for your legal costs associated with this legal proceeding coming from?

**Mr Adams:** It comes out of my budget.

**MS LEE:** This comes out of your operational budget?

**Mr Adams:** Precisely.

**MS LEE:** Okay. Do you have an update in relation to how much has been spent so far on legals? Have you got a breakdown of that?

**Mr Adams:** Can I take that question on notice?



**MS LEE:** Yes.

**Mr Adams:** I will let you know. I might say that in each case where we have been successful, we have sought orders for costs, but those orders for costs will not pay all your costs. They probably pay two-thirds, three-quarters, depending on the jurisdiction, so even if you can get the costs, you are not going to get a complete indemnity.

**MS LEE:** No, and even if you do get the costs, it is all coming from the ACT taxpayer, so it is going to be interesting.

**Mr Adams:** Well, an order for costs will go to the territory. It will not go to my budget. It is very cleverly organised.

**MS LEE:** It is a difference in the books. Yes. I understand that part of it. If you could take that on notice, that would be great. Thank you.

**MR BRADDOCK:** You mentioned that there is a policy question about the public funding of legal support for public servants for matters relating to your agency.

**Mr Adams:** Yes.

**MR BRADDOCK:** Is that because there is a policy gap at the moment or is it a lack of policy clarity as to when and how that should apply?

**Mr Adams:** There is a gap, because it is only financing for public servants and ex-public servants, whereas we also have non-public servants who are subject to our jurisdiction and they do not get anything, so that is definitely a gap. It might be justified or unjustified, but it should be the subject of some attention.

The other problem is that the legal officers direction under which the Solicitor-General approves was not designed with this kind of problem in mind, and it needs to be reconsidered. He is attempting to, in a sense, make a silk purse out of a sow's ear. It is not easy. Also, things need to be considered, for example, like at what scale are you paying? Presently, the act supposes that you will be paying at Supreme Court scale. My view is that it is legal aid, like any other legal aid and you pay at legal aid scale. It needs to be thoroughly examined. In that sense, yes, it is not fit for purpose as we sit here now.

**MS LEE:** This is more of a clarifying question. You mentioned that the ACT public servants and former public servants get their legal fees covered under this direction—

**Mr Adams:** Yes.

**MS LEE:** but that non-public servants do not. Are you talking about Supreme Court legal proceedings like the one that is on foot, or are you talking about in the Integrity Commission?

**Mr Adams:** In the Integrity Commission; they get nothing.

**MS LEE:** They get no legal fee support at all?

**Mr Adams:** At all.

**MS LEE:** Is that even in the case when you have issued them with a summons to appear as a witness?

**Mr Adams:** Yes.

**MS LEE:** They get no legal fees? Okay.

**MR BRADDOCK:** I am interested in how the ACT government can protect the public good whilst there is an Integrity Commission inquiry underway. I do not want to prejudice the outcomes of whatever your processes are and I want to ensure procedural fairness and so forth, but there may be times when the ACT government needs to protect the public good, whether that involves taking management action or employment action for an individual, should they have sufficient information, or the policy and processes in which to put someone on gardening leave, paid or unpaid, or whatever that may be. I wanted to check, from your perspective: firstly, are you aware of other jurisdictions where there are mechanisms to allow the public good to be protected whilst Integrity Commission processes are underway?

**Mr Adams:** I must say I am not, but I have not looked.

**MR BRADDOCK:** Fair enough.

**Mr Adams:** However, the only issue, from an Integrity Commission point of view, is that you do not want the employing entity doing things that might interfere with your investigation. The entity may and very likely could—depending on the circumstances, but I would say in the usual case could—take their own action with their own information in relation to a staff member. It is rare that some action occurs in a vacuum. There is no reason why the entity cannot consult its own materials.

Indeed, in relation to an organisation, I specifically informed them that my investigation should not impede their independent consideration of what should happen to a staff member. As I understand it, they were following legal advice, and the matter, from their point of view, was somewhat more complicated. From my point of view, there was nothing that I would have prevented them from looking at if they were looking at their own material. Of course, I am not going to give them information which I have obtained by using my coercive powers.

It may be that it would be useful for a discussion, say, between me and the head of service and the Solicitor-General to try to work out a protocol for dealing with this kind of problem. My feeling is that the problem with making any statutory amendment is the risk of unforeseen consequences, and then, when you want to change it, it just becomes too difficult. To the extent that one can do it by sensible arrangements, that would probably be a very useful undertaking. But in relation to the matter which is currently in the public domain and is controversial, I gave advice that, so far as I was concerned, there was no reason for them to delay consideration of the matter.

**MR BRADDOCK:** In terms of a clarification, what would be your requirements as the Integrity Commissioner for such a protocol to ensure that your inquiries were not prejudiced?

**Mr Adams:** For example, if all that they needed was documents, that is not problematic. What might be problematic is that, if they needed statements from relevant witnesses who I intended to examine, I would not like them to cut across the course of my examination of those people. It would require a degree of dynamic communications to ensure that we were not crossing lines. But that is a relatively rare case, and my feeling is that you could usually adjust arrangements so that they could move forward. For example, if they want to speak to a manager of a particular activity in the entity, I could have my examination first and then say, "Okay, you can now speak to that." There are arrangements that you could enter into where that is the case.

In the particular case that I was dealing with, that problem, as far as I am aware, did not arise out of anything that I was doing. Of course, they are getting their own independent legal advice, and their lawyers may have a different view about the relevant matters. I will not give them legal advice about how to move forward. It is not simple, but I think it is capable of being managed.

**MR BRADDOCK:** You mentioned you had provided advice to an ACT government employment authority that they could take action on the information they had in their possession.

**Mr Adams:** Yes.

**MR BRADDOCK:** Are you willing to state in a public hearing to which entity that advice was provided?

**Mr Adams:** I suppose people can join the dots. It is the CIT.

**MS LEE:** But it would be helpful if you put it on the record.

**Mr Adams:** It is CIT.

**MS ORR:** Commissioner, listening to what you were saying there, what I took from that is that it is very complicated. While you are saying it is possible to run dual processes, it is very complicated. I want to tease out a little bit more as to what you would have to navigate. From what you have said, there is no protocol or advice. It is quite unprecedented, as a process.

**Mr Adams:** You do it ad hoc.

**MS ORR:** It is quite complicated in working through it.

**Mr Adams:** Yes.

**MS ORR:** How does it interact with other aspects of your investigation? Someone might be a witness to the investigation. I note that you have put confidentiality notices

on a number of people involved in this. How could they run a dual process if they are also part of the process?

**Mr Adams:** The confidentiality notice does not prevent a witness from talking to the employer about any matter in their employment. What they are not allowed to do is to disclose any of their communications with me. That needs to be understood. It does not mean you cannot talk about the matter at all. It means that you cannot talk about any of the communications with the Integrity Commission. But the risk is that witnesses will put their heads together, and what you do not know, at least at the outset, is who are your risky witnesses.

**MS LEE:** My question goes back to the original question that Mr Braddock asked, in terms of your interaction with external agencies or bodies. In public hearings in relation to Operation Kingfisher—and this is on the public record—you said, in relation to the probity audits about that contract, and this is a direct quote: “questions are seriously raised, seriously asked and then seriously ignored”. You have raised that as a significant concern for you. Can you expand on this? Is it common for you to see probity audits where the issues are raised and serious questions are asked, but they are totally ignored?

**Mr Adams:** This is the first probity audit that I have had occasion to examine, and it can be simply explained. There was a final note made by a senior responsible member of staff that recorded a reported allegation about union involvement in decision-making. Of itself, it was not persuasive, because it was second-hand, hearsay, and in language which was not precise. But the thrust was important and, if true, raised very serious questions about the probity of the procurement. The probity adviser was asked to do, in effect, a desktop review. Conversations like, “The minister’s officer said this about unions,” or “Unions have attempted to do that,” are most unlikely to be the subject of email correspondence.

**MS LEE:** No.

**Mr Adams:** In other words, if you are going to get to it, you are going to have to speak to the actual person who made the note and speak to the persons they got the information from, because you are not going to get that from a desktop. Limiting it to a desktop had the inevitable effect—and I am not saying that this was the intention; I do not know. I have yet to come to think about its significance. But the fact is that, objectively, you have this problem. It sets, as it were, the hunt running, the need for a probity check running; then you require a program which will patently not deal with the elephant in the room. That is what I meant by that, and I do not doubt that everybody in that room knew precisely what I was talking about. But that is the problem.

It may be that that is because that is the way probity checks are generally done, and nobody was thinking through what the issues really were. When you have a probity check in procurement, all you do is look at a desktop; so it was looked at conventionally. I have yet to evaluate that kind of explanation, and I will form a view and invite responses from the relevant parties. But that is what I was asked, proposing it as a question. I do not propose it as an answer. I propose it, however, as a question.

**MS LEE:** Commissioner, in February 2022, you issued a very public media statement, which I think you said was fairly unprecedented, and that was to put an open call out to businesses about any interaction they had had on ACT government procurement. This was in light, obviously, of Operation Kingfisher, but there were others. Given the recent very explosive and very serious revelations about CFMEU involvement, in the context of the restrictions regarding what you can talk about, have you had many reports made to you as a result of that which give you other concerns about CFMEU involvement, in addition, obviously, to Operation Kingfisher?

**Mr Adams:** With unfeigned respect, I do not think I ought to answer that question.

**MS LEE:** I understand. What I am getting at is that, earlier this week, we put questions to Mr Barr about whether he was going to be taking a review.

**Mr Adams:** Yes, I saw that.

**MS LEE:** He has, obviously, rejected that. We want to know whether there is anything else going on, but I understand you are restricted, so that is fine.

**MS ORR:** I want to go back to the previous line where we were talking about risk and managing simultaneous investigations by different organisations, including yours.

**Mr Adams:** Yes.

**MS ORR:** In the case of the CIT, because we have let that elephant out of the room, I know you expressed the view that it was possible for them, with particular considerations—

**Mr Adams:** Let me say there was nothing that I was doing that should have inhibited that.

**MS ORR:** Okay; I follow. If they undertook an investigation, just for clarity, did you provide any direction or any advice throughout the interactions with them in this inquiry that would have required them to suspend their internal audit of contracts?

**Mr Adams:** This is a difficult question because—

**MS ORR:** It is a difficult topic. It is very nuanced.

**Mr Adams:** It is just that this involves complex questions of employment law about which I would never give them any legal advice, and it is not an area, I must say, in which I have any expertise or experience.

**THE CHAIR:** Just before we go on, can I return to your previous answer to Ms Lee's question? You said, "I don't think I should answer that." Are you claiming confidentiality?

**Mr Adams:** I suppose I am.

**THE CHAIR:** Can I just explain—

**Mr Adams:** I understand that, ultimately, this committee can insist upon answers.

**THE CHAIR:** Parliamentary privilege overrides confidentiality.

**Mr Adams:** I entirely accept that. What I suppose I am saying is: I am asking you not to press it in a public context. I am in the committee's hands, naturally.

**MS LEE:** If it helps, I am not pressing it. I understand.

**THE CHAIR:** So it is a public interest kind of idea?

**Mr Adams:** Yes.

**THE CHAIR:** The committee could deliberate in private, if we wish, or we can move on.

**MS ORR:** Ms Lee says she is not pressing it.

**MS LEE:** I am not pressing it at this point, no. I know I am not a member of the committee, but if it helps, it was my question and I do not want to impact on anything that the commissioner is doing.

**Mr Adams:** Since we have interrupted this interchange, can I make a comment? The question of the CFMEU raises the whole question of lobbying by organisations, both of departments of particular public servants and of politicians. It is a problem in every jurisdiction in Australia. If I had the resources, I would have an inquiry about lobbying in the ACT. I do not have the resources at present. It is on my wish list to undertake.

**MS ORR:** Commissioner, picking up on what you have said, if I understand it correctly, you said that, from your perspective, from the investigation that you are undertaking, you did not see an issue with CIT.

**Mr Adams:** That is right.

**MS ORR:** Having said that, you have acknowledged that there are a lot of other considerations, such as employment law, that you are not in a position to interact with. How then can we say it is or it is not okay, when there are a lot of things to take into consideration that might not be reflected in one view, from one piece of the pie?

**MS LEE:** I think the commissioner was saying that it is just in relation to what he is doing, as opposed to—

**MS ORR:** I acknowledged that in my question. I know it is just in relation to yours, but there is a lot of—

**MS LEE:** He is talking about from his perspective.

**MS ORR:** Maybe the commissioner can answer, Ms Lee, because I have been polite

and let people have their time.

**Mr Adams:** I think it is a question, if I may say so, that only CIT can answer.

**MS LEE:** They are next.

**MS ORR:** My question to you, Commissioner, is: how can you say they are right, they are fine to continue, if you cannot advise on all aspects of it?

**Mr Adams:** I cannot make a definitive—I am not suggesting that their decision to delay was wrong. All I am saying is that, from my perspective, I did what I could do to let them know I saw no problem from the commission's point of view; then it was a matter for them to make a decision.

**MS ORR:** Going back to the part where we were talking about how there is a lot of nuance in it and it is not easy to work it out, and there is stuff you do not know that you cannot always play into, what support did you offer to CIT to navigate those, should they have wished to do something?

**Mr Adams:** None at all. I simply informed them that, from my perspective, I did not see an impediment to their acting on a particular aspect. I was looking at a particular aspect. They may well have had other issues relating to Ms Cover which were of a different kind which they wished to have settled and thought would be settled, for example, by my ultimate report. But I never engaged at that level with the board.

**THE CHAIR:** From a layperson's understanding, are you saying that your process was underway, but, in the meantime, CIT or their board were still able to do their job?

**Mr Adams:** I would say the answer to that is probably yes, but what I could say with greater certainty is that they should consider whether they could take action, and what they need to do in order to take that action. There is no reason why they cannot come back to me and say, "We want to do this. Will this impede your investigation?" They are the moving party, not me.

**MS LEE:** Can I confirm that they never said that to you? They never came to you?

**Mr Adams:** No.

**MS ORR:** Commissioner, it does raise an interesting policy proposition—I think Mr Braddock alluded to this, too—as to how we can run these simultaneous processes. We can point to the CIT case because there is a lot that is on the public record. It is quite unusual, though, in the matters that you will be dealing with; quite often there would be a higher level, not of secrecy but of confidentiality.

**Mr Adams:** Yes.

**MS ORR:** I am interested to know, from your perspective, given that the commission is quite new and these are things that, as a jurisdiction, we are dealing with for the first time, how we can learn and implement better practice to handle this. From your perspective, it is so that you can continue with your investigations, and other

institutions or other people who are a party to those do not feel—because they are probably quite risk-averse to these matters—that they are unable to act in other realms. Do you see that as being possible?

**Mr Adams:** The first thing I would suggest is that it would be useful for me to sit down with the relevant actors and have a discussion about how you could move ahead. Essentially, what needs to happen, because every situation is its own, is for these entities to understand they can always approach me and say, “We want to do this. Is that okay with you?” That is the simplest and most direct way. There is no point in complicating something which is essentially not so complicated.

**MS ORR:** Writing an overarching protocol might not be possible, given that it needs to be done on a case-by-case basis?

**Mr Adams:** It would have to be, inevitably, at a high level of generality, but it might be at least a starting point for people to work on.

**MR BRADDOCK:** I have a question related to the Standing Committee on Justice and Community Safety—which, to declare a conflict of interest, I am also on. As part of its correspondence on the Integrity Legislation Amendment Bill, the committee suggested that the six-week notice period that you are required to give witnesses for consideration of reports could be amended to improve the timeliness of those reports. Do you have a view on that issue?

**Mr Adams:** I have a very strong view. Six weeks is plainly arbitrary and capricious. Some reports require longer to respond to; some reports require only a few days. I think this is a case where you should be able to trust the Integrity Commission to give people a fair go and to give a reasonable time. And, if push comes to shove, I suppose you can have Supreme Court—God help us!—proceedings. That seems to me a sensible way of administering. At some level or other, you have to be able to trust the Integrity Commissioner to be fair. You cannot always trust them to be right—we are not God—but to be fair, I should think, is not an unreasonable approach to take.

**MS LEE:** In terms of the six-week arbitrary time frame, when you do send out the report to the interested parties, obviously there will be some who will provide feedback and some who do not. It has been publicly reported that, in the case of CIT, it actually was not six weeks.

**Mr Adams:** It was 12 weeks.

**MS LEE:** Yes. It was originally from November and then all the way through. Is that something you would also like flexibility with—whether someone gets a second bite of the cherry? If that makes sense?

**Mr Adams:** Certainly. I felt I had to give people a second bite of the cherry. In fact, a week or two would have been enough, but I thought I had to give another six weeks because of the terms.

The other matter which needs to be changed is that I am obliged to give it to related persons instead of giving it to persons who are adversely affected by the report. In



Kingfisher, for example, “related persons” was 54 individuals. Most of them have absolutely no interest. I actually compliment some of them for their assiduity, and I am still obliged to give them a copy of the report! Procedural fairness should go to adversely or potentially adversely affected people—and anyone else who I think might be useful—and that should be the scope of it. Sometimes you are making suggestions about policies or that kind of thing. You would then send it to the person or persons who need to consider that kind of question, because they are interested in it. But it should be for me to decide if that is going to be useful information.

**MS LEE:** Commissioner, the 2022-23 annual report for the commission shows that the number of current investigations before you as at 30 June 2023 was 12 corruption investigations and eight preliminary inquiries. Given that the annual report for 2023-24 is not yet available, can you give the committee an update on the current investigations before the commission and the number of preliminary inquiries?

**Mr Adams:** I think I did bring that with me. Can you just give me a moment?

**THE CHAIR:** If you would prefer, that could be tabled.

**Mr Adams:** Could I take that on notice? I think the number of investigations is still 12, but that is because we have, in fact, closed off some and started new ones, so it is not that it is the original 12.

**MS LEE:** No worries. In relation to Operation Luna, you have released the *Special report*, which is part 1. With whatever part is now ongoing, have you got a time frame for when that might be completed—insofar as you can say?

**Mr Adams:** What I can say is that there is a particular area which could be dealt with by another special report that is confined to that matter. I will take the risk: I think that might be completed within two to three months, but there are other outstanding and really serious matters. My exploration of the problem at CIT is no matter of idle curiosity. There are real issues that—

**MS LEE:** In relation to Operation Kingfisher, do you have a time frame for when that—

**Mr Adams:** No. We have to start writing the report, but that is a dynamic process. You do not just sit down with something and then just start writing; it is a backwards and forwards process. All I can say is that I will get it done as soon as I possibly can. I am hoping that I will have it done before the end of the year.

What I can say is this: during the 2023-24 financial year, the commission worked on 14 preliminary inquiries and 15 investigations. Of those matters, four investigations and nine preliminary inquiries were finalised in the year. This does not include either Luna or Kingfisher. I have two outstanding finalised reports which are subject, as we sit here now, to procedural fairness obligations. So the investigations were completed, from my point of view, but we have to go through the process before I can pass the reports on.

One of those is a confidential report, and I will need to talk with the relevant

committee, the JACS committee, about how you negotiate the confidentiality. It is a matter for you, not for me, once I pass on a confidential report. This is the first of them. So we will need to work out an appropriate way of dealing with it. But, of course, all I can do is advise the committee; what decisions are made is a question for the committee.

**THE CHAIR:** Our time is at an end. On behalf of the committee, I thank our witnesses for your attendance today. If you have taken any questions on notice, please provide your answers to the committee secretary within three business days of receiving the uncorrected proof *Hansard*.

**Hearing suspended from 10.45 to 10.59 am**

Appearances:

Steel, Mr Chris, Minister for Planning, Minister for Transport, Minister for Skills and Training, Special Minister of State

Chief Minister, Treasury and Economic Development Directorate

Harriott, Mr Mark, Executive Branch Manager, Skills Canberra, Economic Development

Starick, Ms Kate, Executive Group Manager, Policy and Strategy, Economic Development

Arthy, Ms Kareena, Deputy-Director General, Economic Development,

Canberra Institute of Technology

Andersen, Ms Josephine, Executive Director, Education Futures and Students

Jordan, Mr Craig, Executive Director, Strategic Finance

Howson, Ms Natalie, Deputy Chair, CIT Board

Robertson, Ms Christine, Interim Chief Executive

Major Projects Canberra

Geraghty, Ms Gillian, Director-General

Cahif, Ashley, Mr Deputy Director- General

**THE CHAIR:** We welcome Mr Chris Steel MLA, Minister for Skills and Training, and officials. I remind witnesses of the protections and obligations afforded by parliamentary privilege and draw your attention to the privileges statement. Witnesses must tell the truth. Giving false or misleading evidence will be treated as a serious matter and may be considered contempt of the Assembly. Would you please confirm you understand the implications of the statement and that you agree to comply with it.

**Ms Howson:** I have read the privileges statement and understand it, thank you.

**Ms Robertson:** I acknowledge I have read and understand the statement.

**THE CHAIR:** Thank you.

**MS LEE:** Ms Howson, before I go into my substantial question, can you confirm for me how long you have been on the CIT Board and why Ms Lundy is not here.

**Ms Howson:** Yes. I would like to extend Ms Lundy's apologies. She is on leave and has been travelling overseas. She had that travel arranged some time ago, before the dates for the hearing were set. I am very happy to represent the CIT Board. I joined the board on 1 July 2021.

**MS LEE:** Okay. No worries. I just wanted to know whether you can actually answer some of the questions that I have; that is all.

In the previous session, the Integrity Commissioner was talking about the special report on Operation Luna. In response to a question that Mr Braddock asked, he responded that CIT was not prevented from taking any action in relation to Ms Cover

based on the Integrity Commission investigation that was on foot. Why did CIT not take any action about Ms Cover and leave her on two years of paid leave?

**Ms Howson:** Throughout this whole process, our priority has been to uphold the principles of procedural fairness and natural justice. Most importantly, since the issue became apparent to the board we have tested our ability to take action monthly—on the odd occasion, maybe every two months. The board has been convened to test the information available to us and, most importantly, to assess legal advice to see what steps we could take. At that point we determined whether or not to extend the directed leave for Ms Cover.

We were awaiting the outcomes of the Integrity Commission report. At the outset of the Integrity Commission's investigation, I do not think anybody understood that it would take two years I have to say that we respected the role of the Integrity Commissioner and the need that he had to undertake his investigation and reach some findings.

**MS LEE:** In evidence that Ms Lundy herself has given in previous hearings, and that you also have now just reiterated, the board was waiting for the findings of the Integrity Commission investigation. The Integrity Commissioner himself just this morning—less than an hour ago—confirmed that nothing should have prevented you from taking any action against Ms Cover, insofar as waiting for his investigation to finish was concerned. So how is it possible that the board can still say the reason no action was taken was that you were waiting for the investigation to be completed?

**Ms Howson:** I believe that it is on the public record that the board initiated, from the outset, an internal audit. Then there was an interaction between the Integrity Commission and the CIT Board—this was before I joined the board—requesting that we cease that internal audit and allow the investigation to proceed. That is my understanding.

**Mr Steel:** I can confirm that the board chair wrote to me in June 2022 and said that the ACT Integrity Commission had requested the CIT Board to pause the independent internal audit, which had been planned to be completed by 31 July, until the commission's investigation was completed.

**MS LEE:** Was there any further interaction with the Integrity Commissioner after that time—noting that you have also said no one expected it to take two years?

**Ms Howson:** Yes, of course. I think there was what I would consider to be regular engagement with the Integrity Commission in terms of any new developments and seeking any insights. The board chair was in contact with the Integrity Commission. The board did write to the Integrity Commission at various stages throughout that process.

**MS LEE:** Are you disputing the Integrity Commissioner's evidence where he says that he made it clear that the pending investigation that he was undertaking did not have any impact on the board's ability to take whatever action that it deemed appropriate against Ms Cover?

**Ms Howson:** Well, it is true that we have the role of taking action in relation to the employment arrangement of Ms Cover; there is no doubt about that. But, on that basis, we were testing the evidence before us—as I said, almost on a monthly basis—to see if there were steps we could take, and we were taking legal advice. On the basis of that, we continued to extend Ms Cover’s directed leave.

**MS LEE:** What evidence were you testing?

**Ms Howson:** We were testing the advice by requesting additional updates from our legal advisors to see if there were any further steps that we could take, and if it was appropriate for us to continue to extend leave.

**MS LEE:** When you first started answering the question, Ms Howson, you mentioned that you were very conscious and cognisant of procedural fairness. Do you think that it is procedural fairness for taxpayers to be footing the annual salary, which is quite significant, of a stood down CEO whilst there is a serious investigation? The board obviously saw there was reason enough to stand her down in the first place. Was that not a factor that was taken into consideration by the board when you were looking at procedural fairness in this whole process?

**Ms Howson:** I think there are a number of factors that go into considering procedural fairness, but, most importantly, if there is an investigation underway the individual that is the focus of that investigation should have the opportunity to see some findings concluded before action is taken. I think our steps to stand down Ms Cover are consistent with the standard that the community would expect. To direct Ms Cover to participate in that investigation was appropriate, and that is what we did. I do believe that was in the public interest.

**MS LEE:** That being the case, what was the point of the monthly testing of evidence if you were never going to take action until the findings were made by the Integrity Commissioner?

**Ms Howson:** Well, no-one had any understanding of the time frame, so it was important that we continually engage with the Integrity Commissioner in making a decision about extending leave, to see where his process was up to.

**MS LEE:** Are you saying that, as part of testing this evidence, you were engaging with the Integrity Commissioner monthly?

**Ms Howson:** I would have to take that on notice. I know that the chair was in touch with the Integrity Commissioner at appropriate times, but I am not sure if it was monthly. What we did engage with monthly was, of course, our advice from legal advisors.

**MS LEE:** I understand. Will you also take on advice whether you will forego privilege to table the advice that you get, from the public interest?

**Ms Howson:** I can take that on notice, yes.

**MS LEE:** Thank you. Whilst Ms Cover was on two years of leave, was she also paid

the benefits, including the car allowance, the parking and those types of things?

**Ms Howson:** Her entitlement would be dictated by the remuneration tribunal. The specifics of that, again, I would need to take on notice; I do not have that in front of me.

**MS LEE:** Okay. I do not know if Ms Robertson is aware, or—

**Ms Howson:** We could perhaps get some advice on that before the committee hearing ends.

**MS LEE:** Okay.

**MS ORR:** Ms Howson, I want to go back, because I am trying to establish the facts and the sequence of events. If I have understood correctly—and, please, if I have got something out of alignment, let me know—CIT had begun an audit of matters to do with the former CEO's appointment. The commissioner asked for that to be placed on hold while his investigation was being undertaken. Have I got that correct?

**Ms Howson:** That is my understanding, yes.

**MS ORR:** Once that internal audit was put on hold, it seems to me from the testimony we have heard from you and also from the commissioner that the commissioner was of the view that it could have continued, but you are saying it could not. Can I get a better understanding of the decisions and the reasons that have led to the view that the board has formed of why that audit had to stay on hold?

**Ms Howson:** My understanding was that when this matter was brought to the board's attention, they resolved to undertake an internal audit. They announced that publicly; I can find the date of that for you, if you wish.

**MS LEE:** It was 2 June.

**Ms Howson:** Thank you. At that same time, the commissioner declared publicly that he was also undertaking an investigation and that there was some communication between the CIT Board and himself. Our understanding was that we would pause our internal audit to allow the Integrity Commission's investigation to proceed.

**MS ORR:** How critical or relevant is the internal audit to considering the employment factors of Ms Cover? Did you need the internal audit to establish facts as part of the investigation?

**Ms Howson:** Again, I was not on the board at the time, but my understanding would be that the internal audit was to be a fairly rapid audit. I think the board were expecting advice within two or three weeks. My assumption would be that that was to ascertain the nature of the issues before the board and to be able to take appropriate action from that point.

**MS ORR:** The Integrity Commissioner made the point in the previous session that he obviously cannot advise on matters outside of his remit, such as employment law, but

that these are obviously things that the board had to consider. Can I get a better understanding of how all these components and processes came together in the considerations the board had to take regarding the employment?

**Ms Howson:** Yes. We took of all of our advice on the employment matters from our legal advisers, the GSO.

**MS ORR:** In considering those matters, you have said that the board was trying to—I cannot remember your word, to be honest.

**Ms Howson:** The priority.

**Ms Howson:** Yes; thank you. The priority was to uphold the principles of procedural fairness and natural justice in this context.

**MS ORR:** When you say, “procedural fairness and natural justice”, can you please run through what sorts of considerations you have to take into account.

**Ms Howson:** I think it would be better to ask that question of our legal advisers, to get a thorough answer. Essentially, the principles are to be clear about the facts before us, set them out clearly, ask the individual involved to respond appropriately and then take a view. Usually, that is with legal support on the nature of the response and whether any standards of performance or code of conduct were breached and then what action we could take under the terms of the individual’s contractual arrangement with the organisation.

**MS ORR:** Is it fair to say that the board had to be satisfied that you could establish all facts required in order to provide that?

**Ms Howson:** That is where it leads us, doesn’t it? I think it is relevant here to also say that my understanding was that individuals who would potentially be key witnesses in this whole issue were subject to the Integrity Commissioner’s own summons, which requires a significant degree of confidentiality and nondisclosure. While that may not preclude them from engaging with their employer, it would be quite complex. The other part of our board’s consideration was respecting the role of the commissioner to be able to deliver conclusive findings on which we could take appropriate employment action. At the beginning of this process nobody understood that that would take two years.

**MS LEE:** Ms Howson, there was a letter written by the board to Mr Steel, as minister—I am assuming they consulted with you—signed off by the chair on 11 June 2024. This was only just last month. It says:

I am writing to formally consult with you under section 80 of the Financial Management Act 1996 in regard to the CIT Board ending the appointment of the CEO for the CIT.

**Ms Howson:** I am very sorry, Ms Lee. I am having trouble hearing.

**MS LEE:** This is a letter that was written by the board to the minister on 11 July 2024,

just a month ago, to consult on the ending of Ms Cover's appointment as CEO. What prompted the board to write that letter after having taken no action on ending Ms Cover's appointment for two years?

**Ms Howson:** I just want to be clear on the letter of 24 June.

**MS LEE:** 11 June.

**Ms Howson:** Sorry; 11 June.

**MS LEE:** This year.

**Ms Howson:** I have to really apologise. I have just had very bad flu.

**MS LEE:** Sure. Would you like me to repeat the question?

**Ms Howson:** Yes, if you do not mind. I understand the first part about the letter being written to the minister. But the subject of the letter was—

**MS LEE:** It says, and this is a direct quote:

I am writing to formally consult with you under section 80 of the Financial Management Act 1996 in regard to the CIT Board ending the appointment of the CEO for the CIT.

**Ms Howson:** Thank you. That was discussed at our board meeting and it was in relation to the draft special report, which imminently, we understood, would be made public.

**MS LEE:** The letter goes on to say, in a direct quote again:

The CIT Board made a preliminary finding about the CEO and has sought a submission from her as to why her appointment should not be terminated.

**Ms Howson:** Yes; that is correct.

**MS LEE:** What was the preliminary finding made by the board?

**Ms Howson:** This was on the basis of the draft special report, which we understood to be in its final form. Those findings of serious corrupt conduct were the basis for a show cause exercise on behalf of the board to Ms Cover. As you know, she then resigned on 18 June.

**MS LEE:** Yes, she did. Can you please confirm for the committee the full details of the final entitlements paid to Ms Cover upon her resignation, including all of the allowances and leave entitlements?

**Ms Howson:** Yes, I can. I am happy to share that with you now.

**THE CHAIR:** You could table that, in the interests of time.



**Ms Howson:** Of course.

**MS LEE:** Have you got a final figure, while you table that?

**Ms Howson:** Yes. The final and lawful entitlement—lawful, I must underline—that was paid to Ms Cover was a gross total of \$465,262.13.

**MS LEE:** So \$462,000, as in half a million dollars.

**Ms Howson:** \$465,000.

**MS LEE:** As in almost half a million dollars?

**Ms Howson:** Approximately, with \$249,000 of that after tax. That is correct.

**MS LEE:** So almost half a million dollars in payout? That is in addition to the two years of salary that she received?

**Ms Howson:** Correct.

**MS ORR:** Can I just clarify, Ms Howson, that, once the interim report from the Integrity Commission was handed down, that provided the facts required that the board needed to make a decision regarding Ms Cover's employment?

**Ms Howson:** Yes; correct.

**MS ORR:** That previously could not be established.

**Ms Howson:** That is correct.

**MR BRADDOCK:** Just to clarify: regarding the correspondence that happened between the Integrity Commissioner and the board, you mentioned that the Integrity Commissioner had requested that the board stop its audit.

**Ms Howson:** That is right.

**MR BRADDOCK:** Do we have a date for that correspondence?

**Ms Howson:** I know the date that the chair wrote to the minister.

**Mr Steel:** Yes. It was Friday, 24 June 2022, basically articulating that that was what the commissioner requested.

**MR BRADDOCK:** And subsequently the Integrity Commissioner wrote again to the board—this is a question—advising that it had sufficient information with which to make an employment-based decision. Is that correct? What was the date of that letter?

**Ms Howson:** I am sorry, Mr Braddock. Would you mind repeating that?

**MR BRADDOCK:** I understand from the Integrity Commissioner's evidence that,

subsequent to that letter, he wrote again to the board chair advising that the board had sufficient information in its own possession without that audit to undertake an employment-based decision. Is that correct, and on what date did that letter happen?

**Ms Howson:** I am not aware of correspondence that reflects that, but I will take that on notice. It would be in our correspondence register if that were the case. I do believe that there were conversations between the Integrity Commissioner and the board chair, but the actual correspondence I will have to take on notice. We can perhaps confirm that before the end of the hearing.

**MR BRADDOCK:** Thank you, because that was a key piece of evidence coming out of the Integrity Commission hearing—that advice given to the board.

**Ms Howson:** Yes.

**THE CHAIR:** That is a statement, Mr Braddock.

**MS LEE:** Ms Howson, in relation to the payout for Ms Cover, which is extraordinary, would she have been entitled to that if she had been terminated?

**Ms Howson:** Yes.

**MS LEE:** The exact same amount?

**Ms Howson:** I am advised that, yes, she would.

**MS LEE:** In terms of the letter that apparently the minister—I cannot remember the exact date and maybe Mr Steel will know—wrote to the board asking what steps the board is undertaking to recover the public moneys that have been lost in this entire saga, what progress has been made on that?

**Ms Howson:** I understand that that is a very important issue and something we are all focused on. We are still investigating those possibilities. With the Integrity Commission investigation still ongoing, I will continue to look very closely at what our options are to recoup any costs. In relation to the employment arrangement, of course there are other dimensions of costs which are the business of the GSO, for example.

**MS LEE:** You have just given evidence to the committee that if her employment had been terminated she would have been entitled to the same payout. That is despite the fact that there is now on the record, in public, a finding that she engaged in serious corrupt conduct.

**Ms Howson:** Yes.

**MS LEE:** And that is despite the fact that Mr Barr tabled an instrument which specifically attempted to address this.

**Ms Howson:** To the first part of your question: yes, again I confirm that this was a lawful entitlement and that it would have been the same entitlement if the board had

taken steps to terminate. It would have been exactly the same, regardless of whether Ms Cover resigned or we terminated. In relation to the amendment undertaken by Mr Barr, that is for another agency to respond to.

**MS LEE:** My next question is to the minister. Mr Steel, you have made pretty strong statements in public saying, “Let this be a lesson and a big signal to all public servants that you cannot engage in conduct like this and get away with it.” Is this the kind of treatment that you foreshadowed when you made that statement? Someone has had a public finding that they have engaged in serious corrupt conduct, and not only were they paid two years of salary for doing nothing while being stood down but then they got a payout of half a million dollars. Is that what you foreshadowed?

**Mr Steel:** No; those are totally separate issues. She was paid out her lawful entitlements under employment law. I understand she is a person who has been employed for many years in various roles across the ACT government, so you would expect there to be quite a significant accumulation in entitlements over that period. I think that number reflects that long service.

**MS LEE:** What is the impact, then, of the finding of serious corrupt conduct?

**Mr Steel:** In response to your question, the statements that I have made about the very serious finding that the Integrity Commissioner has made in relation to this matter do send a strong message to all public servants—

**MS LEE:** Does it?

**Mr Steel:** including statutory office holders in territory authorities like the CIT, that this sort of behaviour will be held accountable—

**MS LEE:** How is it to be held accountable?

**Mr Steel:** Because we, as an Assembly and as a government, have charged the Integrity Commission with investigating matters of potential corruption and to make findings of fact and findings of corruption where appropriate. It has done that in this case. The reason we have charged the commission with this function is to deter this type of behaviour in the future. It does send a strong message to everyone across government that this type of deceptive conduct and pattern of concealment and dishonesty will not be tolerated.

**MS LEE:** How is it being not tolerated and how is this kind of conduct being held to account when the former CEO has received a payout that would have been the exact same even without the finding of serious corrupt conduct?

**Mr Steel:** The finding of corruption is a very serious finding that will potentially—

**MS LEE:** We know that.

**Mr Steel:** impact on her life-long employment opportunities. This will have a very significant impact on the individual—as, indeed, any finding of corruption does, whether it is in relation to Ms Berejiklian in New South Wales or other public

officials.

**MS LEE:** Yes, and she had the decency to step down when it happened.

**Mr Steel:** It is a very, very serious finding and it will have a significant impact on that individual; hence there is the need to have important matters of procedural fairness considered in relation to these matters.

**MS LEE:** As the minister responsible, now knowing that Ms Cover, in addition to the two full years of salary, has been paid out almost half a million dollars of taxpayer funds, what steps are you going to take to ensure that that does not happen again?

**Mr Steel:** There are broader issues here. I think these are matters that the oversight committee may wish to look into, oversighting the Integrity Commission. There is a broader—

**MS LEE:** My question was: as the responsible minister, what are you doing?

**Mr Steel:** Those are broader policy questions for how we manage these matters across government—

**MS LEE:** So not your problem.

**Mr Steel:** in relation to the Integrity Commission.

**MS LEE:** So not your problem; not your fault.

**THE CHAIR:** Ms Lee.

**Mr Steel:** My role, as minister, in relation to this matter was to support the Integrity Commission in every way that I could, making sure that officials were doing the same thing, to conduct their investigation. We have set them up in order to investigate these matters and we want to facilitate and support them investigating these matters without interference and so that is what—

**MS LEE:** My question is: as the responsible minister, what were you doing?

**Mr Steel:** my responsibility was: to make sure that the commission—

**MS LEE:** What are you going to do?

**THE CHAIR:** Ms Lee, wait for the minister to finish.

**Mr Steel:** could be supported as much as possible to perform its role, and that is what it has done in this case. It has undertaken its report. It has taken longer than I think everyone anticipated. I think there is a question over whether that was too long. Those are matters that I think could be investigated by an appropriate oversight committee, for example. My role as Minister for Skills was to support them in their specific inquiry.

**MS LEE:** So you are not going to do anything?

**Mr Steel:** As I said, Ms Lee, my role as minister was to support. When an investigation was occurring—

**MS LEE:** Yes, “was”; so you are not going to do anything.

**THE CHAIR:** Wait.

**Mr Steel:** into the statutory authority, it was my job to support them as much as I could and not to interfere with their inquiry, if that is what you are suggesting.

**THE CHAIR:** We need to bring a bit of a close to this.

**MS LEE:** I am talking about what you are going to—

**THE CHAIR:** Do you have a supplementary, Ms Orr?

**MS ORR:** I do not have a supp; I just have a question on the process. I note that we are almost half an hour in to this session. Ms Lee, by my calculation, has had about 20 minutes of that half hour. I thought we were cycling through questions, ten minutes each, and then moving on.

**THE CHAIR:** That was in the previous session.

**MS ORR:** Can we get your guidance, Chair, so that I know whether I need to jump in with lots of supps or I can just save my questions up.

**THE CHAIR:** We will just see how we go. Some questions do go quickly and some do not. You did ask a number of questions during that session, as did Mr Braddock. I try to only be prescriptive when we appear to be running out of time and people do not get an allocation who need to ask a question. Otherwise, I like to allow it to flow more freely, but thank you for bringing that to my attention.

**MS ORR:** Just as long as we are all of the same understanding.

**THE CHAIR:** We have finished with this line of questioning. If anyone has more questions, they can use their substantive question to continue. Ms Orr, do you have a substantive question?

**MS ORR:** Chair, in the interest of fairness, I believe all those supplementaries were to my substantive, so I believe it is actually Miss Nuttall’s turn for a substantive.

**MISS NUTTALL:** Thank you. If that is okay with everyone, yes, please. This is probably one of the questions for Major Projects Canberra. The total project value of the CIT Woden campus in 2024-25 has risen to, I think, \$267 million, which is almost \$35 million up from last year’s budget, and \$44.6 million higher than the 2022-23 budget. Would you be able to tell me why this project has gone over budget?

**Mr Steel:** I will hand over to Gillian Geraghty and Ashley Cahif from Major Projects

Canberra to talk a little bit about the budget. It is not just for the CIT Woden campus but also for the transport interchange and the Youth Foyer. There were also some additional components around the fit-out of the new campus for CIT.

**Ms Geraghty:** Thank you, Minister. I have read and acknowledge the privilege statement.

**Mr Cahif:** I have read and acknowledge the privilege statement.

**Ms Geraghty:** Could you clarify the question and what you are referencing?

**MISS NUTTALL:** Yes. I am referencing the successive budgets. This is for Major Projects Canberra, on page 18. It is on page 22 of this PDF. The total project value has risen to \$367 million, which is up by almost \$35 million from last year's budget and \$44.6 million from the 2022-23 budget.

**Mr Cahif:** I apologise. I will need to take on notice the exact figures, but there have been movements in the value of the project. All our contracts in relation to projects reflect a risk allocation. Part of what happens as we go through construction is that risk events often occur, and that may change the value of the contract itself. As the minister mentioned, there has been additional funding put in for furniture fittings and equipment as we move more from construction to fit-out and the operational aspects of the CIT Woden campus. Also, in terms of the public transport interchange component of it, there was risk associated with utilities, which has also affected the value of those contracts.

**Mr Steel:** We have previously discussed in estimates—not through this process but in previous years—the work that we have done to consult with the community about the CIT campus design. What we heard through that in particular was that there is a real focus on wanting to have shelter from the elements. As a result of that, quite a significant scope change was made in relation to providing a large awning for protection at the front of the building. That was a quite substantial decision that we made to respond to that issue.

Also, we made some less significant changes to the design of the stops at the interchange to reflect community will to have better protection from the elements while they wait for public transport. There is also the connection from the public transport interchange through to the new east-west boulevard and the Woden town centre. That is now reflected in the design. I think that is a good outcome. It reflects community consultation and will deliver better weather protection across the campus.

**MISS NUTTALL:** Thank you.

**Ms Geraghty:** The complete answer to your question is that additional scope elements have been added to the project as we have undertaken consultation and gone through the project. I am happy to take the question on notice to provide a bit more detail, if you would like.

**MISS NUTTALL:** If that is possible, that would be lovely. Thank you. As a follow-up to that, I understand that, when you add more to projects after the fact, it

will increase costs. They will often be revised up. Was there scope to predict more of this back in 2022-23 or to perhaps undertake consultation earlier so that we could have a more accurate reflection in successive budgets? Was there a reason that the consultation happened after the funding was already allocated?

**Mr Cahif:** Consultation certainly occurred prior to the contract and that informed the reference design which moved its way through to procurement. It is very important for a successful project to continue consultation as design develops, and sometimes there is even post-design development for amendment. There is effectively a lifecycle to the project. This is to deliver a piece of infrastructure which becomes CIT Woden for the students and staff of the future, along with the community around Woden. As design develops and we respond to community concerns and other ideas, we do not want to lock it, where nothing can be done. There may well be very good reason. There are examples such as the weather protection, where you find that a better outcome could come from it. What that involves for us and the government are decisions: is this value for money; is this meeting community expectations?

**Ms Geraghty:** This is very similar to all of our other projects. We need to make sure that the final product fits the CIT in terms of their operations—because this will be their new facility—and also the community as they begin to understand the project. We are doing a similar process with the theatre redevelopment. We will continue to make sure we consult very carefully with our clients and with our community.

**MISS NUTTALL:** Thank you. I have one more follow-up, if that is okay. Things like the Youth Foyer were in the park but were not necessarily funded at the outset. Why was that?

**Mr Steel:** We looked at the scope of the project. The Youth Foyer was actually determined very early as a priority to make sure that we could deliver a housing outcome to support young people studying, not just at CIT but also at other nearby institutions—potentially Canberra College as well. We made that decision early, and then we progressed the design on that basis and went through procurement. As we received feedback from the community about additional elements, we tried to incorporate some of them. We have not been able to do everything. We could have made the decision to cut out elements in order to fund some of the additional scope elements that the community wanted. We did not do that. I think we have a really good outcome. The building is really starting to take shape at the moment. The facilities are going to be state of the art, in terms of the simulated learning environments.

We had to do a piece of work—working very closely with the partner of the CIT who will be occupying the building—around what the appropriate scope was for fittings, to make sure it reflected the best possible training environment for the areas that are going into the building, around business, hospitality, ICT and so forth. I think we have a good outcome. We put some more money into that in recent budgets to reflect the needs of the CIT, and that was the right decision. The CIT might also be able to comment on some of that work.

**Ms Robertson:** Thank you, Minister, and thank you for the question. Our ambition for the CIT Woden building is that it is a building that importantly reflects the

electrification goals and aspirations for the ACT. I can give one example of the increased costs. They are not major costs but additional costs. As I understand it, when the building was originally designed, the fit-out for our cookery and hospitality areas in the building, which will be quite significant and areas of substantial activity in the building, were designed for gas fittings. During the process of the design and build, a decision was made that we would move to all induction cooking. That is an example of how additional costs have been added. Now is the time to make that move. Indeed, our staff who work in that area are very excited about the opportunity to work with the latest technology in cooking. We have already been approached by a number of organisations to provide additional training with regard to working with that new technology. That is just one example of how we want to ensure that, from the start of training delivery in July next year, the building affords the best possible facilities for us to deliver quality training to all our students for some time to come.

**MISS NUTTALL:** As you made changes in each of the last three budgets, is there a risk that it will lead to inefficiencies and cost blowouts, as you need to constantly pay for redesigns and contract amendments?

**Mr Steel:** It was more that it was built into the iterations of the design that are required over time. You start with an early design, you work through it and you progressively develop more detailed design as you go through the process and procurement for projects like this. Sometimes it is harder for the community to engage with the earlier concept designs, when they do not necessarily understand the entire vision for the building. That becomes clearer to the community over time and they become more confident in giving more specific feedback about the issues. Of course, when we had the reference design developed and went through procurement, and then had Lendlease present their ultimately successful bid for the design, what was being delivered became really clear. The community then said, "This is how we want these specific elements to work. We like these elements, and we would like to see that improved." That is an iterative part of the development of these types of projects. If you are suggesting that we should not engage with the community during the process, that is surprising.

The multifunctional hall was another element about which the community was really strong, They wanted to see the community able to come into the building, not just use the surrounding public spaces. The hall is really taking shape. It is a very large space and it is going to be a really excellent part of the building. We could have not developed that, and we could have saved on substantial costs, but it is going to be a community asset that will support Woden's broader cultural and social needs into the future, in addition to, of course, the new Woden Community Centre and the work that is being done at the library. The work that has been done by MPC on this has put us in good stead.

**MISS NUTTALL:** I have one more, if that is okay.

**THE CHAIR:** One more.

**MISS NUTTALL:** I fully agree with you that community consultation is important. With that in mind, and understanding that consultation will need to happen and some points will need to revise the design, is it possible to anticipate the funding that you



might need to increase the scope and things like that? Is it possible to anticipate that earlier so that we are not revising the budget upwards?

**Mr Steel:** We always test that through procurement. I have been very clear, and have been on the record regarding a number of different projects, that we needed to go through procurement to understand what the market cost would be to deliver what we wanted to deliver at CIT through the reference design. Then innovations would be presented. The ACT government has a range of different outcomes that we try to achieve through procurement, particularly in relation to infrastructure projects. In this case, we wanted to see a sustainable design, and we are seeing that with the ambition of a six-star Green Star rating. I think that is going to deliver really good outcomes. But, of course, some of those innovations come with an upfront cost element, but they actually then deliver some cost efficiencies down the track for operations. That is what we have tried to balance through this process.

**THE CHAIR:** Ms Lee, do you have a substantive question?

**MR BRADDOCK:** Excuse me, Chair. Could I ask a supplementary to that question?

**THE CHAIR:** Sure, but we will have to move to shorter time frames for all questions from now on.

**MR BRADDOCK:** Thank you. Coming back to the Youth Foyer, which was always planned according to your priority, and it is also in the PAGA, I am wondering why the \$10 million in funding only came through in the 2023-24 budget. Why wasn't it included in early iterations of the budget for this project?

**Ms Geraghty:** It was an election commitment.

**Mr Steel:** Yes; it was an election commitment from the federal Labor Party, so it was implemented. We can take that on notice, unless you have any—

**Ms Geraghty:** That was when we had confirmation from the federal government of the commitment.

**MR BRADDOCK:** Thank you.

**THE CHAIR:** Ms Lee. We have 10 minutes.

**MS LEE:** Thank you, Chair. Minister, the Integrity Commission's special report on Operation Luna—which I am sure you are very familiar with, given that you have had it for eight months—says that you first wrote to the chair of the CIT Board on 19 February 2021, raising concern about contracts. It says in that letter that it was as a result of some media inquiries that you received. Can you outline—

**Mr Steel:** No. I can clarify that, but go on.

**MS LEE:** I was going to ask you about the types of media inquiries.

**Mr Steel:** We became aware. I think the ABC had made a freedom of information

request, or an information request, of the CIT and they alerted us to that. I am not sure that any story came out of that directly—

**MS LEE:** No. That is why I am asking.

**Mr Steel:** but it prompted me to start asking questions about the earlier set of contracts; hence, I wrote the letter of 19 February.

**MS LEE:** Was that the first time that the issue had come to your attention?

**Mr Steel:** Yes.

**MS LEE:** In relation to the response that you received from the chair at the time, which was on 5 March, the letter says: “In terms of the specifics of your question, I am confident that the procurement processes to engage the service providers were consistent with all procurement policy and practices, and that, given the enormity of the transformation work, the investment in CIT via these contracts represents value for money.” Were you satisfied with that response?

**Mr Steel:** Those matters are well canvassed in the commission’s report. I understand he has made findings in relation to the nature of that response as well. I will let people read the report, because the facts are in the report.

**MS LEE:** Apparently, after that, there was a meeting between you, the chair at the time and Ms Cover, on 17 March 2021. You say that you raised these concerns. Neither Mr Sloan nor Ms Cover recollect you having raised these concerns. Do you still stand by that—that you raised these concerns?

**Mr Steel:** Yes, because it is in writing in the letter. I raised concerns and the letter is very clear that I had questions around value for money. The commissioner made some findings in relation to what should have happened as a result of that. It is very clear in the report.

**MS LEE:** After March 2021, the report talks about a phone call that apparently happened on 22 December 2021 between your then chief of staff and Ms Cover, where apparently the issue of the contracts was raised. We understand that evidence was provided by your former chief of staff to say that she raised those concerns with you at that time.

**Mr Steel:** Yes. It is all covered in the report. Yes; my staff warned her that, effectively, any further contracts would not meet the pub test, and Ms Cover went ahead anyway and decided to procure a very large contract, which I was not aware of. That is, of course, the subject of the inquiry and the first report. The investigations are ongoing, so there may be further information to come.

**MS LEE:** Could you provide some more information to the committee. Aside from the meeting in March 2021, at which neither Mr Sloan nor Ms Cover recollect you raising anything, and a phone call in December 2021, what was done between that period, if anything, to ensure that these contracts were not entered into?

**Mr Steel:** There is very clear correspondence from me to the chair in relation to the questions that I was asking of them in relation to—

**MS LEE:** Are you talking about the February 2021 correspondence?

**Mr Steel:** Yes, where I questioned the value for money and—

**MS LEE:** My question goes to between March and December.

**Mr Steel:** I am not sure about the point you are trying to make.

**MS LEE:** It is not up to you to determine the point I am making; I am asking you a question. Did you do anything between March and December?

**Mr Steel:** These matters were well canvassed in the inquiry and the commissioner has made some findings in relation to that—that the matters that I raised should have been brought to the attention of the broader board.

**MS LEE:** In February.

**Mr Steel:** They were obviously brought to the attention of the board chair. If they had known about the future procurements, if they had known about the concerns that I had—about whether this would meet community expectations—if they had known about the warnings from my staff in December, and if they had known about the Government Procurement Board's concerns, it may have prevented this from occurring. That is why, ultimately, Ms Cover has been found to be corrupt, because I took action and my office took action. Her deceptive—

**MS LEE:** But you have not been able to outline anything.

**THE CHAIR:** Wait for the minister to finish answering, please.

**Mr Steel:** Her pattern of deception and her dishonesty in response are the reasons she has been found to be corrupt.

**MS LEE:** But you have not been able to outline anything that you did between March and December in 2021. Going from December—

**Mr Steel:** Because issues had been raised.

**THE CHAIR:** Ms Lee is still asking a question.

**MS LEE:** Between December 2021 and June 2022, when all this broke, what action did you take, what correspondence did you have, what did you do?

**Mr Steel:** I was not aware that they were even going out for procurement for this very large contract. That was a complete surprise to me and my office, given the concerns that had been raised in the prior year. As has been well established, in over 300 pages of the report of the commission, she engaged in a pattern of concealment from the board. She misled me and, as a result of that dishonesty, she has been found to be

corrupt.

**MS LEE:** On what basis, then, can you claim you took actions, given that the majority of the 8½ million dollars in contracts were signed after you raised concerns in February 2021?

**Mr Steel:** It is because of the actions that I took, her dishonest response in relation to those and her pattern of concealment that she has been found to be corrupt, because she breached the public trust—

**MS LEE:** And received a half-a-million-dollar payout.

**Mr Steel:** She breached the public trust and she clearly did not meet the high expectations that we have for senior officials in a position like CEO of this territory authority.

**MS LEE:** Chair, I have no further questions, given that the answers are pathetically worthless.

**THE CHAIR:** Thank you. We are done. Mr Braddock.

**MR BRADDOCK:** Could I ask a supplementary to that question, please, Chair?

**THE CHAIR:** One question.

**MR BRADDOCK:** Fair enough. Was it technically feasible to ensure that the gardening leave was without pay under Ms Cover's contract? Was any consideration given to that?

**Ms Howson:** Mr Braddock, could you repeat the question? Just as you said the most crucial part of that question, someone coughed, so I did not hear it.

**MR BRADDOCK:** Was it technically feasible for Ms Cover to be placed on gardening leave without pay and was there any consideration given by the board to that question?

**Ms Howson:** Ms Cover was placed on directed leave, with pay, which is consistent with the standard, again, of exercising the principle of due process and natural justice. Again, I was not on the board when that decision was taken but the board would have undertaken to seek advice on the appropriate arrangement for directed leave.

**MR BRADDOCK:** I believe you said you were on the board from 2021. These events happened in 2022?

**Ms Howson:** Yes, I think I did make that statement at the outset. That was in error. I was appointed in July 2022. I am sorry about that.

**MR BRADDOCK:** In terms of the breadth and scope of CIT course offerings in the Gungahlin district, I wish to ensure they maintain pace with the rapid population growth in that district. What is the plan to ensure equity of access by Gungahlin

residents to CIT course offerings?

**Ms Robertson:** Thank you for that question. Yes, we are continually looking at our offerings in Gungahlin and our opportunities to be able to provide the community with the training that they require. I will ask Ms Josephine Andersen, the Executive Director, Education Futures and Students at CIT, to provide you with an update on work that we are currently undertaking at Gungahlin and our future plans.

**Ms Andersen:** I have read and understand the privilege statement. Thank you for the question, Mr Braddock. Gungahlin is indeed a very active campus. At present we run English language courses five days a week. The time frame for those courses spans 9 o'clock in the morning to 2 o'clock in the afternoon, and in the afternoons from 5.30 to 8 pm. We run business courses three times a week, including on Saturday mornings, to provide maximum flexibility for our students. Accounting classes are run over two days of the week, and we have an ICT statement of attainment course starting on Saturday mornings this coming semester.

We are always looking at options to maximise use of the Gungahlin learning hub. We provide opportunities for students to drop in and attend flex sessions there, so that they can speak to tutors as appropriate. If you are familiar with the layout of the Gungahlin space, there is a smaller classroom and a larger area. We are looking at options to separate the larger area into two learning areas so that we can maximise student numbers.

**MR BRADDOCK:** Are there any plans to expand the offerings at the Gungahlin campus?

**Ms Andersen:** We are always looking at where our students reside and what they might be interested in. When we hold our open day, which is 13 September—and, indeed, when we participate in the ACT schools CareersXpo on 7 and 8 August—we will make sure that we are collecting information from students about what they want to study and where they want to study. That informs our planning for the following semester or year.

**MR MILLIGAN:** As I understand it, there are a couple of pools of funding that go to our registered training officers for CIT or independent. I want a breakdown; it was not necessarily clear in the budget outlook papers: how much of the commonwealth government grants go to CIT and how much of the ACT budget goes to CIT to provide courses and supports?

**Mr Steel:** We can perhaps take that on notice and provide you with some information. We have been clear as a government that we want to see more than 75 per cent of our budget spent on investing in the public TAFE provider to continue to deliver services and indeed expand them in areas. We have been looking at opportunities to support them to deliver training in new areas as well. That has, of course, most recently been supported through the new centre of excellence for electric vehicles—the first centre of excellence in Australia—which will be delivered by CIT. That is also through a direct government program delivered under the National Skills Agreement with the federal government, focused on TAFE as the centre of the training system.

It will allow CIT to not just deliver training themselves within the centre of excellence but also to disseminate information to other registered training organisations about how to deliver that sort of training. It is not something that will benefit just CIT; it will benefit the whole VET sector when delivering those sorts of qualifications. But CIT will be a leader. That is the kind of role that I think CIT plays: it is often a leader. The TAFEs generally across the country are leaders in delivering vocational education and training, and can support the broader sector to meet the skills needs of the economy. We will, of course, provide the figures on notice.

**MR MILLIGAN:** How did you come to the 75 per cent? Is it based on merit, is it based on outcome or is it based on targets?

**Mr Steel:** It has been a range of things, in consultation with the community. It has been an election commitment that we have previously had, as a Labor Party. It reflects ongoing significant investment over time in CIT and wanting them to do more things in key areas to support the economy. Of course, there are a range of other training programs that the non-government RTO sector, both private RTOs and not-for-profit RTOs, can tap into to deliver training as well, the User Choice program being one of those—a demand-driven program to support apprentices and trainees, as well as the Skilled Capital program.

**MR MILLIGAN:** Do you conduct any evaluation to ensure that what does come out of CIT and federal government funding is meeting expectations? Is the money well spent?

**Mr Steel:** We continue to look at all of the programs. We are undertaking a review of the User Choice program at the moment. It is ongoing. We have made an investment in the budget in User Choice, particularly to support electrical apprentices—those apprentices studying electrotechnology, to support them with a 90 per cent subsidy. That is not just about supporting electrical apprentices at CIT; it is about supporting apprentices through NECA and other RTOs that are delivering those services as well. We are continuing the review of the User Choice program and we will look at other programs as well.

Fee-Free TAFE is one example of a program directed specifically at CIT, as our only TAFE. It has been incredibly successful. We probably have some numbers to share with you around some of the take-up of that new program, which, of course, removes the barriers to taking up training in the ACT. I will hand over to CIT to give some information about how that is going.

**Ms Robertson:** Yes, the Fee-Free TAFE initiative has certainly attracted a significant number of students to CIT who were previously prevented from being able to study. Ms Andersen can give you a summary of the work we have been doing there and what we have achieved so far with that funding, under tranche 1 and tranche 2.

**Ms Andersen:** As Ms Robertson mentioned, there have been two tranches of Fee-Free TAFE. The first tranche was in 2023. We were successful in delivering on our full commitment of 2,530 places. We had enrolments in some key skills needs areas. Our top course, when it came to enrolments, was the certificate IV in cybersecurity. Our second course was the certificate III in early childhood education and care. We

had high enrolments in business courses, community services, mental health and project management.

Not only were skills needs paramount in delivering the program; we also targeted priority cohorts. Of that 2,530, 166 were Aboriginal and/or Torres Strait Islander students. There were 909 young people—people aged 17 to 24. Nearly half of the student cohort were jobseekers. There were 246 unpaid carers, 697 of our enrolments identified as living with a disability, and 62 per cent of the total enrolments were women, including a substantial portion of women who were living under financial hardship. We also had impressive enrolments for humanitarian and other visa holders, and 30 enrolments for veterans.

In terms of our completion rates to date, it is too early to talk about completion rates, but we are seeing some really strong completions. So far we have had 776 completions; 433 of those have been in full qualifications.

In terms of Fee-Free TAFE tranche 2, which is an extension of the Fee-Free TAFE program over 2024, 2025 and 2026, we have 1,123 enrolments to date against our commitment of 1,200 enrolments for 2024. Again, we are seeing really strong uptake in those key skills needs areas. Nearly 30 per cent of our students in Fee-Free TAFE tranche 2 are living with a disability, 12 per cent are unpaid carers, 39 per cent of the cohort are young people, and 20 per cent are women experiencing financial hardship.

**MR MILLIGAN:** What is the budget that has been put aside for User Choice over the next 12 months—the financial year?

**Mr Steel:** We can provide that on notice, unless Skills Canberra can provide some information now. As I said, it is a demand-driven program, so it will fluctuate depending on how many apprentices and trainees with host employers take up subsidised training under the program. We encourage, of course, more employers to take on apprentices and trainees. We would like to see more coming in to training. We are reviewing the subsidies at the moment, to look at whether that is appropriately set, given that the cost of delivering courses has changed over time.

We certainly recognise that, in electrical training, that needed to increase, so we have made the commitment in the budget to increase it to 90 per cent this time around. That has been welcomed by the sector delivering training in that particular area. Of course, we will need to look at it across some of the other qualifications as well, and that work is ongoing.

**Ms Starick:** I have read and acknowledge the privilege statement. In previous years, about 13 per cent of the total training budget has been allocated to User Choice.

**MR MILLIGAN:** Do you have a dollar figure for that, or can you take that on notice?

**Ms Starick:** We will take that on notice.

**MR MILLIGAN:** What is the budget for Skilled Capital?

**Ms Starick:** Skilled Capital is between \$2 million and \$4 million. There have been a number of additional programs that have been rolled out through Skilled Capital, obviously, through the COVID incentives over the previous years. That is about where the Skilled Capital budget has hovered.

**MR MILLIGAN:** Are you confident that it is between \$2 million and \$4 million or would you like to take it on notice and come back with something specific?

**Ms Starick:** We have provided an answer to a question on notice previously.

**Mr Steel:** In response to Miss Nuttall's question, I think. That is on the public record.

**MS LEE:** I want to take you to a document that was tabled by the minister in the Assembly in the last sitting, I believe—a copy of the employment contract for Ms Cover. In clause 2 of schedule C, which relates to performance management, it states:

The Chief Executive Officer's performance will be formally appraised on an annual basis, with reviews occurring every six months or as required.

Can you please confirm—you may need to take it on notice, in terms of the time before you were on the board—whether they happened as per the contract, and when the minister first raised the issue about those contracts with the complexity thinker in February, how often were performance appraisals undertaken?

**Ms Howson:** I will have to take that on notice, Ms Lee. Yes, I will respond to that.

**MS LEE:** In terms of the two years that Ms Cover was on leave, were there any formal performance appraisals as per the contract?

**Ms Howson:** No.

**MS LEE:** In terms of the process whilst she was on leave, you have already mentioned legal advice. Did the board seek any other external advice?

**Ms Howson:** In relation to anything in particular?

**MS LEE:** You mentioned that you were testing evidence about what you might do with Ms Cover; you said that earlier.

**Ms Howson:** No, it was legal advice that I was referring to.

**MS LEE:** Yes, but no other consultants' advice or—

**Ms Howson:** We were engaged with the workplace relations area of the Chief Minister's department.

**MS LEE:** Again, on that contract, regarding the consultation with the minister, we have already talked about your consulting with the minister in relation to the proposal to end the appointment, but what was the consultation that took place in June 2021, when Ms Cover's contract was extended? That might be a question for Mr Steel.



**Mr Steel:** It is probably a question that either could answer, but I am probably better placed, given the acting arrangements at the moment.

**MS LEE:** Only because Ms Howson mentioned that she was not on the board.

**Mr Steel:** Yes, I was consulted in 2020, in relation to Ms Cover's reappointment.

**MS LEE:** In 2020?

**Mr Steel:** In 2020.

**MS LEE:** Which month?

**Mr Steel:** I believe it was November, but I would have to check.

**MS LEE:** Are you happy to take that on notice?

**Mr Steel:** I am happy to take that on notice and check. The appointment, of course, is on the legislative register. The appointment instrument was made on 5 February 2021. I note that was prior to matters being raised.

**MS LEE:** At the time when you were consulted about Ms Cover's contract renewal, you were not aware of any of these contracts; is that right?

**Mr Steel:** I was certainly not aware of any issues or concerns with Ms Cover in relation to that. Obviously, I do not make direct decisions on her employment; that is a matter for the CIT board. But I am required to be consulted in relation to any appointments or, indeed, terminations. I was consulted in 2020 in relation to the instrument that was made to reappoint her in February 2021. Of course, the events then occurred over the following year.

**MS LEE:** Yes, I understand. In terms of the actual contract itself, the contract as tabled by the minister, the contract was signed by Ms Cover and it was also signed by the then chair, Mr Sloan. There is a space for the then deputy chair, now current chair, Ms Lundy, but it is blank. Is that normal practice?

**Ms Howson:** We have not had another situation like that arise. In terms of the interim contract for our interim CEO, I could reflect on that practice. Christine might be able to help me here. I think it is signed by both.

**Ms Robertson:** It is signed by both, yes.

**MS LEE:** You might not know personally, but is there a reason why, with the renewal contract for Ms Cover, it was only signed by the chair and not the deputy chair?

**Ms Howson:** I have no information relating to that. I have no information that would inform that.

**MS LEE:** Is that something you could take on notice and get some advice on?

**Ms Howson:** Yes.

**MS LEE:** Thank you; I appreciate that. Finally, as it is on the public record, we have spent quite a lot of time arguing against pay rises whilst Ms Cover was on leave. We raised it a number of times in the Assembly. I raised questions with Minister Steel as well as the Chief Minister, and there was toing and froing about whose responsibility it was, given that it was, “Go to the Remuneration Tribunal,’ or “No, we need legislative changes.” Did the board have any submissions or correspondence with either the Remuneration Tribunal or the appropriate minister about arguing against the pay rises?

**Ms Howson:** Again, I would need to take that on notice, specifically. I know it was an issue that was discussed in the board meeting, but whether or not there was correspondence between the chair and the Remuneration Tribunal, I would have to double-check that.

Ms Lee, I have just been given access to information that the contract for Ms Cover that was tabled was signed by both the deputy and the chair. They were just signed on separate documents because of the issues of the pandemic that were in play at that time.

**MS LEE:** I see. So it was signed by both?

**Ms Howson:** It was, yes.

**MS LEE:** And that is the usual practice?

**Ms Howson:** It is.

**MS LEE:** Thank you for clarifying that; I appreciate it.

**THE CHAIR:** On behalf of the committee, I would like to thank witnesses for your attendance today. If you have taken any questions on notice, please provide your answers to the committee secretary within three business days of receiving the uncorrected proof *Hansard*. The committee will now suspend the proceedings for lunch.

### **Hearing suspended from 12.11 to 1.12 pm.**

**THE CHAIR:** Welcome back to the public hearings for the committee’s inquiry into Appropriation Bill 2024-2025 and Appropriation (Office of the Legislative Assembly) Bill 2024-2025. The proceedings today are being recorded and transcribed by Hansard and will be published. The proceedings are also being broadcast and webstreamed live. When taking a question on notice, it would be useful if witnesses used these words: “I will take that question on notice.” This will help the committee and witnesses to confirm questions taken on notice from the transcript.

We welcome Mr Chris Steel MLA, Minister for Skills and Training, and officials. I remind witnesses of the protections and obligations afforded by parliamentary

privilege and draw your attention to the privilege statement. Witnesses must tell the truth. Giving false or misleading evidence will be treated as a serious matter and may be considered contempt of the Assembly. Could you please confirm that you understand the implications of the statement and that you agree to comply with it?

**Witnesses:** Yes.

**THE CHAIR:** We will go to Ms Orr for a substantive question.

**MS ORR:** Thank you, Chair. I have some questions around helping to equip the workforce for the future, particularly around sustainability and climate change measures. I note that the ACT government announced that they would partner with the federal government under the National Skills Agreement to deliver an electric vehicle TAFE centre of excellence. Can you outline for me what the new centre of excellence will do and support?

**Mr Steel:** I might hand over shortly to CIT and Skills Canberra to talk a little bit about the centre of excellence in particular. There has been a big focus on the jobs of the new economy, particularly focused around the energy transition. For some time in the ACT we have been putting that in a local context, particularly around the transition we need to make in relation to transport. It is our biggest source of emissions in the ACT and so we need to support the transition to electric vehicles, in particular, and potentially hydrogen fuel cell vehicles in the future as well.

That started with the ACT's workforce of mechanics at Transport Canberra who were quite rightly concerned about what the future held with respect to their future work in relation to not just the diesel buses that they are working on at the moment but also the future electric bus fleet that they could see the government was already embarking on transitioning to. We committed at that time to support every one of them to upskill into working on electric vehicles. From that, CIT has been developing that training for the upskilling of existing workers, supporting Transport Canberra's workers but also other agencies and emergency services around safety and working on electric vehicles. That led to the electric vehicle training centre and then, with the National Skills Agreement being signed, we saw a real opportunity to disseminate the knowledge to the rest of the country.

The funding that we have secured will enable us to do that but also invest in the infrastructure at CIT Fyshwick to be able to accommodate heavy vehicles, purchase more electric vehicles to conduct training on and skill up apprentices afresh who are undertaking either a dual course, the current automotive technology course working on internal combustion engine vehicles, and also the course that has been developed by CIT, which is focused on electric vehicles. The first apprentices going through have been working on electric vehicles, which is very exciting as well, as the upskilling work.

The money will be a really significant investment to support the whole country, not just the ACT. We already have a number of apprentices coming from Tesla and other companies in the ACT who saw this transition coming. So what started with a government project is now supporting the entire private sector in this automotive transition. I will hand over to Christine Robertson to talk about what the centre of

excellence means.

**Ms Robertson:** Thank you, Minister. CIT is immensely proud to be announced as the first national centre of excellence in the country under the National Skills Agreement. This announcement recognises the significant capability of our teachers and their commitment to innovation in their particular disciplines—in this particular situation, electric vehicle technology. The centre will build on the capability that we already have and the innovation that we have been developing but also our leadership role in the vocational education training sector across the country.

We are working on a process at the moment to imbed this new initiative into our current trades training college. Our trades training director will oversee a team that will work alongside our current auto training team and, importantly, our EV specialist. Ms Andersen will be able to give you a more fulsome overview of our implementation plan and the steps we are taking.

**MS ORR:** In the interests of time, can you also incorporate into your answer more information on how you are partnering with industry and other training providers to deliver this, please?

**Ms Andersen:** Absolutely. Thank you very much for the question. As Ms Robertson said, this achievement is a first for Australia. The CIT is leading establishment of the first national TAFE centre of excellence. This achievement really stands on the shoulders of the fabulous work undertaken by our educators. I would like to acknowledge the work undertaken by Richard Lindsay, our lead educator in the electric vehicle area at CIT. He was also awarded the National VET Trainer of the Year Australia-wide in 2022 in recognition of his innovative approaches.

Our implementation plan for the centre of excellence really builds on those strengths—one of which, of course, is robust industry engagement. Our program has been established to be very flexible and to meet the needs of up to 20 different vehicle manufacture types through the use of simulators. In that way, we are able to deliver training in a very flexible and hybrid way.

**MS ORR:** That is training to respond to the mechanical needs of all different brands of electric cars?

**Ms Andersen:** That is correct—and in both light and heavy vehicles. Our implementation plan for the centre of excellence really highlights that stakeholder engagement and how we can strengthen that—in particular, our relationship with the Jobs and Skills Council, AUSMASA, who is undertaking some workforce mapping and looking at what the skills of the future are and how we can support development of those skills of the future. We have established a steering group across the TAFE Directors Australia network and we are soon to establish an educator network as well.

Part of our remit will be extending professional learning and development and sharing leading practice across the nation but also working collaboratively with other TAFEs on that. Higher education partnerships and collaborative research activity will be a really important feature of the centre of excellence as well. We know that the ANU has done some amazing work in the vehicle-to-grid space, and we are seeking to work

with them to look at not only the electric vehicle requirements but also the broader ecosystem. We will engage priority cohorts in a pilot to support a stronger pipeline of people who may not necessarily consider a career in the automotive industry to come into that space.

Through our collaboration across the TAFE network, we will look at how we can co-develop and share resources so that we are not all reinventing the wheel. We will look at the way we can dual-qualify apprentices as well. This will be a particular need for the heavy vehicle industry, because we know the heavy vehicle fleet has a longevity that passenger vehicles do not have. We are also looking at the possibilities around developing a higher or degree apprenticeship potentially in renewables, and we have had ongoing conversations with the ANU in that space.

**MS ORR:** What has been the uptake so far of the electric vehicle courses?

**Ms Andersen:** In 2023, we delivered a skillset to 54 students and, as the Minister mentioned, 26 of that cohort were from Transport Canberra and City Services. Last year we graduated the first apprentices—five apprentices in the new electric vehicle qualification—and this year we have 31 students undertaking that qualification. I should mention that we were the first RTO in Australia to start delivering that one. We have had seven students undertaking the skillset. That is upskilling for existing workers. Importantly, we have also started delivering the electric vehicle qualification for heavy vehicles, and we have 20 students undertaking that course.

**MS ORR:** Thank you.

**MISS NUTTALL:** Minister, on 19 December 2023, I understand that you participated in a ministerial migration roundtable chaired by Minister Andrew Giles. Could you please tell me more about that? I am particularly interested in the actions that you have taken since to ensure nomination pathways are responsive to skill shortages here in the ACT?

**Mr Steel:** We continue to engage with the commonwealth on a regular basis both at official level and also at ministerial level. I think there has been another ministerial migration roundtable, and perhaps another two, since then actually, including one that the Chief Minister attended whilst I was on parental leave. We are discussing the range of reforms that are currently occurring nationally in relation to migration, skilled migration and work that has been happening around international student visas.

We have also been putting forward the needs of the ACT from a skills point of view. We have two main visa subclasses that we have a level of control over to respond to local needs, and they are informed through the Critical Skills List, which is updated on a regular basis in consultation with industry to make sure it is targeted at the right areas. The regular conversation that we have with the commonwealth is about the number of places under those visa subclasses that the territory is eligible for. We have a skills shortage in a range of different areas across the economy. Over recent years that has been quite acute, so the numbers did increase quite substantially to meet some of those needs. The commonwealth has now reduced the numbers quite substantially, down to around 1,200 for the past financial year. That has meant that there are fewer

places available under those visa subclasses.

There has been a range of different discussions—and the communiques have been put out after those meetings to discuss what came out of the meetings—and there have been ongoing discussions. I will hand over to Kate Starick to talk a little bit about those visa subclasses, the numbers and the discussions we have been having about next year—or, sorry, this financial year.

**Ms Starick:** Thank you, Minister. There have been a number of representations from this government around the number of these nominations, as the Minister said. Particularly in 2022-23 the skilled nomination visas, which is the visa program that we are responsible for managing the nomination process for, went up to 4,129 nominations and then it dropped down in the last financial year to 1,254. This year, again after representations, the nomination figure went up to 1,809 for this upcoming financial year.

Skilled migration along with vocational education and training and other workforce development initiatives is a really important pathway. Our migrant community shapes the character of our community as well as an important opportunity to fill the skills that we need. So we do work closely with the commonwealth to make sure that we can have access to skilled migrants to meet the workforce needs. The breakdown now is about fifty-fifty between a 491 skilled nomination, which is a provisional visa, and the 190, which is a permanent visa.

**MISS NUTTALL:** I have heard through consultations—I do not think you would be surprised—that there is a particular skills shortage in early childhood but that the skills occupation list is limited to childcare centre manager and room leader roles, each of which requires about three or four years of experience. What are the barriers to expand the list of skilled occupations so that it addresses the needs of the early childhood sector in the ACT?

**Mr Steel:** There are a range of occupation lists. The commonwealth, of course, have their own skilled occupation list that they update from time to time, and there is a level of consistency with what the commonwealth have but with a local lens between their own lists. We have a skills needs list, which informs subsidies across both user choice and skilled capital programs but also the critical skills needs list, another sort of subset of that broader skills list, which is used for the skilled migration pathways in the ACT. Typically that would focus on high-level qualifications with the aim of making sure that we still have a focus of training up our own here in Australia—people working in a range of different industries.

We, of course, acknowledge, the shortage in early childhood. It has been a focus of the skills industry action plan, which is currently being consulted on with the early childhood sector. Of course, both the certificate III qualified roles and diploma qualified roles skills needs are acknowledged in the skills list. But there has been a conversation about whether there should be some of those within the critical skills needs list. But because the focus generally has been on higher-level qualifications, that is the reason that some occupations do not find their way on to that critical skills needs list. But I will head over to Kate to talk a little more about that.

**Ms Starick:** Through the migration review that is happening now, the value of an occupation list and what a national occupations list might look like is being reviewed. Currently the occupations are, I think, at a four-digit ANZSCO level, and the value of having such a narrowly defined occupation rather than looking at what a sector need more broadly is under active discussion. We are continuing to work with the Australian government on how to best utilise the occupations list to meet national priorities but be able to address the local workforce needs as well.

**MISS NUTTALL:** Thank you very much. What would the barriers then be—and I think you have probably touched on this—to expanding the eligibility requirements of something like early childhood positions to allow for that larger range of relevant experience and qualifications? Does it come back to that review?

**Ms Starick:** As the minister said, currently there is a national occupations list that we need to operate within. With 1,800 nomination positions at the moment, we do work through how to meet a range of workforce needs as well as our other workforce development approaches and training our own domestic workforce. So there is a range of occupations that need to try and be met through that skilled migration.

**MISS NUTTALL:** Is that something that we can and do make representations to the commonwealth of if we identify those gaps?

**Ms Starick:** Yes, we do.

**MISS NUTTALL:** Great to know; thank you.

**Mr Steel:** It has come up in relation to bus drivers in particular. The concern, I think, from the commonwealth is that, if you provide a low barrier to entry to Australia, particularly for a permanent migration pathway, that may cause a loophole within the broader immigration system. “Bus driver” is obviously a skill that is in demand across the country and internationally. But the training necessary to become a bus driver is not a massive undertaking in terms of time; it is not going to take you several years. The course with Transport Canberra is over a period of a couple of months. That is why the commonwealth has often had some sort of control over which occupations can go on and which cannot.

We have to continue to have that discussion with them around what is appropriate. With early childhood, I think there is a genuine question about what should go on and what should not—should it be diploma qualified—but I think they would have concerns about some of the lower level qualifications, like certificate III, which obviously has a much lower commitment compared to a diploma, for example. It is a discussion that we continue to have with the sector and with the commonwealth about those sorts of issues—and that comes up in a wide variety of areas.

**Ms Starick:** A really good point is the recognition of overseas qualifications and the time that it might take for somebody to achieve the standards that we have here.

**MISS NUTTALL:** Thank you. That answers all my questions.

**MR MILLIGAN:** The Ginninderry SPARK program and the Women in Trades

program have been quite successful over the years, but it seems that there is no money at all for these programs; they have been cut. Can you give us an explanation as to why that is the case?

**Mr Steel:** They have not been cut. Obviously, there have been individuals in relation to SPARK in particular who have moved on to do other things and moved interstate and so forth. We appreciate that often the quality of some of these programs comes down to the individuals delivering it. We are always interested in what we can do to continue to support women in construction.

We are in the process of consulting on a women in construction policy to inform the number of apprentices, for example, required on new projects. We have been undertaking that consultation with the community. We think this is something that needs to be built into business as usual, into what is delivered in terms of support for women on large construction sites. It should just be part of what they do. We will continue to also look at opportunities around training and so forth. I am happy to ask Skills Canberra to talk a little bit about that and the Women in Trades program and the work that we are doing with the sector.

**Mr Harriott:** Thank you, Minister. I have read and acknowledge the privilege statement. Expanding on what the minister said, in 2023 we had our Skilled to Succeed innovation grants. There were eight successful programs under that. Two of those were construction focused. One of them was with the Lendlease Women in Construction initiative and the other one was through the University of Canberra, and that was training and upskilling for women in construction. We continue to support women and other programs throughout our User Choice and Skilled Capital programs.

**MR MILLIGAN:** What are you doing to try and find personnel to run these programs or to replace Women in Trades and Ginninderry SPARK?

**Mr Steel:** As was mentioned, they were grant program. The grant was over a period of time and then it came to an end, which is why I reject the assertion that you are making around cuts; that does not reflect the nature of the program. Yes, if there are opportunities for groups to come forward in future, they will be considered by Skills Canberra for funding through various grant programs.

As I said, we want to make this a responsibility of employers, the construction companies that are building, particularly with major projects for the government. That is why we have been looking at the women in construction policy, which will have those targets, particularly for apprentices but also for other roles, going right up to project manager roles as well. It has been described as putting gender on the tender. It is a piece of work that we think is going to be useful to address the very low levels of women on construction sites at the moment. This will provide them with a pathway by default. The policy might be one for Procurement ACT next week.

**MR MILLIGAN:** Thank you.

**THE CHAIR:** I want to continue with women in construction. There was a tender awarded to the CFMEU for a women in construction industry liaison officer, RFQCS2211512—around \$150,000 to conduct industry liaison and report back. What



specific reporting milestones were in the tender response?

**Mr Steel:** I will take that on notice.

**THE CHAIR:** Thank you. Were they all met?

**Mr Steel:** I will take that on notice.

**THE CHAIR:** Thank you. What recommendations did the report make?

**Mr Steel:** I will take that on notice.

**THE CHAIR:** Which recommendations have been implemented in full or in part or are in progress? What specific changes have you made to the government's women in construction policy and programs as a result of the project and its recommendations?

**Mr Steel:** I will take that on notice. As I noted, we have got some work happening, consulting on the women in construction policy.

**THE CHAIR:** Great; thank you.

**MS ORR:** I want to go back to my other theme of building up the future workforce. We have had some people in today talking about electricians and the need to make sure we are supporting their transition. I would be very interested to hear how the government and CIT are taking steps to train more electricians and support them.

**Mr Steel:** The major step we have taken forward in the budget is to increase the subsidy quite substantially for electrotechnology, recognising the skills needs associated with the energy transition here in the ACT, in particular with the Integrated Energy Plan. The need to have everything going electric means we need to have people to work on those appliances and to make electricity connections, install solar, manage battery storage systems and do broader work on grid augmentation and so forth. We think there is a demand for around 1,200 additional electricians over the coming years. In response to that demand, we acknowledge that the government needs to play a role in helping to subsidise the training for those apprentices. I will hand over to Skills Canberra to talk a bit about that and the level of subsidy.

**Mr Harriott:** Thank you. Before I get into the information about the actual subsidies, I raise another point, which is the industry action plans that we have been working on. As well as the financial side in trying to incentivise our RTOs to take on the training of apprentices, there are these industry action plans where we work with industry to go behind the scenes and work on some other things that might be barriers to getting the number of apprentices up. I am just trying to find the right figures.

**Ms Starick:** The subsidy itself will increase from \$12,810 to \$18,810, which is a significant lift. It brings us in line with most jurisdictions in Australia, so we will be able to attract the people that we want for this growing occupation. Jo can talk to the work that CIT will be doing.

**Ms Andersen:** Thank you, Ms Starick. We offer a range of electrical qualifications at

CIT. The foundational qualification is the certificate III in electrotechnology electrician, but I would not be forgiven by my colleagues in the electrical department if I did not emphasise the importance of refrigeration and air conditioning and the contribution that qualified people in that space make to our net zero future.

We have also been working with Access Canberra on the capstone process. To become a qualified electrician, after conducting a period of study and completing the fourth year of an apprenticeship, there is a capstone process to apply for an electrical licence. We have worked with Access Canberra, as I said, and with the other key RTOs in the ACT to streamline that process and to ensure that apprentices are as well set up for success as possible to achieve a really positive outcome there.

The other thing I would like to mention is that the ACT government has provided CIT with \$500,000 to look at the feasibility of the Fyshwick Trade Centre becoming a future energy skills hub. We are undertaking some concept work in that space to look at how we can increase our capacity to train more qualified tradespeople to support the net zero future.

**MS ORR:** You have pre-empted my last question, which was about which abilities you are looking at.

**MISS NUTTALL:** In light of the future skills hub, what are the main barriers in order to really successfully implement that and bring on as many students as there is demand for, to support our growing workforce?

**Ms Andersen:** Initially there are workforce challenges. It is sometimes difficult to attract qualified tradespeople to come and deliver the training. Having said that, we have some outstanding people with very robust industry currency that work in our team. There is the physical capacity issue as well, which is why we are looking at the feasibility around expanding the trade skills centre into a future energy skills hub.

**Mr Steel:** I think one of the reasons that we have looked to increase the subsidy here is that we heard from industry RTOs delivering the training, and in particular NECA, that the cost of delivering training had gone up over time and that it was becoming a viability issue to be able to expand and deliver even more apprenticeship places in electrotechnology. We have recognised that by increasing the subsidy. We are looking at some of the other apprenticeships as well, as part of the ongoing review.

With User Choice, generally speaking, there are either no or very low fees for the student undertaking these apprenticeships but there are still costs for the RTO in delivering it, and potentially the employer as well. By increasing the subsidy we have recognised those costs. That was one of the significant barriers to being able to do more in this space across the RTOs that are delivering it. It may in fact attract more RTOs into the ACT or lead to an expansion of the existing places available as well.

**MISS NUTTALL:** In the 2024 academic year—this may well be one to take on notice—can you tell us the uptake of the following trades: metal fabrication, plumbing, electrical trades, electrotechnology and construction?

**Mr Steel:** Across the ACT, for all RTOs?

**MISS NUTTALL:** If that is possible.

**Mr Steel:** Yes; happy to take that on notice.

**MISS NUTTALL:** Thank you. This might be one you can answer now. Are you able to comment on whether these are sufficient to meet the demands in the construction and infrastructure sector, especially with a view to providing support on housing and light rail?

**Mr Steel:** There are a lot of skills shortages right across the economy. The great thing about the User Choice program is that it is demand-driven. Where there is an employer that has a spot for an apprentice or a trainee, if they are willing to take them on as an employee under the User Choice program, the government will fund them, through the subsidies provided, to deliver that training to support skills needed in the economy. It is quite responsive in the way that it works.

Of course, all of these industries will say that they need more employees. That can bring in broader issues around the shortage of people to actually take up positions. We were having this discussion earlier about the current economic conditions. The broad economic conditions and the employment market do affect the number of people you have studying and undertaking apprenticeship and traineeship. At the moment we have a very low unemployment rate. We have a large number of people who are participating in the workforce and are able to get jobs in the economy because we have a shortage of people, not just skills. That may mean that there are fewer people studying as a result, because people can find a job without necessarily having to undertake training.

Broader market conditions do impact being able to fill the skills needs in particular industries. We have to continue to work on that with each of the industries. We have picked five broad sectors as a focus, as part of the skills industry action plans. There are certain actions that we are going to be taking in each of those areas, working with industry, working with RTOs and as a government, to address some of these key issues. In each industry it is different. We need to look at occupation licensing. That is one area that we have identified as an action that we have been consulting on which may lead to improved training completion rates and quality of work completed in those particular trades. Some work is going on right across the board. I might hand over to Mark Harriott and Kate Starick to provide some further information.

**MISS NUTTALL:** Just before you do, this was about whether it is sufficient to meet the needs. Do you mind me asking how this works if the employers are not willing to take on enough apprentices to fill the future demand, for any number of reasons?

**Mr Steel:** There are a range of programs. Skilled Capital helps to fund the training directly without there necessarily being a trainee or apprenticeship relationship with a host employer. That provides a pathway. We have expanded on that program through fee-free TAFE, which delivers direct, free training for people that are not necessarily already connected with an employer, although they may be. It is still possible that they are working for someone where that training is relevant.

That is also focused on particular cohorts. It has been somewhat targeted in the places that have been offered there. That provides an offset to User Choice, which is reliant on an employer and an industry making an investment and commitment to support traineeships and apprenticeships, which can often last a number of years. There are a range of commonwealth subsidies and supports for apprentices and trainees as well, so that supports employers along that journey. We would certainly encourage employers to think about how they can tap into apprenticeships and traineeships, because they get the benefit of having the on-the-job experience at the same time as getting the theory and practical components delivered through vocational education and training.

CIT and other RTOs, I know, are very much willing to work with each of the sectors to do what they can to help facilitate that relationship, especially where a sector or a particular employer or company has not necessarily been involved in vocational education in the past. CIT may wish to comment on how they engage as well.

**Ms Robertson:** Thanks, Minister. The Australian government has established Jobs and Skills Australia, which is a new body that is looking specifically at addressing the significant skills shortages across the country. One of the key initiatives of Jobs and Skills Australia is the Jobs and Skills Councils. There are around 11 Jobs and Skills Councils now that have been established to work alongside industry, registered training organisations, government and unions to look at what can be done to, first of all, identify the new skills that are required for the particular disciplines that they cover. The national training system has been criticised previously for being slow to respond. Secondly, they will look at how new forms of qualifications can be developed to get more people skilled and through the system in a more timely way. Through that initiative, CIT has now built strong relationships with all of the Jobs and Skills Councils.

Ms Andersen talked previously about our relationship with AUSMASA, which is the mining and auto Jobs and Skills Council, who will be a key partner in working with our new national centre of excellence to ensure that we can quickly and appropriately find ways to encourage new learners into the particular qualification we are delivering and, importantly, to work with a range of stakeholders to develop the best training possible to be able to meet both existing and new and emerging skills needs. The national training system has taken a significant leap forward over the last few years to ensure that the pace at which we work and the responsiveness of the sector are keeping up with the demand for a broad and deep range of skills across the country.

**MISS NUTTALL:** Not to be slightly bull-headed but to really zero in: with all of these excellent initiatives in place, do we think that we will be able to provide for a workforce to meet the needs that we are going to have for housing and for transport?

**Mr Steel:** Certainly, for transport, we have taken further steps than any other jurisdiction to do that—nationally leading steps, in fact, through the centre of excellence. I think that is where we need to be heading.

We know that there is a long waiting list—and CIT can talk a bit about that—for that work. A range of different organisations have been involved with the work that CIT have been doing in partnering with the local automotive industry to bring their

apprentices through the system—not just Tesla, but local dealerships and so forth, that are delivering servicing to vehicles. That is important.

In terms of construction and its relationship to housing, we are continuing to work through the review of subsidies. Typically, these are trades that are delivered as an apprenticeship. User Choice therefore is the critical pathway for those trades and the skills training that needs to be delivered. That review is looking at what we need to do and what the appropriate subsidy levels should be to support that.

Obviously, the construction industry and the number of apprentices that they have coming through is one of the many constraints and elements involved in providing housing supply. It is something that we need to continue to be attuned to. I know that other jurisdictions are thinking about this as well.

**Ms Robertson:** One of the other opportunities that we have under the changes around qualifications happening in the vocational education and training sector is the delivery of shorter form qualifications. They are skill sets that can be used in a way that is timely for upskilling people that may want to multiskill across various trades and across various other industry areas.

Certainly, at CIT, we are focusing on a more responsive design of the qualifications that we are delivering and the way in which we offer those qualifications, those shorter form programs, to our students. The Fee-Free TAFE program has been a significant pilot for us in lots of ways, in looking at the number of students that now want to do short programs, as opposed to a whole qualification. Ideally, someone will enrol in a short course and they may continue to go through to a full qualification.

Importantly, with high levels of unemployment and the need to consistently upskill, as the need for higher qualifications becomes more obvious for the workforce, those shorter pieces of more responsive training will increase in terms of our portfolio of offerings at CIT.

**Mr Steel:** With the Fee-Free TAFE program, the federal government has recently announced an extension focusing on the construction sector, which is aimed at helping the housing market. We are negotiating with the commonwealth as to the exact numbers that will be delivered through that extension, but they will be focused on construction training, with all of those additional places.

**MISS NUTTALL:** Correct me if I am wrong; I definitely do not want to put words in your mouth. The vibe I am getting is that we are doing everything we can to work towards it, and it is possibly too early or a very complex situation, so it is probably difficult to say whether we will have the workforce in place to meet our needs for light rail and housing.

**Mr Steel:** Certainly, with light rail—MPC may wish to come up and talk a little bit about what is being delivered through particularly stage 2A, because that is the current, most recent contract—there are specific requirements that we have in large infrastructure projects around meeting apprenticeship outcomes. We are trying to use government procurement through particularly infrastructure projects to support training outcomes. That is important for that particular project, but it helps to deliver a

pipeline of workers to work on other infrastructure projects, both public and private, around the capital as well, and that may include housing.

**Ms Geraghty:** As part of our major projects procurement, we have a couple of commitments that contractors commit to in terms of traineeships, apprenticeships and local workforce. Those two pieces contribute to ensuring that we are building the workforce for the future.

I can give you a couple of different stats, if you like. The other piece that we are working on is collaborating with industry to make sure that they understand our long-term pipeline of work, so that they can actually invest in the training, to make sure that they have the workforce going forward.

There are a couple of different pieces that we are very focused on. The only other piece I would like to add is on women in trades. At CIT Woden, there are 30 apprenticeships that we delivered for women in trades. I think there was a previous question. Fifteen of those relate to school based and 15 of those relate to women apprenticeships. I can add some more stats, if you are interested in our other projects.

**MISS NUTTALL:** That is very kind. The chair probably wants to make sure that we all get a turn. If there is more, I will lodge those on notice later.

**MR MILLIGAN:** Referring to the statement of changes in equity, at the end of the financial year for 2024 there was a 34 per cent variation. Can you explain what that is and why that was the case?

**Mr Steel:** Do you have a page reference?

**MR MILLIGAN:** Page 148 of budget statements B. This is for CIT.

**Mr Steel:** I will ask Craig to come to the table.

**Mr Jordan:** I have read and understood the privilege statement. Could you repeat the question, please?

**MR MILLIGAN:** At the end of the financial year for 2024, there was a 34 per cent variation on the total for CIT. In relation to the asset re-evaluation reserve surpluses, can you explain what that is? It is at the bottom of page 148 in budget statements B.

**Mr Jordan:** I will have to take that question on notice.

**MR MILLIGAN:** Okay. There was another one on page 146—other expenses. There is a variation of negative 86 per cent in “other expenses”. I am wondering what that was.

**Mr Jordan:** In the 2023-24 financial year, we transferred some land to Transport Canberra and City Services at Watson, and that is a reflection of that. Obviously, the expense was in 2023-24, and it will not occur again in 2024-25.

**THE CHAIR:** My question covers a couple of things that we have already touched

on, like apprenticeships. It is also a conversation we have had before, Minister, about endangered trades. There are hundreds of small businesses across the country who are unable to engage apprentices, despite being classified as essential and featuring often on the immigration needs list. They play an essential role in our economy, such as coopers, farriers, blacksmiths, scientific glassblowers and horologists. There is quite a long list. Without these trades continuing, we cannot repair, reuse and remake things, which, of course, has an environmental impact as well. It is crucial for the preservation of our heritage aspects, it contributes to our tourism industry and it is also depriving people—especially young people—of employment opportunities and mentorship.

I know there is a federal government part to this, but have you given any more thought to how we can support people? There might be training that they could access, even though they are not apprentices, about workplace health and safety, business skills et cetera that are common across a whole lot of different areas. Otherwise it is really difficult for these often single-person businesses or very small businesses to afford to bring on someone who has no skills to start with. Do you understand what I am saying?

**Mr Steel:** Yes, I do. It probably goes back to the earlier line of questioning from Mr Milligan about the role of CIT as the centre of the training system and the need to fund it, using more than a majority of the skills training budget. One of the reasons for that is that it has community service obligations to deliver for the broader community. A lot of RTOs pick and choose delivering qualifications and training where there is obviously large demand and it makes commercial business sense to offer that.

With a lot of the qualifications that you have referred to, or trades, there is often not necessarily a commercial imperative there; hence the role of players like CIT to be able to assist where possible. There are, of course, considerations that would need to be made, and many of those have to be made by the institute itself, around where they put their scarce training budget funds. We have been injecting funds through the National Skills Agreement to address particular areas of skill shortage which are critical and emerging areas, which have mainly been around the energy transition, as well as cybersecurity and so forth, and where, quite frankly, it is not a historical trade, because the trade did not exist 10 or 20 years ago. They have had that element of focus as well.

We have been having that conversation with industry, and CIT and the other RTOs are engaged closely with industry and have conversations about what different training models could look like, to be able to support perhaps a lower number of students to undertake particular trades. Most recently—CIT can talk about it—it has been in relation to food, and particularly in relation to fermented food products, and the work that has been happening around brewery apprenticeship models can often deliver that training in a way that is more cost effective, rather than simply delivering a course with no attachment to an employer. The apprenticeship model ensures that, when you are training someone, you know you are training someone for a job at the other end, which I think is critical.

I will hand over to Skills and CIT to talk a little bit about that. We also have to focus on what is important locally in the ACT. While we cater for the vast number of

students, there will be particular areas where we do think that it is important to step in with a training product. It may be that we work with other RTOs around the country regarding what they can potentially offer. Of course, there is more online learning than there ever has been before, in the training packages, so there are opportunities there. I am happy to hand over to Kareena and the team.

**Mr Harriott:** We do support some endangered trades. A farrier is a really good example. We have provided a subsidy for farriers. We also have an arrangement with New South Wales; where we have a thin market, we are able to send students into New South Wales, and we will pay that subsidy to New South Wales to run courses. There is a really good example of watchmaking and maintenance, where we send people to Sydney to do that course.

**Ms Andersen:** Just to pick up on the point around those cross-cutting skills that are common to many industries, our offering at the moment spans across 128 qualifications, 16 skill sets and 18 accredited courses. Many of those skills that a student would gain through those different courses of study would provide those kinds of general business skills et cetera—financial acumen, and that kind of thing.

I should point out that the courses that we offer for our standard students are subsidised by the government, so they might not be an apprenticeship, a traineeship or one of the courses that is available under Skilled Capital, but, as a standard student, those courses are subsidised at CIT.

With the example that the minister referred to, we are working with BentSpoke as our primary partner, but across the brewing industry, and looking to branch into areas like distilling et cetera, to deliver a short course in the first instance in beer production, in “artisanal fermented products”, as the course is called. We have done all of the development work for that course. We are looking to commence delivery at the beginning of semester 1 2025. Since stakeholders in the community have found out that we are doing this, we have attracted quite a lot of interest; there are a lot of people that are interested from a hobby and craft brewing perspective, as well as people who work in the industry.

**THE CHAIR:** Another one that has been raised with me as a potential gap in the ACT is outdoor educators—an organisation called Outdoors ACT and Outdoors Australia. There are required qualifications for outdoor guiding that are not offered in the ACT. I think they are used by schools and a whole lot of other groups for adventure-type activities. Is the government considering anything to ensure that we can easily maintain qualified professionals in this area?

**Mr Steel:** That is part of the regular consultation with industry through the skills needs list and what goes on there. Skills Canberra might have some further background in relation to that specific training and whether it is accredited.

**Ms Arthy:** I have read and understood the privileges statement. Before I hand to Mr Harriott to talk about that specific qualification, picking up on something the minister just said, we would be very happy to take a representation from Outdoors ACT about what their needs are, to look at it in the context of our future Skills Needs List. We go out and consult with many different employers, and we are very happy to



include them in our list for the future to look at whether we can accommodate them as part of the various programs that we run. Mark, do you have anything to add?

**Mr Harriott:** We do actually fund some of the outdoor education and leadership qualifications, and if we do not offer them here in the ACT from our RTOs, then, once again, we are happy to support them in any of the New South Wales RTOs that deliver those. There is that flexibility there.

**Ms Arthy:** I think it is important to add here that there is a lot of demand for the programs, so we do have to balance what is available or not available, but, as I said, we are very happy to hear arguments from particular businesses or industries that are facing shortages.

**THE CHAIR:** Great. Thanks.

**MISS NUTTALL:** We are running this budget's measure for the \$250 one-off cost-of-living payment for apprentices and trainees. Do you mind me asking what specific cost-of-living pressures does this payment aim to relieve? Why did we arrive at the \$250 figure? I am thinking of indicative rent and mortgage repayments or grocery bills. What sort of cost of living is this designed to relieve?

**Mr Steel:** It is a significant enough payment that will help with people's cost of living, and it may be on top of other measures that our government has looked at in terms-of-cost of living relief, and there is also the federal government's energy rebate kicking in from this month.

It recognises across the board some work that Treasury and CMTEDD have been doing looking at the range of different supports available to the community and which cohorts were most in need at this particular point in time for cost-of-living relief, and the need to be targeted in doing that.

This is a cohort of around just over 5,000 apprentices and trainees who would benefit from this, a group that often has lower incomes and needs support, particularly while they are training. When you are training, you are not necessarily earning an income, unless you are a trainee apprentice, but then you are on the wages associated with that, which can be a little bit lower than a qualified employee who has completed their apprenticeship. So it recognises that some people are under pressure at the moment and provides some support for them.

Of course, there are other supports that may be available to them as well, and I think the ACT government has a cost-of-living website where a range of that information is available. I will hand over to Kareena to provide some further information about the work that is being done to provide that payment, which has not gone out yet.

**Ms Arthy:** As the minister said, this was a fairly broad measure designed to provide that relief to some of the people who do not have access to a significant amount of resources. The specific details about the modelling would be best directed to Treasury in their session—if you have specific questions about what factors were taken into account—because that is where the modelling was done

**MISS NUTTALL:** Thank you. That is very helpful. In your media release, you mentioned:

At the same time these payments will also support local businesses whose staff may be undertaking training under a national training contract.

Are those local businesses also eligible for this cost-of-living payment towards their staffing costs, or is the support for local businesses applied to a specific apprentice employee, and then does that come in instead of the cost-of-living relief that would be provided to that apprentice?

**Mr Steel:** It goes to the apprentice themselves, and one of the major discussions that has been held nationally is about how we can improve completion rates for trainees and apprentices. It benefits the employer, and it benefits the industry, if they go on to complete. We do sometimes see apprentices and trainees drop out, sometimes because of cost-of-living concerns and because they find, in the current labour market, that they can actually earn more money doing a non-skilled job that is available, rather than finishing their training and working within that particular occupation. So it is a recognition of the benefit for business of having an employee—a trainee or an apprentice—who is engaged and has the resources to complete their training.

**MISS NUTTALL:** Have we looked at any cost-of-living support for getting people into apprenticeships in the first place—understanding that sometimes construction has high entry costs for your tools, your work vehicles, your licences and things like that? I appreciate that some of that detail is probably on the website.

**Mr Steel:** I mentioned some of the commonwealth support that is available. As we have been undertaking some work nationally—South Australia has done a piece of work on completions, the federal government has also been reviewing their program with apprenticeship support services that are available, and, until recently, that has been Sarina Russo in the ACT—it is not just the financial element that is critical to ensuring a successful apprenticeship or traineeship. It is actually the non-financial support, including mentoring and other supports that are available. That is why we have had quite a significant focus on that.

Of course, financial supports are still relevant, and we will continue to have an eye to that when it comes to cost of living for that particular cohort. We are continuing to have discussions as well with the other jurisdictions about what they are doing and what has been successful in getting the outcome of someone successfully completing. I will hand over to Skills Canberra to talk about that broader piece of work though.

**Ms Arthy:** As part of the National Skills Agreement, the commonwealth and the ACT, as well as every other state and territory, are looking at a package of programs that is designed to best support people to have the skills, the support networks or the support finances to be able to go into training, stay, and complete their training. For example, there could be things like access to transport. It could be access to child care. It could be mental health support. There are a whole range of things that can be done, because every person is different. There are different family situations and financial situations. It is about how we as a government look at the best packages of supports that can be brought around a person to help them be as successful as they can be. That

is the work that we are doing at the moment. It could even be information—providing information about what is the best career or what to expect in an occupation. Part of the problem we find with people dropping out of a course is that they go in thinking it is going to be one thing, but they find that the reality is very, very different. So there is no one particular measure that suits all.

As I say, we are currently working through, with our national colleagues, what our packages will be in the ACT. It is very much designed to help people, particularly those who are in the most vulnerable situations, to access and stay in training.

**THE CHAIR:** Our time is at an end.

**Ms Howson:** Excuse me, Chair. Do you mind if I just correct one piece of information that was provided in the previous session?

**THE CHAIR:** Sure.

**Ms Howson:** I referred to a final draft special report by the Integrity Commissioner. The actual title is the amended proposed special report.

**THE CHAIR:** Thank you. On behalf of the committee, I thank our witnesses for your attendance today. If there were any questions taken on notice, please provide your answers to the committee secretary within three business days of receiving the uncorrected proof *Hansard*. The committee will now suspend proceedings for a break.

### **Short Suspension**

Appearances:

Stephen-Smith, Ms Rachel, Minister for Health, Minister for Children, Youth and Family Services, Minister for Disability and Minister for Aboriginal and Torres Strait Islander Affairs

Community Services Directorate

Rule, Ms Catherine, Director-General

Wood, Ms Jo, Deputy Director-General, Children, Families and Strategic Reform

Harkness, Ms Tracey, Senior Practitioner, Corporate Services Division

Evans, Ms Jacinta, Executive Group Manager, Strategic Policy

Stathis, Mr Nick, Executive Branch Manager, Disability, Seniors and Veterans

**THE CHAIR:** We welcome Ms Rachel Stephen-Smith MLA, the Minister for Disability, and officials. I remind witnesses of the protections and obligations afforded by parliamentary privilege and draw your attention to the privilege statement. Witnesses must tell the truth. Giving false or misleading evidence will be treated as a serious matter and may be considered a contempt of the Assembly. Please confirm that you understand the implications of the privilege statement and you agree to comply with it.

**Ms Rule:** I have read and acknowledge the privilege statement.

**Ms Wood:** I have read and understand the privilege statement.

**Mr Stathis:** I have read and understand the witness statement.

**Ms Evans:** I have read and understand the privilege statement.

**Ms Harkness:** I have read and acknowledge the privilege statement.

**THE CHAIR:** Thank you. We will move to questions, and Ms Orr is starting us off.

**MS ORR:** Minister, the budget indicated funding to establish a task force to progress an initial service design for the response to the NDIS review and the disability royal commission. Can you give us an update on how these reform programs are going and what we will see the task force doing?

**Ms Stephen-Smith:** With the disability reform task force, its job is to progress work through to implementation, as you indicated, Ms Orr, of the recommendations of the disability royal commission and the NDIS review. It is the expectation that all governments will respond to the recommendations of the disability royal commission by 31 July, at least with their initial responses, including where the recommendations are accepted, accepted in principle or subject to further consideration.

Of course, we have ongoing work in relation to the NDIS review and the reform work that the commonwealth is undertaking. The task force will work on implementation of the DRC recommendations, as well as looking at the NDIS review response, which has not yet received a formal, comprehensive response. That still remains a point of

discussion in the Disability Reform Ministerial Council. I might throw to Ms Evans to talk about how the process of establishing the task force will be undertaken.

**Ms Evans:** Thank you for the question. The task force will comprise a range of senior officials. They will work collaboratively with the Office for Disability and other officials in the strategic policy division. The intent is to give us additional capacity. As the minister said, our intent is to work to complete the disability royal commission response, which will be released next week and, in doing that, look at how we implement across government. This task force will actually have a whole-of-ACT-government role, and it will look at the NDIS review, developing that response, and how we implement it.

One of the critical pieces of work initially will be looking at how not just those two very significant pieces of work but also our own ACT Disability Strategy all come together. We will be looking at thematics and making sure that we are very clear for our directorates about how, if the responses in some cases are quite similar or overlap, it will be clear as to who will respond and how they will respond within the ACT.

**MS ORR:** If Office for Disability is taking the lead, will you then have representatives from other directorates as part of the task force? How will the engagement occur?

**Ms Evans:** At this stage the intent is that the task force is established within CSD. It is separate but adjacent to the Office for Disability, because they have a very key role as it stands. These additional staff sit in another area, strategic policy, but they are adjacent. The intent is to keep those grouped together. The initial responses, where we are working really closely with the commonwealth, are requiring quite a lot of analysis and policy review. As we get to the point where we are going out to other directorates, we will start to engage and see how they will operate.

**MS ORR:** At the moment it is really about the policy response and analysis. I am sure the commonwealth has given you very generous time frames for responding.

**Ms Evans:** Absolutely.

**MS ORR:** You noted that the task force will also be working on the NDIS review. Is this taking in the foundational supports?

**Ms Evans:** Yes.

**MS ORR:** When we talk about the foundational support, it has been a topic that has come up a little bit from a number of community groups. We have heard a little bit about it, too. Can you run through the consideration of this? It is quite a big project. Where is that up to? With the \$90 million, I believe, that is provisioned, how is that being treated at the moment?

**Ms Stephen-Smith:** The money is provisioned from the beginning of 2025-26, in alignment with the national cabinet decision in December last year that states and territories and the commonwealth would work together to develop a foundational support strategy and foundational supports program of activity that would be co-

funded. The agreement of national cabinet was a contribution from states and territories of \$5 billion over the five years. Looking at our pro rata share of that, it would be \$90 million. That is how we got to that figure.

Even though we do not yet have an agreement with the commonwealth as to what foundational support will exactly look like, we have factored that into the forward estimates, recognising that we will have to spend that money. We are assuming that we will have matching funds from the commonwealth for that.

The work at the interjurisdictional level is being led by the First Secretaries Group. Also, the Department of Social Services is doing a lot of work. Ms Evans can talk about the 23 working groups that have been underway to look at different areas of foundational supports. That is everything from navigation, which the commonwealth is taking the lead on, to ensuring that people with disability and their families and carers can understand what the ecosystem as a whole looks like, and navigate their way through that.

I refer particularly to people who are entering that system for the first time with an acquired disability or a child with a disability, for example, through to specific services for children, and specific services in the psychosocial disability space, where we know that there is a lot of grey area between acute mental health services, community-based mental health services and psychosocial disability in the NDIS. There is then this kind of space in community that is relatively poorly defined at this point and was identified as a gap by the NDIS review.

We also have other areas of gaps which we consider to be foundational supports, including care for people with disability as a result of chronic illness or as a result of disability that would not make them eligible for NDIS, but where they do need some support for daily living—some at-home support with cooking, cleaning, shopping and that kind of thing, where they are not 65 and older, so they are not eligible for aged care. There is a gap in that space as well, which I am sure you have heard about.

**MS ORR:** Is it fair to say that the foundational supports are very much there to provide services and to support people who would not necessarily qualify for the NDIS but have a need, and recognising that they have a need?

**Ms Stephen-Smith:** Yes. They are the people who have a need where the administrative work that goes into an individual package under the NDIS would not really justify that, regarding the level of need that they have. It should be available to people who need it in the community.

It is also about those people who, if they get the right support early enough, will not actually need an individual NDIS package. The work that is happening at the moment—and I might throw to Ms Evans to talk a bit more about this—is really trying to understand who those cohorts are that the foundational supports program of work is targeted to. That has been prioritised in particular at the moment around children aged zero to nine and psychosocial disability, while recognising that those other areas will be important as well.

**Ms Evans:** One of the critical pieces of work that we are trying to do with the

commonwealth and our state and territory colleagues is to look at the broader ecosystem. When we set up the NDIS, it was very much that there was a scheme and you would get into it. We are trying to think more broadly about the way that people's lives actually unfold.

While at the centre there would be the capacity for people to receive a targeted package of supports through the agency, outside that there would be opportunities for people who might come in and out of what we are calling foundational supports—targeted foundational supports and the more general ones that the minister has referred to, such as navigation and information supports that families or people need as their life changes.

Further to that, within that ecosystem it is about thinking about really good, inclusive practice—how our mainstream services, such as hospitals and schools, continue to evolve in this landscape and continue to provide really good supports and services for people. As the minister said, that can sometimes mean that you do not need a more targeted package because you are getting the good support that you need just within the normal community services.

**MISS NUTTALL:** On foundational support, people with a disability have told us very clearly that they need to be part of co-designing the changes to NDIS planning for foundational support. I have heard from a lot of people that they are very clearly not happy with how the federal minister and DSS are going about that consultation, but we are also hearing a lot from our community about consultation fatigue. What consultation will the ACT Office for Disability be doing on NDIS reforms? How are we going to balance that with the other consultations happening over the next year?

**Ms Stephen-Smith:** That is a really good point. We need to invest in co-design and we need to minimise the consultation fatigue piece. We have been trying to work with the commonwealth to understand what their co-design process is going to look like. They have clearly committed a significant amount of resources in the last budget to a co-design process with people with disability and the broader sector.

We have the Disability Reference Group, which is a very strong representative group of people with disability, carers and service providers that come together to provide us with advice. The Disability Reference Group recently held a roundtable conversation about foundational supports. That was driven by a conversation between me and the chair of the reference group, Renee Heaton, about how they could support us to do that engagement in a way that brought everyone together with one conversation, reducing that consultation fatigue piece where people are being asked the same question in multiple different forums, and then giving the Disability Reference Group an opportunity to have that wider input and to keep having the conversation with us on the basis of that. That is one way we have been doing it.

Minister Shorten has also held a couple of forums in the ACT where he has taken questions, and representatives of both the Department of Social Services and the National Disability Insurance Agency have been there to take questions and comments as well. We have attended those. I have attended where I can, and ACT officials have attended those. Again, we are part of that conversation and hearing that conversation, and not repeating the same conversation between the commonwealth

and the ACT.

**Ms Rule:** There are a couple of other mechanisms where we feed in those views of the local community. The minister has already mentioned the Disability Reform Ministerial Council, which meets regularly. That is an opportunity for the minister to put the local disability community's views on the table. I meet once a month with the secretary of DSS and my counterparts from around the country. Ms Evans meets more often than she would care to count, I suspect, with colleagues from DSS and again from across the country about the development of the foundational supports. There are plenty of opportunities for us to shape and influence that agenda, and those are just some examples. I think we are pretty active in trying to advocate for the local community because they have been pretty clear in telling us the things that are important to them.

**Ms Stephen-Smith:** One of the things that state and territory ministers have emphasised in our conversations is that every jurisdiction is starting at a different point. Every jurisdiction has strengths and weaknesses in its own ecosystem in terms of where the gaps are or are not. It is important that we have the conversation at the jurisdictional level as well as the commonwealth having those conversations.

**MR MILLIGAN:** Continuing on from the task force and the foundational supports, there appear to be no provisions for the new system of foundational supports recommended following the NDIS review. Why was it decided to prioritise the disability reform task force? It appears to be going to fund government officials to duplicate a set of design work rather than increase the level of services available to people out on the ground that need support from community services.

**Ms Stephen-Smith:** I am not sure what the basis of your initial question is. We have been clear with the community, and I think it was recognised by disability advocates—and Ms Orr's question went to it—that there is funding provisioned in this budget for foundational supports. From 2025-26 there is that \$90 million provisioned over five years—not in this year, because that is not when the agreement with the commonwealth starts, but the budget does provision for that.

The task force is important because we have to support this co-design work properly within government. As I mentioned, there are a lot of working groups that ACT government officials go to with our interjurisdictional counterparts as we design these programs of work. With respect to expecting that to be unfunded activity, the activity has in fact been offset from across different agencies for the task force, so it is not in fact new money within government, but it is ensuring that we are prioritising that funding to disability-related activity, and officials are bringing that together into the task force so that we can more effectively work across government in the way that Ms Evans described earlier.

**MR MILLIGAN:** The budget outlook mentions that the taskforce expenses of over \$2 million are being offset. Why is this money being offset? Can you explain that?

**Ms Stephen-Smith:** It recognises that, across government, there is already a lot of work going on to implement a range of disability strategies and to support our agencies to respond to the royal commission and the NDIS review. It is about



ensuring that the resources are being brought together within the taskforce, but, also, that agencies will be free to identify where that offset comes from. It is not taking money from one disability activity to fund a different disability activity; it is ensuring that everybody is working together through the taskforce. It is also saying that agencies already do a lot of work in this space, but, if you do not think it is appropriate at your agency to find your contribution from that space, you can find it from wherever you want within the agency. Maybe Ms Rule can talk about how directors-general make decisions about offsetting funding.

**Ms Rule:** Yes. It is essentially a decision about priorities. The government has been clear with us that it is a priority, whether it is within CSD or other directorates, that we allocate resources to this work. It is using a relatively small amount of resources, when you break it down directorate by directorate, to contribute to this priority, which is above and beyond our business-as-usual work in the world of disability, and it acknowledges the fact that the foundational supports work is not just a disability issue. The whole point of foundational supports is that they are supported by what you could describe as natural systems. They happen in the education system and they happen in transport, health and other systems. We use the resources that we already have dedicated to those things to deliver the right services in the right places.

**MR MILLIGAN:** How is the taskforce different to the Disability Strategy?

**Ms Rule:** The taskforce's work is about NDIS reform and the disability royal commission. Those are different things to the Disability Strategy, which is a document that has been developed in consultation with the disability community in the ACT to set out a vision about the important things for that community in living their life in the ACT. That is different to the NDIS reform, which is an initiative of the commonwealth—in partnership with states and territories under the government's arrangements to oversee the NDIS—and the response to the disability royal commission, which is clearly a process that has got to the point where we need to respond to the recommendations and implement things. They are different things.

**Ms Stephen-Smith:** They are connected, and that is the point of this. As Ms Evans said earlier, having a taskforce to do this work within CSD ensures that they are maintaining the connection between all the different pieces of work across government and are not having the same conversation five times with our stakeholders.

**THE CHAIR:** We will move on to a new question. It is Mr Milligan's turn for a substantive question.

**MR MILLIGAN:** Thank you, Chair. Going to the Disability Health Strategy, can you talk us through the money that has been allocated to implement that in the community versus the money in-house, within the department?

**Ms Stephen-Smith:** We covered this in the Health conversation yesterday, Mr Milligan, so, in the interest of time, I refer you to the conversation we had yesterday.

**MR MILLIGAN:** Can you give me a brief outline?

**Ms Stephen-Smith:** Yes. It was funded in the budget review. It was not funded in this budget, but there was just over \$4 million, if memory serves me correctly, to implement the Disability Health Strategy. Yesterday—or the other day when we had Health; it seems that it could have been any day—we went through what that funding has been allocated for and how that work is going. For example, that establishes the reference group to undertake the work. Expressions of interest were opened earlier this year. There was some feedback from representative organisations that they wanted to be specifically represented on the reference group, so we went back out for further expressions of interest. The development official yesterday spoke about that process, when that closed and what is going to happen next. There is a range of other funding, but I refer you to the *Hansard* from the health portfolio. It is a Health responsibility, and I would refer you to that *Hansard*.

**MR MILLIGAN:** The title is “Disability Health Strategy”, so I think that we could ask questions in the disability portfolio as well.

**Ms Stephen-Smith:** You might think that, Mr Milligan, but the administrative arrangements clearly indicate that the Disability Health Strategy is the responsibility of the health minister. If I were not the health minister, it would not be reasonable to expect that I could answer this question. Obviously, to some extent, I can talk about the Disability Justice Strategy as well, but that is not my portfolio responsibility; that is the portfolio responsibility of the Attorney-General.

**MR MILLIGAN:** I have to ask questions here.

**MS ORR:** In the interest of time, can we move on, Chair?

**THE CHAIR:** Do you have anything more specific to this portfolio area, Mr Milligan?

**MR MILLIGAN:** Yes. What consideration has been given to people who have mental health issues and also a disability? How does that fit within the Disability Strategy, and what funding and support is being given to those people?

**Ms Stephen-Smith:** To the extent that it is a mental health question, it is a question for the Minister for Mental Health. Mr Milligan, to satisfy your curiosity, in relation to the funding that was allocated in the mid-year review for the Disability Health Strategy’s first action plan, about \$1.3 million will support the government to implement and oversee the plan, including the rollout of initiatives, such as providing ongoing funding for the Disability Health Reference Group that I have talked about; procuring and facilitating access to easy English translation and an easy English image library; making public healthcare information more accessible; funding community organisations to scope, develop and implement a disability health literacy program; developing a disability health supportive decision-making framework; scoping and modelling a disability health case management and referral service; and scoping, developing and implementing a clinical sexual health service and an information and education program for women with disability, along with funding to upgrade procedure rooms to be more accessible for people with disability. Canberra Health Services is also progressing a range of patient-facing initiatives under the

disability action plan. They will report to the Disability Health Reference Group.

In relation to mental health, you might recall that the Minister for Mental Health recently released a position statement in relation to mental health and intellectual disability, and that is a very important space of crossover. ACT Labor had an election commitment at the last election around a service to support particularly young people with co-morbid mental health, disability, trauma, and alcohol and other drug complexities in their lives. That service is slowly but surely being developed. Again, the Minister for Mental Health would have been the right person to talk about the detail of the development of that strategy. But I can absolutely assure you that, in terms of the Office for Disability and the cross-agency conversations that we have about that, there is a lot of conversation about the co-morbidities of people with disability and mental health conditions and the need to ensure that our mental health services are appropriately safe spaces, supportive spaces and inclusive spaces for people with disabilities of all kinds.

**MR MILLIGAN:** As part of the Disability Strategy, neurodiversity and neurodivergence are obviously big areas of concern at the moment and a lot of people are trying to do a lot in that space. What provisions have been put in place to support our neurodiverse community in terms of the strategy but also community supports?

**Ms Stephen-Smith:** The Disability Strategy's first action plan includes a commitment to the development of an ACT neurodiversity strategy. That is one of the actions in the Disability Strategy. Again, going to the point that Miss Nuttall made about consultation fatigue, it is to minimise the impost of consultation in relation to that. Part of the development of that will be synthesising information from consultations that have already occurred, including in relation to the Disability Strategy itself, the Disability Health Strategy, the Inclusive Education Strategy, and the Disability Justice Strategy, the development of which was led by a neurodiverse person. It also looks at the Senate's inquiry into ADHD and the National Autism Strategy that was recently released. The expectation is that developing the neurodiversity strategy will also include an action plan. That is usually how these things operate.

In the meantime, though, that does not mean that nothing is happening. You might have recently seen that there was a story in the media about the work that Canberra Health Services is doing to support neurodiverse people in the emergency department. That came out of their consumer consultation. It is about providing things like virtual reality goggles, distraction toys and quiet spaces. The new emergency department at the critical services building that will open in August includes a sensory space for people with neurodiversity. Also, other people might need a quieter space to wait in the emergency department, which can be a busy area. As part of Canberra Health Services' Disability Action and Inclusion Plan, the consumer work that they are doing around that, and the design of new facilities, they are including a focus on people with neurodiversity as well.

**MR MILLIGAN:** Where is that strategy up to? Who are you consulting with? And when can we expect delivery of that strategy?

**Ms Stephen-Smith:** It is a commitment under the disability action plan. The work on it is not currently underway. I would expect that is a piece of work that would be done

by the incoming government. It is absolutely a commitment of ACT Labor, if we are re-elected, that it would be a priority piece of work. I look forward to any announcement the Canberra Liberals might make about that.

**THE CHAIR:** Do you have a supplementary, Ms Orr?

**MS ORR:** Yes. Thank you. Minister, picking up on your comments about integrating things such as sensory rooms in hospital facilities and those sorts of things, how important is it that we start to adapt our buildings, services and facilities to include these as part of normal considerations and processes?

**Ms Stephen-Smith:** It is really important. When we look at a lot of our infrastructure development, we are starting to really think about that. That is the result of the really strong advocacy of neurodiverse people around their needs and the lessons that we learnt through COVID as well. Another place I could mention is the adolescent mental health unit. It also includes sensory spaces, going to Mr Milligan's point about people who have both neurodiversity and mental health challenges that result in the need to use such a space. We also learnt a lot of lessons through COVID, through the access and inclusion clinics for vaccination and testing, about what is required to support people with sensory disabilities and neurodiversity to access health services safely. Those lessons have been applied across a range of our services. We could even go to things like the Multicultural Festival. We have done a lot more work on events as well.

**MS ORR:** What work is currently being undertaken? We have already heard about a number of strategies, priorities and a taskforce, but how is that going to help drive the sorts of changes you have just pointed to, as well as all the other things we have already covered?

**Ms Stephen-Smith:** Over the last year, I have been saying, "No more strategies," a bit, because we need to see the activity that sits underneath those strategies. But, at the same time, we cannot plan for the activity if we do not articulate what it is going to look like and get the funding to do the activity that accords with that strategy. That is why we have committed to the neurodiversity strategy. Some of the things I have pointed to demonstrate that we are seeing action. I would particularly point to the Disability Justice Strategy, where we have seen—and have people with disability talk about it regularly—a genuine change in the way that the justice system thinks about disability, whether that is about someone whose behaviour is problematic, someone who is offending, someone who is a victim of crime or someone who is a witness in our court system. In all those areas of the justice system, or in civil processes, engagement between people with lived experience of disability and our justice agencies, through the implementation of the strategy, has delivered some concrete actions, such as disability liaison officers and support in the court process. That has changed the way all those justice agencies think about the work that they do.

**THE CHAIR:** We will move on. We will have three more questions for five minutes each. Ms Orr, do you have a substantive question? I will pass mine on in the interest of time.

**MS ORR:** I have a little question on funding for the first Disability Strategy and the

first action plan to go with that. I want to get a bit of an idea on what that covers. In the interest of time, I will also wrap in that the funding under Next Steps for Our Kids to support parents and their families with disabilities.

**Ms Stephen-Smith:** I am so glad you mentioned that. There is \$5½ million over four years allocated to address the priorities in the Disability Strategy's first action plan, and that includes: supporting the Aboriginal community-controlled sector to deliver culturally safe and inclusive services for Aboriginal and Torres Strait Islander people with disability; setting employment targets for people with disability in the ACT public service, where we have set a target of nine per cent; working with the community sector to deliver a peer support program to improve the wellbeing of LGBTQA+ people with disability; creating new disability officer liaison roles in Housing ACT and Access Canberra; strengthening the ACT government's capacity to consistently provide accessible communications and information; establishing a communications hub that can be accessed right across ACT government to improve the accessibility of information that we provide, both internally and to the community; developing a neurodiversity strategy, which we have talked about; and working with the community sector to grow easy English understanding and capability across the community sector, and increasing the availability of easy English resources in the ACT.

Ms Orr, the work that you touched on in relation to Next Steps for Our Kids is one of the crossover spaces between the work that was identified in the Disability Justice Strategy and the Disability Strategy, but it is also in the context of child and youth protection, where parents with disability need early additional support. If they are having a baby, quite often—particularly parents with intellectual disability or psychosocial disability who are thinking about having a baby or are pregnant—they need to get that support early to ensure that any reports to child protection can be responded to with: “We know that there is a safety plan in place for that family and that child. They have the support that they need, and we can be confident in that.”

Also, if they do come to the attention of Child and Youth Protection Services, we can ensure that there is an appropriate response to that and ensure that Child and Youth Protection Services staff are trained and supported, and that parents have individual advocacy when they are engaging with CYPS. The funding includes a community-based training officer to provide professional development for Child and Youth Protection Services and our partner organisations; individual advocacy for parents with disability; pre-pregnancy and first thousand days case management; and support for parents with intellectual and cognitive disability. It also supports an additional disability liaison officer within CYPS to ensure that the organisation itself continues to be more disability aware and inclusive.

**MS ORR:** Thank you.

**MISS NUTTALL:** Moving back to neurodivergence, what are we doing to support neurodivergent folks, especially given that NDIS reforms will affect neurodivergent people? What do we expect the impact of those NDIS reforms will be on the health services that neurodivergent people access?

**Ms Stephen-Smith:** I think that is a bit of an unknown at the moment. I do not know

if Ms Evans wants to say something about it.

**Ms Evans:** Thank you for the question, Miss Nuttall. I think that it would probably be fair to say that at this stage, while we are looking at that ecosystem that I described earlier, we are definitely thinking about how our mainstream services can improve. When the minister was speaking a bit earlier, I was thinking that we take it a bit for granted now that there might be ramps available for people where there were always stairs, and now we need to get to the point where we are thinking about whether there are sensory spaces or quiet spaces for people with neurodiversity. We need to be shifting our thinking to that more inclusive thinking.

That is part of that broader thinking that we will be doing collectively with our commonwealth, state and territory colleagues. Certainly our ACT Disability Strategy will really move us along the pathway of thinking about the broader inclusivity that is obviously really desirable. With neurodiversity we do need to realise that some people do not consider it a disability. So this is about a broader set of supports that we would be putting in place for everybody in our community to be able to access the things they need.

**MISS NUTTALL:** Thank you. When we specifically think about the assessment and diagnosis side of neurodivergence, do we have any guidelines on how we expect the NDIS reforms to impact waitlists for assessment and diagnosis? I am thinking about the clinical support but also the social supports.

**Ms Evans:** As we move into the foundational support space, it is possible that we would be investing more into early intervention for children. Often, particularly for autism, it is quite unknown with younger children whether that is what the eventual diagnosis will be. They may be delayed in a number of areas and we do not have clarity, and their families do not have clarity, about what that eventual diagnosis will be. The importance of foundational supports will be around getting that early intervention for families and giving them the strategies they need to give their child the best start in life.

If there is a later need for a diagnosis, and sometimes it is a bit later—it is great if it is earlier and gives the family some clarity on the best kind of intervention—you do not want to miss the window of opportunity. I think foundational supports will be critical for families to get that kind of support that does not rely on a diagnosis. Yes, the waiting lists are frustrating and difficult for people, but it should not mean that they do not get anything until that diagnosis is received.

**Ms Stephen-Smith:** One of the things that we kept when the NDIS was established was the Child Development Service—which does not sit in my portfolio—which does a really comprehensive job on autism assessment, but there has been a waitlist for that. Part of that has been driven by the need for people to have a diagnosis to get support in various areas, and that includes in education. The Inclusive Education Strategy has very deliberately moved away from that need for diagnosis towards really assessing what the functional support needs of children and young people are rather than basing support on a diagnosis alone. I think that more broadly is a direction that is going to be important.

**MISS NUTTALL:** Briefly, could you speak to the kind of tangible supports on the social side that we expect to be in place in line with these foundational supports? For example, what does that in practice look like? If you are a neurodivergent person—say, like me and have ADHD—what supports can they expect to be in place irrespective of whether or not they have a diagnosis?

**Ms Rule:** One of the biggest things that people tell us there is a need for is the diagnosis side, where getting the diagnosis is challenging. Even if you access it through the private market, it is challenging let alone through the public system. I think an area that needs to be addressed is the assessment and diagnosis. From there, I think it is then much easier to look at what kinds of therapeutic services might need to be provided. Whether those are individual therapeutic services, group services or community-based things, I think first comes the diagnosis and then a discussion with community about what therapeutic and other support services might be needed in all of the different systems where people with neurodiversity will be needing support and service.

**Ms Stephen-Smith:** On ADHD in particular, I think one of the challenges is whether it is a disability or not. One of the things we have heard very clearly from general practice—again, putting the health hat on, given we have already done that hearing—is their capacity to diagnose and prescribe in relation to adults with ADHD. That is something we are giving close consideration to.

**MR MILLIGAN:** I am really keen to know what the Disability Strategy is doing to help parents, particularly of young children, to have assessments and diagnosis for the young child, particularly children that are not currently on the NDIS. Obviously, access as well as financial costs can be a big burden for parents. I want to know exactly how the Disability Strategy helps address those barriers for those parents.

**Ms Stephen-Smith:** The aim of the Disability Strategy is not so much about particular disability supports. The Disability Strategy is more focused on how we build a community that is accessible and inclusive for people with disability, which is why some of the funding priorities are around recognising the impacts of intersectionality for LGBTQIA+ people, for example, and disability liaison officers in our mainstream services so that they become more accessible for people with disability. When we talk about those specific services and supports, that is exactly what we have been talking about in the realm of the foundational supports piece, the intersection between ACT government services like the Child Development Service, community paediatrics, foundational supports and the NDIS. That is where a lot of the focus of this work and the conversation with the commonwealth is sitting.

I absolutely would say that in the ACT, while we retain the Child Development Service and while our community paediatrics does some of this work, we had an expectation when the NDIS was established that the Early Childhood Early Intervention pathway would provide more support in this space than it actually has and that the early childhood partner in the ACT, EACH, would provide more intensive support for families with children, particularly with developmental delay, than we have actually seen. When you talk to EACH about what they do, it is a relatively light-touch intervention and support for families. Part of this conversation, and what came out in the NDIS review, is we do have a bit of a gap between that

lighter-touch support and those children with a diagnosed disability who can get an NDIS plan.

One of the things that the commonwealth is aiming to do with its current legislation and specifically articulating an early intervention—“Your plan is an early intervention plan”—is to more clearly articulate that early intervention pathway for parents and children with clear functional needs and disability related needs will not necessarily be an NDIS plan for life, if they get effective early intervention. That is a gap that has been identified by the review and that is one of the gaps that we are all working on together.

**THE CHAIR:** I have a very quick question—and I suspect it is not to you. I have had some correspondence with a mother with two children with disability. The bus that picked up her disabled children changed the time, and she is unable to get her children to school now. Education said it is a Transport issue and Transport are not really engaging with her. Is your disability area able to engage at all, or is it stuck with Transport?

**Ms Rule:** We are very happy to have a look at the circumstances of the case. There are a number of ways in which transport can be provided. It could be through Transport Canberra; it could be through a private provider; it could be through the NDIS. There are a whole range of mechanisms in place that are clearly not working for this family. If you would like to give us some further detail, we would be happy to see what we can do to help resolve that matter.

**THE CHAIR:** Thank you. Our time is at an end. On behalf of the committee, I would like to thank you all for your attendance today.

**Hearing suspended from 3.15 to 3.29 pm**



Appearances:

Berry, Ms Yvette, Deputy Chief Minister, Minister for Early Childhood Development, Minister for Education and Youth Affairs, Minister for Housing and Suburban Development, Minister for Women, Minister for the Prevention of Domestic and Family Violence, and Minister for Sport and Recreation

Chief Minister, Treasury and Economic Development Directorate  
Miners, Mr Stephen, Deputy Under Treasurer, ERI and Coordinator-General for Housing

Community Services Directorate  
Rule, Ms Catherine, Director-General, Office of the Director-General  
Callaghan, Ms Lauren, Chief Finance Officer, Finance and Budget Branch, Corporate Services Division  
Borwick, Ms Ailsa, Executive Branch Manager, Housing Assistance  
Valler, Ms Megan, Executive Branch Manager, Infrastructure and Contracts

Suburban Land Agency  
Gordon, Mr Tom, Executive Director, Land Supply  
Lee, Mr Joseph, Acting Executive Director, Place Delivery  
Davey, Mr Adam, Acting Chief Executive Officer  
Holt, Mr Nicholas, Executive Director, Thriving Communities Group

**THE CHAIR:** We now welcome Ms Yvette Berry MLA, Minister for Housing and Suburban Development, and officials. I remind witnesses of the protections and obligations afforded by parliamentary privilege and draw your attention to the privilege statement. Witnesses must tell the truth. Giving false or misleading evidence will be treated as a serious matter and may be considered contempt of the Assembly. Would you please confirm you understand the implications of the statement and agree to comply with it?

**Mr Miners:** I have read and acknowledge the statement.

**Ms Rule:** I have read and acknowledge the privilege statement.

**Ms Borwick:** I have read and acknowledge the privilege statement.

**Ms Valler:** I have read and acknowledge the privilege statement.

**THE CHAIR:** Thank you very much. We will proceed straight to questions, as we do not have any opening statements.

**Ms Rule:** Excuse me, Chair; could I interrupt for one second and make a statement in relation to some evidence I gave earlier in the week?

**THE CHAIR:** Is it a correction?

**Ms Rule:** Yes, it is a correction. Is it okay if I do that now?

**THE CHAIR:** Is it a brief statement?

**Ms Rule:** It is very brief.

**THE CHAIR:** Yes.

**Ms Rule:** Earlier in the week we had a discussion about an error in the budget papers and I said that the papers were the responsibility of Treasury. The error was in the part of the papers prepared by the Community Services Directorate. So it is Community Services Directorate's error. I think our CFO had spoken about the corrective actions that we have taken, but I just wanted to acknowledge the error was CSD's. Thank you.

**MR PARTON:** I am on budget paper G, page 47, with the topic of "2024-25 priorities". Why is the \$177-odd million investment for sustainable funding for public housing listed as a new initiative when this exact initiative was in the 2023-24 budget?

**Ms Rule:** Ms Callaghan can give you some more information on that, Mr Parton.

**Ms Callaghan:** I have read and acknowledge the privilege statement. Thank you, Mr Parton, for that question. This is further to the error that we spoke about on Wednesday.

**MR PARTON:** That is what I thought.

**Ms Callaghan:** To clarify for the record, there are three errors in budget statement G, all relating to Housing ACT and all in the 2024-25 priority section. There are the first and second dot points that were referred to now and on Wednesday. The first dot point on page 48, under "Continuing strategic and operational objectives" states that the term of the Growing and Renewing Public Housing program is six years, and that should say eight years. Last year's number was repeated. The correct number for this year—though I do not have that on me now—is \$57.413 million. I will double-check that for you in one second.

**MR PARTON:** Is that \$57.413 million new money or is that a portion of the \$177 million?

**Ms Callaghan:** That is new money. That is a new commitment of additional funding this financial year.

**MR PARTON:** All right. And there is no more? I mean, if there are mistakes, we will find them.

**Ms Rule:** There are three errors, as Ms Callaghan referred to. We will issue a corrigendum to correct those errors. As I said, we have taken corrective action to ensure more effective QA in the future.

**MR PARTON:** All right. So that is all. We assumed as much. Thank you, Ms Callaghan and Ms Rule.

**MS ORR:** I have a question on the growth of the ACT public housing portfolio, I believe through the Social Housing Accelerator program. Can you run us through what new housing you are looking at doing with that funding?

**Ms Berry:** I can ask Ms Valler to respond to that one.

**Ms Valler:** The Social Housing Accelerator is a commonwealth funded program. We will look to deliver 55 to 65 new dwellings to the portfolio. We will have those in contract by the end of this financial year and fully delivered by 2028. Those will be a mix of EOI, which is new purchases, and a mix of constructions, which is new land.

**MS ORR:** You were talking about constructions and new land. Is it a range of types? Are you talking single dwelling or multi-unit?

**Ms Valler:** Sorry about that. We will look to purchase 35 to 40 new, through multi-unit developments, and 20 to 25 new dwellings on new land.

**Ms Rule:** The reason that we give a range of 55 to 65 dwellings is that we need to see what the market has available for us and make decisions about the best available stock to complement the portfolio that we already have in the Growing and Renewing program and the types of properties that we know are most in demand, as well as being able to meet the time frames—and, obviously, the cost varies depending on what the market again can provide both in terms of construction costs but also in terms of us buying things out there in the market. That is why we do not have firm numbers; it is a range, and we will make those decisions as we go.

**MS ORR:** Just bear with me, Ms Valler, because it was very quick and I was kind of trying to write down notes and missed some of the information. So I am sorry if I repeat myself. So you are looking at purchasing from the market, not building?

**Ms Rule:** Both.

**MS ORR:** Both. And it is not decided yet what the mix will be; it is just seeing what is available based on needs and then working out the best option?

**Ms Rule:** We have done or are doing an expression of interest to the market. So we say to the market, “You tell us what you have got in the construction pipeline,” and we see whether there is a deal to be done there, and at the same time look for constructions.

**MS ORR:** You mentioned the renewal program and so forth. How does this sit with the other dwellings that might be coming into the program—the overall pool?

**Ms Rule:** We are fortunate that we already have mechanisms in place to be doing purchases, acquisitions and constructions. We use the same, if you like, processes, infrastructure and staff that we have to deliver the Growing and Renewing program. This is just an additional amount of money and number of dwellings that will be delivered through the same mechanisms in which we can deliver Growing and Renewing but obviously in a shorter timeframe. We do not have a long time to

deliver; so construction needs to have a different sort of process than at the beginning of the Growing and Renewing program.

**MS ORR:** You noted the shorter timeframe with some of the approaches that are taken, because I believe the commonwealth partnership and the time lines are set. The ones that need constructing would take a bit of time, but when would you expect that we could start to see those houses ready for living in?

**Ms Valler:** They will be in contracts. So everything will be accounted for by the end of this financial year, and they will be delivered by the end of 2028. There will be ones before that, though—

**MS ORR:** That is what I meant. I know that it can take “up to”, particularly the ones to be constructed, but some of the others should be coming on line pretty quickly, relatively speaking.

**Ms Rule:** We have essentially got until the end of this financial year to get the money committed—to spend the money—and then until the end of the 2027-28 financial year to deliver the stock. So they will become available sometime between now and then. It really depends on what kind of stock it is. If we are buying something off the market, sometimes we buy things that are turnkey and almost ready to go. Obviously that stock will be available quickly. But, if it is construction that is either underway or yet to commence, that would be much closer to the end of the June 2028 deadline.

**MS CLAY:** Can you tell me how many of those dwellings will be adaptable?

**Ms Valler:** Class C adaptable? They will all be accessible, yes.

**MS CLAY:** All of them? Even the ones that you buy?

**Ms Valler:** I cannot commit to class C, but they will all be adaptable.

**MS CLAY:** They will be adaptable but not class C.

**Ms Valler:** I cannot commit to that, because, as we were talking about, they are just in planning stages. But that is definitely a strong focus for us.

**Ms Rule:** We look for stock that is adaptable. If we are building it ourselves, it will be adaptable; if we are buying it on the market, our preference is that it is adaptable, but it will depend on what comes through that expression of interest process.

**MS CLAY:** But adaptable is different to class C?

**Ms Rule:** When we build it ourselves, it is class C.

**MS CLAY:** When you look for it, you look for adaptable?

**Ms Rule:** The ultimate standard is class C. If not class C, adaptable; if not, we look at whether it meets other needs.

**Ms Berry:** It might be, for example, that it will be a townhouse dwelling over two storeys. It will still have the wider doorways and hallways, it will still have accessible showers, it will still have all of the accessibility requirements inside, but it might not have a lift. It will not be completely class C, but it will be close to it. These days we are finding that most of the properties being built are built at least to gold standard.

**MS CLAY:** How many bedrooms will these properties have?

**Ms Rule:** A mix.

**MS CLAY:** An undefined mix at this stage?

**Ms Berry:** Yes.

**Ms Rule:** Again, because we are using a mix of construction and buying from the market, it depends on what the market offers us, and there is demand across the portfolio for a range of bedroom types.

**MISS NUTTALL:** Given that we are in a housing crisis, the demand for public housing is only likely to increase. At Monday's hearings, among other groups, Karinya House and the YWCA highlighted the need for more public housing for the women and children that they provide support for. The minister for housing and homelessness the other day highlighted the need for more housing to provide the right support for people who are currently homeless. Minister, what plans do you have to increase the supply of new public housing beyond 2026-27?

**Ms Berry:** The ACT government, as you know, over the next couple of months will be heading into the festival of democracy, where certain commitments will be made by political parties. I know that the Greens have made their own commitment, which I do not believe is possible under the current construction crisis. However, for the time being, we have committed to meet our PAGA requirement to complete the growing and renewing program, and to grow our public housing stock by 400.

We have already started growing our public housing stock. Mr Parton and I have had this conversation a number of times, regarding the lumpiness of this program. We are now in a position where we are seeing the stock grow. We started the program with 11,704, and it is 11,731 now, with homes being completed almost weekly—daily, even, in some circumstances. I know you follow my page closely and you will be seeing me—

**MR PARTON:** I am all over it!

**Ms Berry:** talking about the homes that are being completed. I think it is important, because it has been a complex and challenging program to roll out, for reasons that have been beyond our control to overcome, which we have also talked about. I think it is important to keep talking to people, because some people have not heard this before and are hearing it for the first time. I refer to the COVID health pandemic, the wars overseas that have impacted supplies, the La Niña and weather incidents that are likely caused by climate change, leading to wet and unbuildable seasons, as well as the crisis within the construction industry with respect to workforce.

We are starting to see that soften a little bit now and settle down. However, I saw in the paper today that there are still challenges with building supply, and builders are seeing less people wanting to build because of those challenges around price escalation, and the inability to get supplies. We are seeing that, too, with purchases of homes and build of the homes that we are committed to doing—that escalation in cost—but we are managing that, and we are still committing to completing the program, as we committed to do, with the 400 and the 1,000 renewed.

It is an exciting moment in this process that we are now starting to see those numbers go up. The allocations team in Housing ACT are very busy allocating homes, moving people around in what is often a bit of a Tetris, matching people up to new homes, matching other people to the homes that those people might have vacated, and giving people the opportunity to look at the homes and make those choices that best suit their needs.

You were talking, Miss Nuttall, particularly about women. Yesterday I spoke on Facebook about a new eight-dwelling townhouse complex in the Molonglo Valley, which has all of the safety features so that women, for example, who might be experiencing or leaving a domestic and intimate partner situation would be extremely safe in this place. It has all of the safety measures that you would need—the Crimsafe, secure access through both the building and the basement parking, as well as intercom connectivity to allow for visitors to be let into the building, and all class C adaptable with lift.

It is a good time for housing, but a very busy time with those allocations, and it is great to see people moving into their new homes.

**MISS NUTTALL:** Obviously, the 2026-27 target for 400 new public homes is well beyond the festival of democracy in October. Have we set ourselves up to deliver our targets for public housing and continue to build on them post October?

**Ms Berry:** Post October?

**MISS NUTTALL:** Yes. Have we set ourselves up to deliver our targets for public housing and continue to build on them after October?

**Ms Berry:** Yes, because that is part of the commitment to grow by 400 and renew the 1,000.

**MS CLAY:** Minister, I thought I would start with some simple baselines; thank you for providing some great figures so far. Can you tell me how many public homes we had in November 2020?

**Ms Valler:** I can give you the figure for October.

**MS CLAY:** That will do. I will take it.

**Ms Valler:** 11,652.

**MS CLAY:** How many do we have right now?

**Ms Valler:** 11,731.

**MS CLAY:** With the ACT Housing Strategy, the five-year snapshot said that the Growing and Renewing Public Housing Program built and bought over 720 homes. It refers to the target of 1,400 by 2026-27. According to the snapshot, there are currently 261 under construction, 87 in procurement, 66 in the DA phase and 67 that will be purchased. If you add those numbers up to the total delivered and the total that will be delivered, it does not come to 1,400; it comes to 1,283. We are trying to work out where the 1,400 is in that snapshot report.

**Ms Valler:** I will have to take that on notice. There are quite a few numbers in there. I can say we know that the program is focused on selling 700 properties. We are on target to meet that. We know that we are demolishing 300 properties. We have demolished over 260 and we know we are on target for that. We have constructed or purchased 790, so we know we are on target to meet the 1,000. Of the 400, we have committed to or delivered 296; we have a further 77 in contract; and the remaining 28 will be delivered over the life of the program, hopefully in the next 12 months. I can have a look at that snapshot and work out where that is for that.

**MS CLAY:** If you can take on notice the figures and the snapshot, and bring it back, that would be great. With the figures you gave of 11,652 and the 11,731, that means we have 79 more homes now than we had in October 2020?

**Ms Valler:** That is correct.

**MS CLAY:** We have 79 more. The last update we had from you, Minister, in a former hearing was that we had added 108 public homes to our housing stock. That was actually in a different committee inquiry.

**Ms Borwick:** That was me. Yes, I said around 108. I did take the question on notice, in order to respond with the absolutely correct figure. The 108 figure was actually the increase over that financial year rather than over the term, which I think was the question. Yes, we have clarified that in the answer to the question on notice.

**MS CLAY:** It looks like over the term we have added 79, but you think that over the year we have added 108?

**Ms Borwick:** From the previous year's stock number, because stock numbers went down, so that is what we added over that financial year.

**MS CLAY:** It is 79 that we have added over the term. We will stick with the bigger, easier-to-work-with numbers. The parliamentary agreement was that we would add an additional 400 homes by 2025, and we know that we are not going to meet that; we have been told that that will be—

**Ms Berry:** We have agreed to change the parliamentary and governing agreement to expand the time frame to 2026-27. I have explained that a number of times. The commitment is for 400 growth, 1,000 renewal, and we are now well on the way,

through challenging times, where we are seeing now an increase in public housing properties. But that number that we have given today of 11,731 will change next week. This is a program that will be ever-changing all the time. The numbers will change. Sitting down at a point in time and trying to add up figures at another point in time probably will not work. What we have committed to and what we will achieve and deliver is an additional 400 and renewal of 1,000.

**MS CLAY:** Jumping back, we have added 79 during this term?

**Ms Borwick:** As of 30 June.

**Ms Berry:** I am not sure what you are trying to get at because we have committed to, and it is part of our parliamentary agreement with the ACT Greens, grow 400, renew 1,000. We are achieving that. The numbers are at a point in time and will change across the program. We have explained this a number of times in the Assembly and to the public. We are now seeing that increase start to happen because we have got through some of those challenges that we have experienced, and that the whole country has experienced. It is a good time for us, when you can start seeing those numbers grow.

You will see this whole program realised in 2026-27, which means you will see the full increase from 11,704, which is what we started from, to an increase of 400. Through that, another thousand properties have been renewed, which will mean that 20 per cent of our stock will have been renewed over the course of both the previous growth and renewal program and this growth and renewal program.

**MS CLAY:** I am not sure where the 11,704 came from. We had 11,731 before.

**Ms Berry:** 11,704 is the starting number from 2020.

**MS CLAY:** Okay; the start of the program.

**Ms Berry:** The start of the program.

**MS CLAY:** With the 400, we have had 79 delivered this term, which means there are another 321. Am I adding up my numbers wrongly? How are we going to get another 321 additional homes in the next three years? Do you see where I am going?

**Ms Berry:** Yes, I do.

**MS CLAY:** It has taken us 4½ years to get 79.

**Ms Berry:** That is right.

**MS CLAY:** We have to get another 321 in the next three years—

**Ms Rule:** With the number of houses that are in the pipeline, the ones that are in the delivery schedule will get us to the target. There is a whole lot that has to go into the early part of the program to enable us to have a schedule of delivery, and we are right at the beginning of almost a wave of the deliveries. The deliveries are coming thick



and fast right now, because we have had to do the work around land demolitions, development applications, procurement processes with builders and planning approvals. All of that stuff has had to happen in the early part of the program—all of that work.

The majority of that work is now done, and the tools are going hard to deliver the actual bricks and mortar. The delivery schedule now is locked in to the point that we are delivering multiple properties every week. Our delivery schedule, which we are tracking very carefully, says to us that we will deliver the numbers by the end of the program.

**MS CLAY:** Is that a published delivery schedule?

**Ms Rule:** No, because it changes all the time. Something can slow down onsite; they dig a hole and find something underground. When you are building properties, there is always a contingency. When you are building the number that we are building, we do not want to publish that schedule because it changes hour to hour, let alone day to day, based on whatever is happening in an individual project.

**MS CLAY:** Are you able to tell me, from the 79 that we have had so far this term, how many more we would have in place by October 2024? Is that something you can actually say?

**Ms Rule:** No.

**MS CLAY:** If you cannot predict what will happen in the next three months, how can you predict what will happen by 2026-27?

**Ms Rule:** It is a very short window, and we are reluctant to put numbers on the table because we then end up in discussions about why we did not meet numbers at certain times. For example, we can tell you that we have, for argument's sake, 100 properties in the pipeline. Every one of those properties has to be finished. We then have to go through a defect process with the builder, and all of that stuff. We build that contingency into our planning, but it is not precise enough to be able to say, "We will deliver X number of properties on X day within a number of months."

**MS CLAY:** Is there any milestone before 2026-27 that you can predict? If there is not, how is it that you are so certain you will hit 400 in 2026-27, if you cannot tell us, in any year or month before then, how many there will be? How do you know that you will get there?

**Ms Valler:** May I offer a little bit of advice?

**MS CLAY:** Yes.

**Ms Valler:** At the moment, when we talk about the work in progress in the pipeline, we have 242 that are currently under construction. We have a further 58 that are in a procurement stage. We have another 63 that are in the development application process stage, and another 119 that are in the design phase. When we talk about a full pipeline, they are the areas in which we have those numbers. Ms Rule is right; as to

when they are delivered, it is dependent on all of the things that we have already talked about.

**MS ORR:** My question is about the pipeline. Can you run through those numbers for the pipeline again?

**Ms Valler:** We currently have 242 under construction, 58 in procurement, 63 in the development application process and 119 in design.

**MS ORR:** The time line for delivery will be quite different for each of the designs because some designs will take longer?

**Ms Rule:** Even with construction; some of those constructions could be single dwellings and some could be multi-unit properties. They are very different individual projects.

**MS ORR:** Ms Rule, picking up on what you were saying, the comments that we are about to see a lot of properties coming to completion are based on this pipeline and the properties in that.

**Ms Rule:** Yes.

**MS ORR:** While it is not necessarily possible to say that we will have it all by mid-September, or whenever, you track the pipeline to make sure it is tracking, and make sure you are tracking towards that target?

**Ms Rule:** Yes. We have a team of people whose job it is to manage the delivery of those programs. They are constantly in liaison with the builders and the developers who are delivering the properties for us. We are working closely with them on the delivery dates. We do not like to have a property delivered and then not be ready to use it. We also have an allocations team. We recently had to take staff from one part of Housing into the allocations team because there are so many more allocations coming through. It is about matching people who are on the waitlist to the properties and making sure that the cycle time for that is as short as it can possibly be, so that we can get people into these great new homes as quickly as possible.

It is a very heavily managed process. From day to day, I bother the teams sometimes and say, "How many have we got today?" They can tell me how many we have on the ground—how many properties we have on any given day. But it does move around a little bit, depending on where we are up to, and what is coming out of the pipeline.

**MS ORR:** Ms Rule, with the way it is looking, we have a lot of properties coming on now. Can you run me through some of the reasons why it might not have been possible to have, say, a house a week coming on?

**Ms Rule:** There is a lead time in the establishment of new properties. Sometimes we buy properties, and those can come online as soon as the transaction is finalised. But a lot of these constructions take time. We have to go through the same processes that every other builder or developer in the city has to in terms of meeting all the requirements of building a property. That, again, takes some time. Those were

consolidated in the early part of the program or the planning and in all of that work around what we were going to build, where we were going to build, what type of property we were going to build and who was going to build for us. Now that we have all that humming along, the properties can start to come through in a much greater concentration.

That is not to say that we did not deliver any new properties at all during the earlier part of the program, because in some instances we purchased property, both new and existing, from the market. We have an open expression of interest process with the market where developers can say to us, “We have a multi-unit property coming that is almost finished in Gungahlin. Do you want to buy the whole thing?” We often have those kinds of negotiations. Those are opportunistic; so we do not necessarily know when those are going to come at us. We look at every one of those to see whether they fit within the parameters of the program. So it is complex beast. There are lots of variables, which is why actually committing to a number on a day is problematic.

**Ms Berry:** Committing to a number over a period of time is easier to achieve—so that aim to achieve 401,000. We had some really good experiences and learnings from the last Growing and Renewal program. This program is much more complex. We know that a home now can vary in build times, but it has moved from about 18 months two years ago to around nine months now. So the timeframes have all shifted and changed as well. Construction supplies have become more available. There are still challenges. For example, if there is wet weather, that is the end of that for a day and another delay.

While we might go and visit a home and go, “Right; this home is almost ready. Just do the defects check,” when they do the defects check they might find something that is actually a bit more challenging and it could take a week or it could take three weeks. It just depends. It is a moving beast but we are experienced now at understanding the sector. As Ms Rule said, we have worked with so many construction companies and partners now and they know what we want in the housing space and we know the timeframes within which they can deliver. Understanding all of that, we can then predict what we can achieve over a period of time.

**MR PARTON:** Given the large number of families that are calling for housing assistance and calling for houses with yards rather than units, will this new stock, the 1,400-odd, be servicing that cohort or not? Is there any breakdown available? I know that many things have not been finalised and I know it is still a fluid, moving thing, but is there any breakdown of property type and bedroom numbers for the additional dwellings that are going to make up the 1,400?

**Ms Berry:** It is probably difficult to predict that because the wait lists and need might change over a period of time. What we see is that there are more single people and couples who require two- and three-bedroom homes and smaller numbers in the larger room space, although we know that that is a need we have to meet as well. That is why you see a lot of these two- to three-bedroom dwellings. That is not to say we are not building four- and five-bedroom dwellings; we certainly are—and there have been a few over the last couple of months that I have highlighted in my social media.

**MR PARTON:** I have seen.

**Ms Berry:** Thank you.

**Ms Rule:** The stock is a mix. There is absolutely a mix.

**MR PARTON:** That is sufficient for me. I think we have spent a lot of time on this.

**THE CHAIR:** I am asking this question because this may be my last opportunity perhaps in this place. Two or three times a year I have asked about the property opposite the shops at Wanniasa—which were the four or so public housing properties that were demolished before the last election and the land has been vacant ever since. Every time I ask in annual reports or estimates hearings, I am told it is going to be finished within the next six months. Do you want to hear me once more? Why not?

**Ms Berry:** Let us just take that on notice for you and we will see what we can find out.

**THE CHAIR:** Thank you.

**MR PARTON:** In statement G, on page 47 there is talk of a cross-government taskforce to be established to complete an assessment of the government's readiness and capability to insource social housing repairs and maintenance in the future. Minister, can you elaborate at all on how big the taskforce assessment is for insourcing social housing repairs, how much that taskforce will cost and how long that assessment will take?

**Ms Rule:** The taskforce is fully offset. It is coming from within existing resources from across government. Some will come from Housing but also from colleagues in Major Projects Canberra and within Treasury. It is really about prioritising some FTE to work on that project. It is a total cost over three years of \$3.8 million but it is fully offset from within existing government resources. So it is really an allocation of staff time to scope that insourcing work.

**MR PARTON:** You speak of three years. Are you suggesting that this process is going to take towards 2027 before it is completed?

**Ms Rule:** There are a number of aspects to it. Public housing maintenance is a large contract—it is one of the largest outsourced contracts within government—and obviously has a number of complexities attached to it in terms of the breadth of locations where maintenance is required, the types of maintenance and all that stuff. We are working, as I said, across government in line with the views of government on insourcing to look at the opportunities that might exist to be able to provide options to government about what that could look like. We are starting with a small trial in some multi-unit properties about what is possible, and that will build over time for government to consider options in terms of insourcing. If a decision is made to insource maintenance or elements of maintenance, there is then an establishment period as we have to recruit staff, build systems and all of that. All of that is built into that timeframe.

**MR PARTON:** You say that there will be a trial around one, two, three or however many complexes. I envisaged that maybe this trial would go trade by trade, but that is not the scenario, is it? You are going to, in theory, investigate getting the whole

shebang insourced to look at this complex and see how that works—yes?

**Ms Rule:** Yes, that is right. There are multiple elements to the contract for housing maintenance. For example, there is a call centre aspect of when people call up and say, “I need my house painted,” or “I have got a blocked toilet,” or whatever it might be. So there is that side to the actual management of the maintenance. Then there is the maintenance itself, some of which requires qualified tradespeople. Some of it does not. Cleaning and general maintenance do not necessarily require qualified tradespeople. So it is quite diverse.

**MR PARTON:** Where will you be sourcing these contractors from? Will you be subcontracting them? Will they be doing additional private work or will they just be doing your work?

**Ms Rule:** All of those questions are yet to be answered, which is why we are doing a trial. We will use resources, particularly when it comes to tradespeople or other labour that we might need to do the work, from within Major Projects Canberra—so we are working with Major Projects Canberra. The ACT public service already has some tradespeople on its books. We are trying as much as possible to use what we already have, to work out what is the most viable model and to be able to provide advice to government that says, “Here is what is viable.” We need to assess the costs. We need to have a detailed understanding of what the workforce requirements would be, and whether we then use a subcontracting model or a completely insourced model. There are a whole range of options that actually could prevail here. The point of the pilot is to be able to scope those options, test some of them, see what works and see what the costs, issues and risks might be.

**MR PARTON:** Is there union involvement in this trial, Ms Rule?

**Ms Rule:** No. We have had some discussions with a range of unions, but very preliminary, because there will be an impact on public service staff. In line with our obligations, for example, to talk to the CPSU, we have done that. But, in terms of union involvement in the trial, that is not the plan.

**MS ORR:** Ms Rule, it sounds like it is very early days and you are still scoping what the trial will look like.

**Ms Rule:** Yes.

**MS ORR:** Do you have a time period for that scoping?

**Ms Valler:** Stage 1 of the trial will include common area cleaning and cleaning that we would describe as outside of the property, like general maintenance and—

**MS ORR:** Like yards and those sorts of things?

**Ms Valler:** Yes, those kinds of things. With the second stage, which I do not want to pre-empt, but it is coming on—we just need to make sure that we have got all the things in place—we are looking around the September-October mark. Then we will look to do repairs and maintenance inside of a property—so in with tenants.

**MS ORR:** There are three different aspects, then. So it is trialling different types of maintenance, with three—

**Ms Valler:** On a small scale.

**MS ORR:** That was a little bit different to what I understood. I was thinking that there was going to be a trial which started on this day, but at the moment you are still scoping what that would look like.

**Ms Valler:** For a full scope of works.

**MS ORR:** Okay; so it is learning about different components and the particulars of those to fit into it. So these little trials are almost like the scoping of how it would all fit together?

**Ms Valler:** These are new tradespeople, so they are also learning to work with the cohort that we have in housing properties. They are starting off on things that may not be as significant, like mowing the lawn, and then, as they build the capacity and capability, hopefully move to do the full repairs and maintenance, which we would describe as works inside and out. That is the aim of the trial. The aim of the trial is to test to see whether we are able to do it.

**MS ORR:** So the trial effectively has already commenced and is in the learning stage?

**Ms Valler:** Yes, stage 1.

**Ms Rule:** Keeping in mind that it is 26 July, this is a “this financial year” measure. We are really in the early planning and set-up phase. It is very early.

**MS ORR:** Okay. The housing maintenance contract is huge, and I know it takes in a lot of resources. So it is taking components of what you would do under that contract and then figuring out how they could work as a government provided service as opposed to a contracted service. It sounds like you are going to work through those systematically, one at a time.

**Ms Rule:** Probably a better way to describe it is as a range of services. So it is not a single service under the contract; there are a whole range of capabilities delivered under the contract, as I said, ranging from administrative tasks like call centres and project management and all of that stuff through to skilled trades work through to unskilled labour. So there is a whole range of things that are delivered under the contract. It can range from replacement of a whole kitchen to, as Ms Valler said, mowing the lawns. There is a whole range of different things, and different solutions will be required. Parts of that will be more viable more quickly to insource than others. The point of the trial is to actually work all of that out.

**MS CLAY:** Have you extended the contract with Programmed in the interim while this trial is going on?

**Ms Rule:** We have exercised an option. I would not describe it as an extension. We have a number of options under the contract with Programmed and we have exercised a one-year option.

**MS CLAY:** One year?

**Ms Rule:** Yes. Sorry; two years. Apologies.

**MS CLAY:** Are there further options after that or is that the last—

**Ms Borwick:** Yes. We can make that assessment at the time. Obviously the point of doing the trial and having the insourcing taskforce is to inform an assessment as we go through.

**MS CLAY:** Who is taking calls from the tenants when they have a repair problem right now?

**Ms Valler:** Programmed. That is part of it.

**MS CLAY:** Programmed—and their customer service staff, are doing that?

**Ms Valler:** Yes.

**MS CLAY:** Thank you.

**MRS KIKKERT:** Minister, in the Indicative Land Release Program for 2024-25 there are 168 residential dwellings in Holt. I am assuming that is the expansion for Kippax. Could you please give us an update on whereabouts that development is at?

**Ms Berry:** I think it is still under negotiation. There is not really much more I can say other than they are negotiating with the government for a direct sale and those negotiations are continuing.

**MRS KIKKERT:** That is why I am a bit confused. If you are still doing negotiations, why is there a number dedicated to the land release program for 2024-25? It is quite exact: the residential number being 168 and it is at the block where the Kippax expansion is. You actually have the number of mixed use. Could you help me understand why that number is there when it is still under negotiation?

**Ms Berry:** This is a question probably better for EPSDD. However, to start that off, this is an indicative land release program.

**MRS KIKKERT:** That is correct. Is this the wrong session for it?

**Ms Berry:** Yes.

**MRS KIKKERT:** Okay.

**Ms Berry:** It is indicative by nature and so this is a kind of a plan for the release of this land at some future date, we aim to meet the land program. But I think it would be better to ask those questions through EPSDD.

**MRS KIKKERT:** Okay; Thank you. I was just seeking clarification.

**Ms Valler:** Chair, may I offer you a little bit of advice about the Wanniasa build? I will just read verbatim for you. The multi-unit development across from the shops in Wanniasa will consist of nine class C adaptable homes. That will be a mix of two three-bedrooms and seven two-bedrooms. The design and construct contract was awarded in February 2023, with the completion originally forecasted for early 2024. Unfortunately, during the building approval design stage, an electrical network capability issue was identified. Some minor design amendments were required for the development to accommodate a new substation on that block and a new service easement. Project completion is now estimated for mid-2025.

**THE CHAIR:** Thank you. I have some questions about the Ginninderry development. The 2024 budget papers for the SLA show there was almost a \$40 million difference between the 2023-24 budget and the estimated outcome for land acquisitions. The note on page 132 says:

the increase of \$39.760 million in the 2023-24 Estimated Outcome from the 2023-24 Budget is primarily due to the land acquisition in Belconnen, and delayed reimbursement from West Belconnen Joint Venture for acquired NSW land to 202425

Has the government purchased more land in New South Wales? Can you explain what land that is as part of this acquisition?

**Mr Davey:** I have read and understand the privilege statement. In the budget papers, there is an expectation that that money will come back to us. The reason that is not reflected there is it has not yet come back to us. We are expecting that it will this financial year.

**Ms Berry:** It just was not ready in time, I think, for the budget papers.

**Mr Davey:** That is right. There were some delays in terms of that process.

**THE CHAIR:** So, the ACT government has not purchased more land in New South Wales?

**Mr Davey:** No, I am not saying that; I am just saying that the reason that the variance is there is because the money has not yet come to us.

**THE CHAIR:** Then to the question.

**Mr Davey:** In regards to the land that we may have purchased, I will defer to Mr Joey Lee.

**Mr Lee:** I have read and acknowledge the privilege statement. The purchase of two parcels on Parkwood Road was effected in 2021. It has always been envisaged within



the agreement that either participant would acquire the land. The joint venture is actually not a body corporate. So it does not get any of the title transferred across to it. We are waiting for a reimbursement. It was expected in the 2023-24 financial year, which is why you see that negative line in the budget. That was intended to occur a couple of weeks ago. It is basically a timing difference. We are now expecting that to happen in the coming weeks or months—this financial year. That is why you see the negative in the 2024-25 financial year.

**THE CHAIR:** So there is a delayed reimbursement. Is there any penalty applied for not reimbursing in line with what you agreed?

**Mr Lee:** No. As I mentioned, it was always intended to be acquired by either participant, and the development rights for the land will be contributed into the project. When the transfer occurs there will be a reimbursement back to the territory.

**THE CHAIR:** Can you give me an up-to-date account of all the properties that have been purchased in New South Wales as part of a future Ginninderry expansion, including the price they were purchased for, the address of the blocks and how many blocks may still need to be acquired?

**MR PARTON:** Off the top of your head, pretty much.

**Mr Davey:** I think we might need to take that one on notice.

**THE CHAIR:** You will take that on notice. How much of the land across the border does the ACT government own and how many blocks does it still need to purchase?

**Mr Davey:** We will take that on notice

**THE CHAIR:** Has the government entered into any contracts with valuers to figure out the price of New South Wales blocks that the SLA still have to purchase?

**Ms Berry:** The valuations, yes. Whenever the ACT government purchases land, there are, I think, at least two valuations, and that is the case with that land over the border as well. That is my recollection.

**THE CHAIR:** Have the Corkhill group transferred their New South Wales property to the ACT government as part of the joint venture or do they still own that property?

**Ms Berry:** Which land? The ACT land?

**THE CHAIR:** No, their New South Wales property.

**Ms Berry:** The New South Wales land.

**Mr Lee:** As I mentioned, the title does not actually transfer into the Ginninderry Joint Venture; just the development rights transfer, so the properties are still owned.

**THE CHAIR:** Is there an agreement regarding this property? Is the ACT government going to have to buy it from Riverview Group or will it be part of their contribution to

the joint venture?

**Mr Lee:** It is definitely part of the contribution, so there is no acquisition required. Part of the establishment of the joint venture was that there was land contributed by both parties.

**THE CHAIR:** And have Riverview confirmed that the Corkhill Brothers' property will be included in the joint venture?

**Mr Lee:** The joint venture agreement has very specific provisions around the commitment of that land towards the Ginninderry Joint Venture, so the development rights over that New South Wales land are with the joint venture.

**THE CHAIR:** Earlier this year you said Parkwood would be the first part of the joint venture development to begin in New South Wales. Does this depend on negotiations with the New South Wales government? How are you managing the time constraints associated with saying that it is going to be your first one?

**Ms Berry:** That is right, but it is not expected for some time. We are still in negotiations with the New South Wales government to change the border, so those conversations are continuing. I cannot recall the time frame that we have that the master plan describes. We will take it on notice.

**THE CHAIR:** Thank you. I will keep going. Can you tell me what the time frames are for your negotiations with the New South Wales government?

**Ms Berry:** They are continuing. It is a complex negotiation, as you would understand, Ms Lawder. We are attempting to transfer land from New South Wales to the ACT and change a line marking from many decades ago on the ACT map to move that land into the ACT. What I understand from the Chief Minister is that those conversations are very positive and that there is a willingness, but it is the first one of its kind for the ACT and so we are just continuing that process.

**THE CHAIR:** I can see the ACT government have paid Colliers and CBRE \$50,000 for valuation services. Is this for the valuation of future Parkwood land or for the purchase of more properties over the border?

**Mr Lee:** We might take that on notice. We engage a panel of valuers across all of our developments. I would not want to provide the committee with inaccurate information, so I am happy to take that on notice and provide information back.

**THE CHAIR:** Thank you. Perhaps you might know or can take on notice: have you received valuations for those sites?

**Mr Lee:** For the Parkwood acquisitions? Yes; absolutely.

**THE CHAIR:** You have. Are you able to table the findings?

**Mr Lee:** The findings of the valuation?

**THE CHAIR:** Yes.

**Mr Lee:** We can look at what can be released. Regarding information within valuation reports, there is a bit of IP, intellectual property, around that. I am happy to take that and consider what can be released.

**THE CHAIR:** Are you seeking advice or are you claiming confidentiality?

**Mr Lee:** Some of the information will be commercial-in-confidence.

**THE CHAIR:** If there is a claim of confidentiality, parliamentary privilege overrides that claim. To manage these situations, the Assembly has passed continuing resolution 8B that uses a public interest test. Minister, is it your view that it is in the public interest to withhold this information?

**Ms Berry:** I do not know what the information is at the moment, Ms Lawder. I think what we will do is see what the information is, and then we will go through the appropriate processes, if that is okay with the committee. We just have to get advice on what the information is, and if there is a—

**THE CHAIR:** If you are claiming confidentiality, you need to specify the harm that there may be to the public interest.

**Ms Berry:** We will do all those things once I know what it is that we are looking at.

**Mr Davey:** Just to clarify: the information you are seeking is those two valuers specifically, and whether they provided valuations on Parkwood—just so that we get the right ones. We do use a range of valuers, sometimes the same ones for different reasons, so I want to make sure we are clear on what we are looking at.

**Ms Berry:** To confirm: we are not seeking confidentiality. We are seeking advice, and then we will confirm whether or not we need to seek confidentiality.

**THE CHAIR:** Thanks. In the interests of time, we will move on.

**MR PARTON:** I know that Ms Lee received a response to a question on notice—I reckon No 1944—which went through the SLA's additional equity contributions and Riverview's payments. It stated that since 2016-17 the SLA had made more than \$115 million in additional contributions, while Riverview had made just over \$88 million. That is not a sixty-forty split of the total costs. Can someone please explain why Riverview do not make repayments each year to the SLA?

**Ms Berry:** Part of it depends on land sales and the ability to have the revenue to pass on to the government.

**MR PARTON:** Is it a part of the joint venture agreement that they can make their repayments every three or four years?

**Mr Lee:** Mr Parton, I do not have that information on hand. The chief operating officer unfortunately was not able to join us today, so if we could take that on notice, I

will be happy to provide that information.

**MR PARTON:** All right. Additionally, is Riverview charged interest on those delayed payments? It certainly seems like the SLA is carrying a lot more of the risk than Riverview for this joint venture, based on the numbers that have been shared with me.

**Mr Lee:** Mr Parton, in terms of the funding that is provided to the Ginninderry Joint Venture from the territory, there is absolutely a commercial return earned by the territory on those funds.

**MR PARTON:** When a block sells, does SLA or Riverview receive the revenue from that sale?

**Mr Lee:** Actually, on this side of the border, the land is the territory's land. As I mentioned before, the title does not transfer, so the revenue is initially received by the territory and contributed to the joint venture. Both parties recognise that revenue in their statements, but there is not necessarily a distribution because there is an interest in retaining funds to ensure that there is sufficient working capital for the project.

**MR PARTON:** Okay. How often do we see revenue and developer profits transferred under that arrangement?

**Mr Lee:** It happens on a monthly basis. Every time there are settlements there will be a transfer. It is effectively a pass-through, because the title is still retained by the territory.

**MR PARTON:** On top of developer profits, Riverview also receive annual revenue as part of their separate development marketing and sales contract. That is a well-known fact. Would you be able to advise whether the contract for this part of the joint venture went to open tender, or was Riverview being awarded this contract as a condition of the joint venture? I am just trying to get a handle on whether the development marketing and sales contract actually went to tender or whether it was a part of Riverview being awarded that contract as a condition of the joint venture. Welcome, Mr Gordon.

**Mr Gordon:** I have read and understand the privilege statement. It is the case that it was part of the negotiations for the joint venture and it was established within the joint venture.

**THE CHAIR:** I am going to ask one more question, and we are going to move on. We have spent long enough on this one. It is my understanding, from what you have said, that Riverview are able to defer their cost for years but keep the revenue stream from developer profits, as well as their separate development and marketing sales agreement. Does this comply with the government's procurement rules?

**Ms Berry:** Ms Lawder, I might make a suggestion here. We have a few people filling in at the Suburban Land Agency at the moment who might not have the sort of corporate or historic knowledge that we need to provide the answers to the committee today. I know there is a spare day up your sleeve for the committee.

**MS ORR:** An additional day.

**Ms Berry:** An additional day, or you can provide questions on notice to us and we can take them on notice and deal with it that way.

**THE CHAIR:** I think we have asked our questions. Would you like to take that question on notice?

**Ms Berry:** We can take that question on notice. I am suggesting we do that if there is particular information required on the joint venture. We have provided advice to previous estimates and other committees in this place at least over the last term of government. If the committee wants to further interrogate this, I am happy for that to occur, and we can make arrangements for the appropriate people who might be able to give that advice on an additional day. Of course, you can always ask questions on notice.

**THE CHAIR:** Absolutely. I just want to check that you are taking my last question on notice.

**Ms Berry:** Yes, we will take that question on notice—confirmed.

**THE CHAIR:** We are going to move on, in the interests of time.

**MS ORR:** I believe the Affordable Housing Project Fund got quite a significant boost in the budget. What does the boost mean for the supply of affordable rental housing?

**Mr Miners:** Basically, what it will do is provide an additional \$20 million that can be invested in supporting the community housing sector and supporting those affordable rental properties. The number of houses or dwellings that should come out of that will be subject to proposals that come in from the community housing sector. Basically, it expands the fund by another third to allow that.

With the fund at the moment, just to give you some context around what those numbers might look like, 282 properties have been announced. That is from the first two rounds of the scheme. There are a number of additional projects that we are currently in negotiation around. There are close to another 200 that we are in negotiations with. They are not far enough developed to say that that is what the number will be, but they are things that look good from the fund's perspective. So that additional money actually allows a lot of those projects to go ahead, plus there is still revenue left in the fund for further proposals to be considered down the track.

**MISS NUTTALL:** Minister, a few years ago we heard stories about Housing ACT are having to sell houses to sustain itself. How many houses has the ACT government sold so far to fund the Growing and Renewing Public Housing program?

**Ms Rule:** I think one of the things that gets lost in the story about growing and renewing is the renewing part. We have talked a lot about additional stock numbers, but what we know is that there was some very old and unsuitable stock in the portfolio. It has been a deliberate strategy, as part of the growing and renewing

program, to sell stock that was no longer fit for purpose or no longer in the locations where we needed it to be.

We had higher concentrations of stock in some parts of the city than others. There were a whole range of strategies around disposing of stock that could yield investment in more properties that were more suitable for future public housing needs. It was not because we had to sell to sustain ourselves; it was actually a deliberate part of the program setting around growing and renewing. My colleagues can probably give the number of disposals that have happened so far.

**Ms Valler:** It is 110.

**MISS NUTTALL:** How much money has been raised through selling these properties?

**Ms Valler:** There has been \$477.6 million.

**MISS NUTTALL:** Thank you. How many more are going to be sold?

**Ms Valler:** I feel like it is around 90, but let me get that exact number. It was 90 over the last three years.

**MISS NUTTALL:** Was all of that money reinvested back into public housing? If so, are you able to provide a breakdown of that?

**Ms Valler:** It was reinvested back into the program.

**Ms Rule:** Housing ACT operates as a PTE, a public trading entity, so the money comes in, sits on the books of Housing ACT and gets reinvested in the activities of Housing ACT. So in one way, shape or form that money went back into public housing. Whether it is construction, maintenance or service delivery, a whole range of things get managed on the books of Housing ACT, but it did not go back into consolidated revenue.

**MS CLAY:** Are you able to provide the breakdown part of the question?

**Ms Rule:** It does not really work like that. It is not that we sell and take one dollar and spend that one dollar on a particular thing. The money comes in; the money goes out. It is an expenses and income kind of equation on our books.

**MS CLAY:** But it all goes into your PTE budget?

**Ms Rule:** It all went on to Housing ACT's books. It did not go anywhere else.

**MS CLAY:** That is fine.

**MISS NUTTALL:** Can I confirm that probably not all of that goes back into build directly, then, from what you were saying?

**Ms Rule:** Not necessarily. It could go into builds, it could go into maintenance, it could go into renewal or it could go into service delivery—a whole range of the costs that exist within Housing ACT.

**THE CHAIR:** Is that the original intent? I thought the original intent was that the sale would go into reinvesting in new properties.

**Ms Berry:** Part of the growth and renewal program is that there are roof-for-roof replacements of every single property. The renewal program is a renewal of 1,000 properties, a replacement of 1,000 properties. They are either purchased homes, from whoever we purchased them from, or built homes. The growth program is the 400 homes that have been funded as well. Do you want a go, Lauren?

**Ms Callaghan:** Regarding the sale of properties through the growing and renewing program, the 610 has all been reinvested into the growing and renewing program.

**MISS NUTTALL:** Good to know; thank you.

**Ms Rule:** And there are 90 remaining sales.

**MS CLAY:** Minister, the Minister for Planning is progressing the planning for East Lake, which includes the Causeway. The Indicative Land Release Program identifies residential land being released in East Lake and the Kingston area for 2,390 dwellings, including public housing. With land releases imminent in East Lake, what conversations have you been having with Causeway residents?

**Ms Berry:** That program for release is at least two years away. Tenants who are at Causeway may want to leave, to go other homes that are suitable. We are open and having conversations with tenants about that opportunity. There is no clarity around specific time frames yet because of the complexity of the sites that are being released for that project.

**MS CLAY:** Does that mean you have had conversations with every individual public housing tenant there? You said there are conversations.

**Ms Berry:** No; I did not say there were conversations. I said that there were tenants who were actively seeking transfers to other properties that might suit their needs. That is being facilitated. That is already happening as a matter of course. Conversations about what is happening at East Lake is not specifically happening, because there is no specific time frame for what is going to happen at East Lake once the land is sold. That is a particularly complex site. It is probably more appropriate to speak with East Lake—

**MS CLAY:** I might focus the question.

**Ms Berry:** The reason there are no specific conversations about what is happening at East Lake with public housing tenants is that there is no certainty about the time frame for those 2,000 properties—as you suggested—in the Indicative Land Release Program. There is no estate plan. There are no options to provide to people. So, rather than talk to people about things we do not know about yet, we are doing the

business-as-usual process where people can transfer out, using some of the properties that are out there right now as crisis or temporary accommodation. But, as to what the plan is going forward, once we have an estate plan, which we do not have yet, and once we know the future of Causeway and the time frames, which we do not know yet, it will be appropriate to talk to public housing tenants about options for where they want to live.

**MS CLAY:** That is fine; I understand the uncertainty and I hear that it is quite difficult for you to have this uncertainty. It is probably even more difficult for the public housing tenants who live there. Could I confirm that Housing ACT is not talking to the tenants at the moment? I understand you could not give them specific plans and an estate development plan is not yet written, but is Housing ACT not talking to the tenants right now?

**Ms Rule:** About?

**MS CLAY:** About the fact that change is coming.

**MR PARTON:** About their future.

**MS CLAY:** Are there conversations about their future, given that everybody is speculating about this?

**Ms Rule:** We talk to tenants all the time. We address issues that are brought up by tenants on a case-by-case basis, but, in fact, on a number of occasions, tenants have told us to stop talking about it until we have further certainty. They have actually been quite clear with us that it is unhelpful to have general conversations. They do not want us to keep saying, “We still don’t have certainty for you.” We address issues as they come up from individual tenants, but we are certainly not running a program of engaging with tenants on the future at this point, because they have asked us not to.

**MS CLAY:** I understand that the estate development plan is not yet written, so we do not need to revisit that. I get it. Will there be public housing at the Causeway, and will government fulfil previous commitments given to Causeway residents that they would be offered? I understand that you do not yet know what homes there would be and where they would be. It is not yet drawn up, but will government make a commitment that they will be offered them? Surely, you cannot offer them if you do not decide to do it, and then put it in the estate development plan and build and design the homes. You would need to make a decision first, surely.

**Ms Berry:** In the first instance, there are no offers. We need to be careful about the language here, because there are vulnerable tenants in our public housing that do not need to be scared into thinking that something is going to happen soon when it is not. That is why we have been careful about how we relate to public housing tenants in that area—also everywhere else in the ACT, but particularly at the Causeway—because, at the moment, it is at least two years away before we will have any certainty about that site. That does not mean we will not have a planned conversation with tenants once we have more information to tell them, but, as Ms Rule has said, their preference is that we do not keep talking to them about something we do not have detail about.



There is no plan. I understand that public housing will be available on that site. However, there will also be public housing available everywhere. Those tenants, just like the rest of us, might have choices about where they want to live in Canberra when that time comes. It is way down the track. We think it is going to be two years away. I hope that there are no further complications on those blocks that we want to release, but I am not ruling it out, given the site has been complex forever. It feels like forever—a long time before I was here.

**MS CLAY:** Because I am not an expert in public housing, I am finding it difficult to understand the point at which decisions are made. There is a lot of passive language—“Things will happen in the future.” Who decides whether we will have public housing there, and when does that happen? If it is something that might happen in a couple of years, and we are hearing about a long pipeline of public housing—that it is a three-year pipeline and very difficult to predict—when is the decision point? You do not just get public housing; you decide to put it in your development plan and you build it to specifications. Maybe it is a class C standard, and there are quite specific requirements. When will the government make a decision about when everybody will know what is going to be there? When does that happen?

**Ms Berry:** Probably not within a two-year time frame, because there is no plan for what is going to happen on that site, because of the complexities around the substation and the powerlines and whether the blocks will be sold as one chunk—whether they will be sold separately or whether the development can be conducted as one big development or as chunks of developments on each of the different sites that are out there. There is no decision yet on how that process will happen, so it is very uncertain. It would not be helpful for anyone to suggest that anything is going to happen when there are no real plans at the moment about what is going to happen out there. Is there anything else that I—

**Mr Davey:** At a broad level I could perhaps give you some comfort. You are probably aware of this, but the way that SLA goes about its development is that, once we have the ability to progress an estate plan, it would involve consideration of affordable housing, build-to-rent and all those sorts of things. In fact, we do have a commitment that around 15 per cent of the land that we develop would comprise that type of housing. There is a broad approach that we take into account on any land that we develop.

**MS CLAY:** Will you deliver at least as many public housing dwellings on that site in the future as there are on that site now?

**Mr Davey:** That is a difficult question again when we do not know the yield we will get from the land. There are some complexities. As you know, the planning process looks at heritage and environmental issues. We do not yet know what we can build on that land, so it is good to—

**MS CLAY:** But there will be more homes. Whatever happens with the redevelopment, there will be more dwellings in the future than there are now. How is it that we do not know whether we can say there will be as many public homes as there are now when we are going to have more homes overall? I am sorry to ask really simple questions,

but I just cannot understand it.

**Ms Rule:** I am not saying this is necessarily the case specifically at East Lake, but one of the things that we would consider on that type of development—working with our colleagues across government—is: what other stock do we have in the area, and what kind of stock could be delivered at East Lake? Is it the kind of stock that we need? It may be that the answer to that is yes; it may be that the answer is no. For every development, we look at whether there are going to be multi-unit properties in a particular location. There are some parts of the city where we do not need more of that kind of stock. We want to distribute them more broadly. It is too early to say that there will be a number of public housing properties in a particular location, but we are working closely with our colleagues across government on what the future could look like.

**MS CLAY:** I will try to finish really quickly, Chair.

When is it not too early? When is the point at which government does decide that? At what stage, at what milestone, could I ask that question and get an answer?

**Ms Rule:** I cannot answer that because I am not in control of the process more broadly.

**MS CLAY:** I do not mean a month. Is it at the time of the estate development plan? What is the—

**Ms Rule:** I still cannot answer that question. I am not responsible for the whole of East Lake. We have a small slice of it, which is the current tenancies—

**MS CLAY:** Who is responsible? I cannot ask the planning minister. The planning minister is not able to answer that question. There must be somebody in government who can say, “At this point in the project, we can tell you.” Who is that person?

**Mr Davey:** I will have a go. I will look to Joey to correct me if I am wrong. When we get to the estate development plan, that is probably the point at which we will have a pretty good idea of what we will release.

**MS CLAY:** Thank you. The estate development plan stage—to the housing minister or to the planning minister?

**Ms Berry:** The Suburban Land Agency.

**MS CLAY:** Thank you.

**THE CHAIR:** Mr Parton, do you have a question on that?

**MR PARTON:** No.

**THE CHAIR:** I have one clarifying question. Regarding the public housing tenants at the Causeway, was a media article the first they heard about this?

**Ms Berry:** Some of the tenants heard about it in, I think, 2014. I do not know.

**Ms Rule:** I do not think we can answer that question, Ms Lawder. I do not think we know.

**Ms Berry:** They could have heard about it through word of mouth, with people suggesting to them that they might be out of a home soon. We have an active tenant relocation program, and there are a number of tenants currently at the Causeway who want to move out of the Causeway. We are doing that work. It is not the case that every tenant who is living there right now wants to stay, or even that the housing is appropriate for them. They might need to upsize or downsize, depending on their circumstances.

**THE CHAIR:** If they have moved out, do you re-let the property?

**Ms Berry:** We keep using the properties for the time being.

**Ms Rule:** But for temporary accommodation. We are not putting longer term tenants in there, to give us flexibility.

**Ms Berry:** Yes. The best estimate is that we have about two years to try to work through some of the complexities. I know everybody here has heard various ministers talk about that.

**THE CHAIR:** Mr Parton, a substantive question.

**MR PARTON:** Why was the government simply not ready for the HAFF round 1 application?

**Ms Berry:** Thanks for that, Mr Parton. There was significant interest, as you would imagine, in applications for the Housing Australia Future Fund. We also had funding here in the ACT available for the community housing sector to access to build what they are interested in. We will definitely look at how we can apply in the second round, which I understand will be released in August, although I believe there might be some conditions around whether Housing ACT can apply to that fund going forward.

**MR PARTON:** Minister, I have sat in the room next door and you have spoken about how amazing it is that we got rid of the evil Scott Morrison, that Mr Albanese is in charge and now we can really move forward. But I do not understand: if there was such urgency and such a crisis, how could we possibly not have been ready for HAFF round 1 applications?

**Ms Berry:** Mr Parton, what you will have heard from me is that the ACT has its own Growing and Renewing program for public housing. One of the challenges that we were facing and what was being called on was more affordable and social housing that could be provided by community housing organisations. The Housing Australia Future Fund was set up and is fit for purpose for those organisations across the country to access. There are 1,200 homes available for the ACT under the Housing Australia Future Fund in the first five years of that program. There will be some

public housing—that is my understanding of the Housing Australia Future Fund—but we are just not clear on whether Housing ACT can access that fund.

However, we have been able to access the \$50 million Social Housing Accelerator Fund. That has been helpful for us to continue to grow our public housing stock. The community housing sector, which was the primary target for the Housing Australia Future Fund, has gone ahead. There are projects in the works that will hopefully come out of the ground soon, and then we will be able to talk about those.

**MR PARTON:** Are you talking about the 15 units that were offered under the HAFF? My understanding is that we are not pre-approved for specific deliverables and that it is possible that none of those 15 units will be delivered to market.

**Ms Berry:** I am not sure what you are talking about.

**Mr Miners:** The community housing sector in the ACT has put forward a number of proposals to the HAFF. In fact, it is over-subscribed in the ACT. The ACT government and the Office of the Coordinator-General for Housing supported a lot of those proposals going forward, and—

**MR PARTON:** Supported them in what way, though, Mr Miners?

**Mr Miners:** As the minister has said, a large part of the first round of HAFF was really about the affordable housing element. What the commonwealth is providing is financing support—the gap—in a similar way the ACT government provides support for that difference, to get the market rate down to an affordable rate. We have actually looked at a lot of the proposals and have written letters to support them through that process. We also have ongoing engagement with Housing Australia. We make sure we are engaged with them about the sort of stuff that is needed in the ACT and how that looks as well.

The first round for the HAFF will be fully subscribed in the ACT. There will be enough good proposals that will deliver affordable housing with that commonwealth funding, and that will build on what has been done through the Affordable Housing Project Fund, which again is government support for community housing providers.

**MR PARTON:** Minister, you mentioned the Social Housing Accelerator Fund. We are all aware of your discussions in Senate estimates earlier this year, in which the revelation was made that, as at the end of December last year, none of that \$50 million for the ACT had been accessed. In previous answers, Ms Rule indicated that this money is sort of use-it-or-lose-it money. My understanding is that \$50 million has been allocated to the ACT. Can you guarantee at this hearing that we will access and actually use that entire amount of money?

**Ms Berry:** Yes; absolutely.

**Ms Rule:** We are required, as we said earlier, to commit the money by the end of this financial year, in 2025, and to have expended the money by the end of financial year 2027-28, and we are on track to do that.

**MR PARTON:** Why did it come up at Senate estimates? The way it was characterised was that we were one of the few jurisdictions that had not accessed any of the money as at the end of December.

**Ms Rule:** Because we already have our own pipeline of growth and renewal that we have on track, so we did not want to substitute new money in that program. We want additional properties delivered for that additional spend. They need to be added to the pipeline of work. We will absolutely spend the money in the time frame that has been agreed with the commonwealth, but it was not reasonable for us to have expended that money right at the beginning of the program without spending the money on work that we already had in progress.

**Mr Miners:** Mr Parton, you asked what the government had done to support the HAFF rounds. One thing I should have mentioned and did leave out was that we have made sure there were sites available for those community housing providers to bid for—particular sites around Taylor and some sites in Belconnen and Braddon. The SLA ran a program to make sure they had rights to get to that land, so that they could put in their bids with land underpinning it. That was a key part of supporting them through that.

**MS CLAY:** Is there any chance that the HAFF funding will stop before round 2? Can we guarantee that we will submit applications for public housing in HAFF funding round 2?

**Mr Miners:** It is certainly the intent to submit in round 2, but I cannot control what the commonwealth will do. They may come back and say, “In round 2 we want to focus on particular elements,” which the ACT government may not deliver, so it will depend on what frames they put around round 2.

**MS CLAY:** Public housing would have been eligible in round 1, but we did not submit an application, and we have no control over whether we will be eligible to submit applications for public housing in future rounds. We might be able to get ACT public housing built with commonwealth money under the HAFF, but we also might not; we do not know.

**Mr Miners:** We do not know. The other thing I would mention—

**MS CLAY:** That is fine. Please finish, but that is the answer.

**Mr Miners:** It is very important to realise that getting money from the commonwealth as a loan from the commonwealth is not necessarily in the best interests of the territory. It has to make financial sense for us to take that. Where there are grants or money such as the Social Housing Accelerator, where there is \$50 million being put in, that makes a lot of sense. Where they are offering something that is financing, which we can actually get from the market at a better rate as a government borrower, it does not make sense to put in something and borrow some money from the commonwealth at a higher rate.

You have to look at what is actually on offer, too, and the sorts of subsidies that will be in there. I would suggest that we do need to be very careful. It is not something

where you say, automatically, “The commonwealth has a program, therefore we get into it.” You do need to weigh up whether it will actually make sense for the territory to engage.

**THE CHAIR:** I have some questions about contracts that the SLA have with Colliers International. Does the CEO or state chief executive of Colliers still attend the SLA planning day?

**Mr Davey:** I am new to this role; I have been in the role for almost four weeks. I am not sure that there is a planning day.

**Mr Lee:** I have been with the Suburban Land Agency for seven years and I have not witnessed that person’s attendance at a planning day.

**THE CHAIR:** Are there any valuers or private companies that attend a planning day or a strategy day with the SLA?

**Mr Lee:** The same answer.

**THE CHAIR:** A strategic planning day?

**Mr Davey:** On the surface, it would not appear to be appropriate, so I would assume that would not be the case.

**THE CHAIR:** There was a contract with Colliers International that was executed on 15 March 2021. It expired on 30 June 2021 for commercial advice, and it has no specified key performance indicators, no specified delivery and acceptance, and no meetings and reports. How can the SLA demonstrate that the contract provided value for money when there were no specified outcomes?

**Ms Berry:** Ms Lawder, is there a document that you are referring to?

**THE CHAIR:** The contracts register.

**Mr Davey:** I would have to look at that contract to understand what is in it. I am unable to answer that question right now. I will take it on notice.

**THE CHAIR:** You will take that on notice?

**Mr Davey:** Absolutely.

**THE CHAIR:** What advice, report or meetings did Colliers provide under that contract, given that the only description provided on the website was “market advice on land supply”?

**Mr Davey:** Again, I will have to—

**THE CHAIR:** Take that on notice?

**Mr Davey:** Yes.

**THE CHAIR:** Is this standard practice? Does this apply to other valuation companies that the SLA enter into contracts with?

**Mr Davey:** Once I have read it, I will take that on notice as well.

**THE CHAIR:** Thank you. We have been unable to find other contracts for commercial advice that have no KPIs stated.

**Mr Davey:** It is possible—and I will confirm this—that it could be an entry error in 2021. Maybe someone did not put the details into the register. I have seen that happen on various things in public administration, so I will follow that up.

**THE CHAIR:** You have taken that on notice.

**Mr Davey:** Yes. It would appear that that may have been the case, on the surface.

**THE CHAIR:** Minister, is it appropriate that taxpayers' money is used to contract a company to provide commercial advice for land supply, but you have supplied no details about what Colliers will be looking at or even if they have to provide any report at all to the SLA? You are the minister responsible for the SLA.

**Ms Berry:** We have taken that question on notice.

**THE CHAIR:** Have you, until now, questioned that contract or investigated it, either internally or externally, in terms of its probity? What internal audit processes do you have and why hasn't this come up before now?

**Mr Davey:** I can answer the question about what processes we have. We follow very closely the ACT procurement guidelines, to the letter of the law. We use internal and external probity advice to SLA. We have an annual internal audit program. We have, obviously, external auditors that pore over our governance and administration arrangements. I can say with confidence that we would comply with procurement policies and guidelines. Integrity is number one for us. All staff regularly participate in training on probity and integrity. If I remember correctly, at the end of recent financial years, in the order of 98 per cent or thereabouts of staff had completed probity training. I feel very confident that the Suburban Land Agency does do a—

**THE CHAIR:** Yet here we have this—

**Mr Davey:** As I said, I will take it on notice. I do not know the specifics of that contract, but it would surprise me if we had a contract that did not have deliverables. I have never seen that in my time.

**MR PARTON:** It surprised us.

**Mr Davey:** I suspect it is an error. I have worked in public administration for a long time. I have not ever seen a contract that had no deliverables that were—

**THE CHAIR:** The question still remains: if it is an error, how come that was not

picked up in your processes?

**Mr Davey:** I would be as interested as you are.

**THE CHAIR:** Finally, can you confirm whether similar contracts have been entered into with Colliers for commercial advice, what those contracts are and whether this contract or those contracts were varied?

**Mr Davey:** We will, of course, take that on notice.

**THE CHAIR:** Thank you.

**MISS NUTTALL:** The Auditor-General recently reported on the management of the Growing and Renewing Public Housing Program. He noted the often repeated reasons for the increase in time and costs—COVID disruptions to the construction industry and wet weather events. However, he added another reason, noting there were gaps in the program's governance and administrative arrangements which arose from ineffective implementation of relocation of public housing tenants. With that in mind, what has been done so that tenants affected by the program are provided with a better experience?

**Ms Rule:** We have been on the record a lot of times acknowledging the Auditor-General's report. There has been a policy decision of government that we have now fully implemented that there will be no forced relocations of tenants under the program. We have revised the way in which we communicate with tenants and work with them on relocations when those are necessary. Whilst there will be no forced relocations, sometimes relocations are required, for example, if a property becomes unsafe or uninhabitable.

We have revised all of our policies and processes in consultation with community sector stakeholders. It has been an opportunity to improve the way in which we do things and shift our focus to be equally on the bricks and mortar and the people who occupy the bricks and mortar as their homes. It has been a learning process. We have accepted and appreciated the feedback through the various audit and Ombudsman's reports. I think it has seen a significant improvement in the way in which we do our business.

**Ms Berry:** You were not around at the time, Miss Nuttall, but when the Auditor-General's report came out, I apologised, and I meant that apology. There was not an apology provided by the homelessness minister, but I know that she was as concerned as I was about the decisions that we had made and the advice that was provided by the Auditor-General. Making an apology is often not the advice that is provided by the Government Solicitor. For me, at least, I was keen to ensure that that apology was meaningful; so I made it, and I meant it, and I still mean it today.

I am pleased with how we are progressing the program and working with our tenants, moving forward. We are always happy to have advice, and we feel that the Auditor-General's work is important work in being able to provide the government with that advice about how Housing ACT can be the best possible social landlord. I know that they strive every day to be the best that they possibly can be for a particularly



vulnerable cohort within our community.

**MS CLAY:** Minister, in October 2022, you announced the commencement of a build-to-rent project in Turner that required 15 per cent affordable dwellings for eligible tenants. Recently, you have announced three more build-to-rent projects that include affordable rentals. Why did it take so long to finalise the Turner build-to-rent project?

**Ms Berry:** Which Turner build-to-rent project are you talking about?

**MS CLAY:** The Turner build-to-rent project that was announced in October 2022. Do you need a more specific—

**Ms Berry:** The one from today?

**Mr Davey:** That was publicly announced today. There were a range of complexities that I am sure you hear about a lot, when we are talking about releasing land for sale. In this particular case it took a bit longer than we expected. It is something that is fairly new, in terms of build-to-rent, and baking that into the sale through project delivery deeds. It is exciting. It is good for Canberra. But it was new, and I think that is all I can say. We are excited that the contracts are now exchanged and we are looking at this project coming to life for Canberra.

**MS CLAY:** Thank you, Mr Davey; I appreciate your candour in this hearing. Can you tell me what the complexities were?

**Ms Berry:** As Mr Davey said, this is very new for the ACT. It is the first of its kind—a private, government and community sector partnership. Once the building is completed, a community housing organisation will manage at least 40 dwellings that will be part of this build-to-rent project. There were probably a number of negotiations with the private partner. I have gone blank on the name.

**Mr Davey:** Cedar.

**Ms Berry:** Cedar Pacific Holdings. I am not privy to those conversations, of course.

**Mr Davey:** They are working with a Japanese partner, Sumitomo, as a joint venture. They have a whole range of projects that they are working on. As you can imagine with commercial negotiations of that nature, those things add to the complexities.

**MS CLAY:** When does construction start?

**Mr Davey:** I will defer to my colleague Nicholas Holt.

**Mr Holt:** I have read and understood the privilege statement. The timing for the construction is dependent on the program of the developer. Obviously, they have exchanged on sale in recent days, so they will now progress into their planning phase. There are a number of steps that they need to go through before they can get their planning approval. That includes going to the National Capital Design Review Panel, and getting their designs considered and approved, and the SLA is also involved in that process.

It is really in their hands. Now, as it is a build-to-rent where the ownership stays in their hands, they will have an urgency to get that construction. It is a bit different from build-to-sell, where often the developers are requiring on-sales before they commit to construction. As they are holding this development for the long term, it is in their interests to start the development as soon as possible.

There are a couple of constraints on the site; there are some servicing works that need to be done. The site next door was sold last year, and the developer has some offsite works that impact this site as well. Those two developers need to work together to make sure that the timing of their programs come together.

**MS CLAY:** Is it both ACT and commonwealth funding that is going into this?

**Mr Holt:** No. This was all tendered before the HAFF, so this is purely funded by the proponent.

**MS CLAY:** That is great. We have other build-to-rents coming in Phillip, Turner and Curtin. Is that commonwealth and ACT funding or will that be—

**Mr Holt:** This is different from those sites, yes.

**MS CLAY:** They are build-to-rent for 15 years. What happens after the 15 years?

**Mr Holt:** The ownership stays with them. This is a subsidy deed, and the subsidy deed is with Treasury, who will support the affordable component. It is probably best for Treasury to talk to the details of that particular contract.

**Ms Berry:** This one, I understand, is 10 years.

**MS CLAY:** Sure. What happens after the 10 years?

**Ms Berry:** Then they own it.

**Mr Davey:** They are then no longer bound by that.

**MS CLAY:** And they can sell that at the market rate?

**Mr Davey:** It is up to them then. It is their property.

**MS CLAY:** Yes; it is unlimited.

**Mr Miners:** But they did purchase the land; they have actually purchased that as well.

**Ms Berry:** In the meantime, there are people now who will get rentals—around 270, I think, including 40 affordable, at least, or 15 per cent of whatever yield they are able to do on this particular site. They are able to offer longer term rental contracts to both the affordable and other renters for three years. That is what their intention is. They are three-year rental agreements, with whatever other extensions, and community areas and places where people can gather. They have all the rental arrangements that

we already have here in the ACT. You can put a picture up, paint a wall and have a pet—all of the usual arrangements.

In this circumstance, we have a private investor who is building it for both market rentals and affordable rentals. Once the project is completed and they have the 40-plus, let's say, affordable rentals, they will go out to tender or put an expression of interest in or do whatever it is that they do to engage a community housing provider to manage the affordable component.

**MS CLAY:** Will it be managed by a community housing provider?

**Mr Miners:** Yes.

**MS CLAY:** That is great. In the expenses it looks like it is a \$125,000 investment per dwelling, but we do not get an asset. Is that right? No? Have we got a costing for how much the ACT government invests per dwelling in this build-to-rent model?

**Mr Miners:** This is a completely private thing, so this is on their books, not our books. Basically, it is a land sale to a build-to-rent provider with a requirement for them to continue to rent it.

**MS CLAY:** Yes, but we discount the land?

**Mr Miners:** No. What goes on in our books is that we have switched an asset, which is land, for cash, which is the payment.

**MS CLAY:** And we have sold the land at ordinary market rates for this?

**Mr Miners:** We sold it at a market rate with that 15 per cent requirement in it. When a proponent is looking to buy the land, we think about what they are going to pay for it and they will look at a price that includes that as well.

**MS CLAY:** Absolutely, but when you were coming up with the market valuation of the land, it would have included that 15 per cent.

**Mr Miners:** Yes; all the requirements are in it.

**MS CLAY:** Is there a costing for that?

**Mr Miners:** There are two parts. This is why it gets a little bit confusing. Basically, what they have done is they have purchased the land. We are also in a process of working with them on what the ACT government's contribution will be, via the rental subsidy for renting below market rent. All those things will interact, but that is all part of those ongoing negotiations. Then we work out the deeds with them in that.

**MS CLAY:** There was ACT government funding going into this project, though?

**Mr Miners:** There will be, around the affordable component, but it is not directly part of the sale proceeds.

**MR PARTON:** Just as a rent subsidy?

**Ms Berry:** Yes.

**MS CLAY:** Okay. Do we have a costing for that?

**Ms Berry:** No, because we do not know how many dwellings there will be.

**Mr Miners:** The exact details are still under negotiation.

**MS CLAY:** Is that the funding from the affordable housing—

**Mr Miners:** That will come out of the project fund, yes.

**MS CLAY:** Okay. Thank you.

**Mr Holt:** Can I just correct something? It is 15 years, not 10 years.

**Ms Berry:** Is it? Sorry; I thought it was 10.

**Ms Holt:** Yes. I have just had a note that it is 15 years.

**THE CHAIR:** Mr Parton, do you have a substantive question?

**MR PARTON:** I have got that many of them, Ms Lawder, I do not know where to go.

**Ms Berry:** You always say that, Mark, and then we never get them.

**MR PARTON:** You will get them on notice; don't worry. I am on page 54: changes to appropriation. Can somebody please explain to me what the \$390,000 transferred from Housing ACT to the Health Directorate is for?

**Ms Berry:** Sorry; which book are you looking at?

**MR PARTON:** This is budget statements G. I am on page 54 and budget technical adjustments. There is a funding transfer from Housing ACT to the Health Directorate, which, if you add all the numbers up, is around \$390,000. Ms Callaghan, you are here to save the day again.

**Ms Callaghan:** That is for the hoarding support service. That is a program run through ACT Health. I do not have the exact detail of the service, but it is a hoarding support service. Housing ACT, as one of the agencies that utilise that service, is required to provide a contribution. In a previous budget, the appropriation was given to Housing ACT and then we had to be invoiced by Health and pay them. We tried to transfer the appropriation to reduce some of the administration, given that all the funding ultimately ended up with Health.

**MR PARTON:** All right. You managed to sort out things quickly, Ms Callaghan.

**THE CHAIR:** I am going to return to the relationship between SLA and Riverview and I am going to go back a bit, just to set the context. There was a *Canberra Times* article published in 2018 which said:

The ACT government has paid its joint venture partner in the massive cross-border Ginninderry development more than \$12 million in project management fees since June 2015, under a contract that appears not to comply with the government's procurement rules.

Questions on notice show that the total fees paid by the joint venture for development, marketing and sales are around \$27.5 million, but there is no record on the invoice register for payments to Riverview Sales and Marketing Pty Ltd. My question is: why was this extra contract being kept under wraps? Can you confirm the total amount SLA has paid to Riverview as part of this contract?

**Mr Davey:** I will not be able to do that today; I am sorry. I will have to take that on notice.

**THE CHAIR:** You will take that on notice? Thank you. The ACT government also bought land in the ACT from Riverview at a reported \$4.5 million. Can you provide what valuations the government received to make sure that this was a fair offer?

**Ms Berry:** We will take that on notice as well.

**Mr Davey:** Yes, I will take that on notice. Broadly speaking, we always get at least two independent valuations, to ensure that we are paying the right market price or selling—

**THE CHAIR:** You will provide those valuations?

**Mr Davey:** I will take it on notice.

**THE CHAIR:** Are Riverview required to make a contribution to cover 40 per cent of their own sale? How does the sale work, given that split between the SLA?

**Mr Gordon:** Could you repeat that question, please?

**THE CHAIR:** Are they required to make a contribution to cover 40 per cent of their own sale? How does it work?

**Mr Gordon:** Forty per cent of their own sale of their land or 40 per cent—

**THE CHAIR:** The sale in that case, given the split of 60-40.

**Mr Gordon:** Are we talking about the sales proceeds?

**THE CHAIR:** Yes. The government bought land in the ACT from Riverview at a reported \$4.5 million. I have asked about the valuation. Say the valuation was \$4.5 million; what was that agreement? Did Riverview not have to contribute 40 per cent under the agreement with the SLA? I am trying to understand how this would work.

**Mr Gordon:** With the way that the 40 per cent is calculated, it is on what the development return would be for each party's contribution into the joint venture.

**THE CHAIR:** But not on the sale of the land itself?

**Mr Gordon:** No. That was returned back to the territory as part of the original agreement.

**THE CHAIR:** In the same *Canberra Times* article from 2018 it states that Corkhill Brothers stood to make \$12 million on top of the estimated \$139 million as part of this joint venture. This was based on a previous article, which stated:

Documents released under freedom of information laws show the joint venture is valued at ... \$1.6 billion, with the ACT government to make ... \$208 million ... Riverview stands to make \$139 million.

What is the update on those figures now, given that housing prices and land value have significantly increased?

**Ms Berry:** We will have to take that one on notice.

**THE CHAIR:** Thank you. There are several contracts with Riverview that seem to relate to Ginninderry that have no published value. Can you confirm the total amount that has been paid so far by the SLA to Corkhill Brothers and their subsidiaries?

**Mr Davey:** We will take it on notice.

**Ms Berry:** Ms Lawder, the questions you are asking are from 2018. I have some recollections, not of all of those questions that you have asked, but of some of them. There might be a genuine misunderstanding of how this joint venture operates.

**THE CHAIR:** That is why I asked, so that you can explain.

**Ms Berry:** Absolutely, and I understand that. The joint venture is not a 40-60 joint venture; it is a 60 per cent funding partner and 40 per cent development partner project. I feel that there have been responses to questions on notice previously through estimates hearings on some of these complications. With the *Canberra Times* article, it goes back such a long time that I just cannot recall the detail. I am happy to take all of those on notice. As I said, there are people in the room who are very new, and it is a while ago now. I just cannot remember the detail. You can go through them all now, if you like, or you can just send them to us.

**THE CHAIR:** I only have two more.

**Ms Berry:** Knock yourself out.

**THE CHAIR:** Can you let the committee know how many conflict of interest declarations have been made in relation to this joint venture and whether they were actual, perceived or potential conflicts identified through these declarations?

**Ms Berry:** By whom?

**THE CHAIR:** Anyone relating to this joint venture.

**Mr Davey:** Over the entire period?

**THE CHAIR:** Yes.

**Mr Davey:** We will take that on notice.

**THE CHAIR:** Can you confirm whether there are any aspects of the joint venture that have been or are under investigation for fraud, corruption or misconduct by the PSSC, Integrity Commissioner or any other internal or external body?

**Mr Davey:** I am not aware of any.

**Ms Berry:** There would be a bunch of those that we would not know about, if they were doing them, anyway.

**MISS NUTTALL:** In answer to question on notice 2050, you provided revenue and costs of the west Belconnen joint venture attributable to the ACT government. Does that include all costs associated with the joint venture, including schools, roads, utilities et cetera?

**Ms Berry:** I would have to take that on notice because some of the costs would not be a cost for the SLA or Ginninderry; it might be through another directorate. It might be so complicated that we cannot break it down for you, but we will do our best.

**MISS NUTTALL:** That is very kind; thank you. Could you also provide what is included and excluded in the costs associated with the west Belconnen joint venture?

**Ms Berry:** We will do our best.

**MS CLAY:** The YWCA, on community day—and this has come up a few times—raised concerns about the lack of differentiation between social, affordable and public housing in the budget papers. We often have the same lack of differentiation in our notifiable targets and our policy targets. There is a bit of a risk that we are conflating different types of housing, one with the other. How are we making sure that we are reporting on public housing, community housing and affordable housing separately? Are we distinguishing between those really clearly in our budget papers?

**Ms Berry:** I think we are. That is a national definition that is used by everybody. I know that the YWCA would prefer that there was a more nuanced description, particularly for social housing, for example, which Housing ACT provides, but it is also provided by organisations like the YWCA. We can look at breaking it down. Too many descriptors can sometimes complicate things more than we would want to do. That is why those three descriptors are used. As I said, they are used across the country, not just here in the ACT.

**MS CLAY:** Throughout the budget, we are reporting separately on those three categories?

**Ms Berry:** Yes. The ILRP distinguishes between the differences in all of them.

**MR PARTON:** On the topic of repairs and maintenance, of the \$51 million that is allocated over four years to investing in repairs and maintenance—this is in table 42—can I ask: how much of this is for responsive repairs and how much is for planned work? This one always fascinates us.

**Ms Borwick:** We have about a 70-30 split between planned and responsive works, with the 70 per cent being for the responsive works.

**MR PARTON:** Given the increasing number of repairs and maintenance required on properties, is there a threshold limit per property before it is decided that the property will not be upgraded? How does that work?

**Ms Borwick:** First of all, I am not sure I would agree with the statement around it increasing. We have about 50,000 work orders a year. It has been pretty stable for what we are doing. What was the second part of the question?

**MR PARTON:** Is there a threshold limit per property before it is decided that the property will not be upgraded? If a property is deemed unsuitable for further upgrades due to cost, what is the process? How do we arrive at that conclusion?

**Ms Valler:** The 70-30 split is the other way round, but it is a 70-30 split. If something is beyond economic repair—

**MR PARTON:** How do we arrive at the conclusion that we are going to draw a line in the sand, choof this one off and be done with it? How do we arrive at the conclusion that a property is unsuitable for further upgrades due to cost?

**Ms Valler:** When there are elements in the property that are past their end-of-life.

**MR PARTON:** Okay.

**Ms Berry:** That could be different for every property, and there could be reasons why a property might not be repaired; there might be a decision to sell that property. It might be in an area where we want to change the density of public housing and move density to another area. It would depend on the circumstances within that individual property.

We are, as you know, going through the growth and renewal program so that we can change the age demographic of our homes. We have had some of the oldest public housing property in the country. By doing our renewal program, we will have renewed 20 per cent of our public housing properties at the end of the program. That will mean that there are 20 per cent newer, more sustainable and easier to maintain properties than we had previously.

**Mr Miners:** Chair, could I correct a statement I made which may have been



misleading? I will be very quick.

**THE CHAIR:** Sure.

**Mr Miners:** We were talking about the Turner build-to-rent. The price that was paid was for the land. All the rental subsidies were worked out through a separate rental subsidy deed and the funding of that is not actually coming from the project fund, it is actually a separate bucket of funding. The funding you can see for Turner in the project fund is actually the PCYC CHC proposal that is being done in Turner as well, so it is a separate proposal to this one we have been talking about today.

**MS CLAY:** Thank you, Mr Miners. We might lodge a question on notice to get a little detail, but that will be fine.

**THE CHAIR:** On behalf of the committee, I would like to thank all of our witnesses today. With the questions you have taken on notice, please provide your answers to the committee secretary within three business days of receiving the uncorrected proof *Hansard*.

I would like to thank all of the witnesses who attended throughout the day today and who have assisted the committee with their experience and knowledge. I thank broadcasting and Hansard for their support. If a member wants to place questions on notice, please upload them to the parliament portal as soon as practicable and no later than three business days after this hearing. The meeting is now adjourned.

**The committee adjourned at 5.30 pm.**