

TREASURER'S PORTFOLIO
2016-17 Annual Report Hearings

Monday, 6 November 2017 and Friday, 10 November 2017

Brief Number	Brief Title
Output 4.1 Economic Management	
1.	Tax Reform Stage 2
2.	ICRC Restructure
3.	ICRC – Water and Sewerage Pricing Investigation
4.	Electricity Pricing
5.	General ICRC Issues
6.	Asset Recycling Initiative
7.	Streetlight Outcome of Procurement Process
8.	Icon Water Developer Contributions Code
9.	General Rates and Land Tax – Change of Calculation method for units
10.	Land Tax changes to treatment of residential properties (non principal place of residence)
11.	Combined Utility Concession
12.	IGA on Competition and Productivity – Enhancing Reforms
13.	Compulsory Third-Party (CTP) Insurance Scheme – deliberative democracy process
Output 4.2 Financial Management	
14.	Act of Grace Procedures
15.	Asbestos Response – Financial Impacts
16.	2016-17 ACT Government Capital Works Program
17.	Budget Consultation
18.	Government Budget Management System including contracts
19.	Expenditure Review - Accountability Indicators

Out of scope

Output 8.1 Procurement and Capital Works	
39.	ACT Government MOU with Unions ACT
40.	IRE Strategy and review
41.	SMI in administration
42.	Insolvency and Liquidation
43.	Safety in ACT Government construction
44.	P-MARS
45.	Aluminium Composite Panels
46.	The Capital Framework – First Post Implementation Review
47.	Total Facilities Management (TFM)
48.	Smart Modern Strategic Program (SMS)
49.	Whole of Government (WhoG) Contracts
50.	Unsolicited Bids

Output 8.7 ACT Property Group		3
51.	Renewable Energy	
52.	Community Vacancy Rate	
53.	Government Office Occupancy Rate	
54.	2016-2017 Capital Upgrades Program	
55.	Electrical Switchboards in ACT Government Buildings	
56.	Progress on Property Centralisation – Single Service Model	
57.	Albert Hall Management Plan	
58.	Stromlo Leisure Centre Project Progress	
59.	Pool Charges Proposed and Community Consultation	
Output 9.5 Venues		
60.	Statement of Performance – Venues Canberra	
61.	Statement of Performance – Customer Satisfaction at National Arboretum Canberra	
62.	Media and Broadcast Centre	
63.	Commercial shuttle bus service	
64.	Relocation of Westside structure/commercial businesses	
65.	Annual visitation – increases in camping and events	
66.	Canberra Tourist Park – stage one operational for schools and group accommodation	
67.	Visitor numbers and functions and events	
68.	Forest health	
69.	Financial position of Royal National Capital Agricultural Society	
70.	One off appropriation amount to strengthen the commercial basis of Venues Canberra	
71.	Fatal accident at Summernats Festival 2017	
Output 9.9 Government Office Project		
72.	Government Offices Project – Civic and Dickson	

Out of scope

Out of scope

TREASURER ANNUAL REPORT HEARINGS 2016-17

ISSUE: TAX REFORM STAGE 2

Talking Points

- Stage 2 builds on the reforms from Stage 1 and continues the move towards a fairer and more sustainable tax system. Key measures include:
 - Abolishing commercial conveyance duty for transactions below \$1.5 million over two years from 1 July 2017. This will mean 70 per cent of all commercial transactions paying no duty at all.
 - Residential conveyance duty will continue to decline over time.
 - Changing how general rates are calculated for units to provide greater equity between houses and units with similar market values.
 - Despite this change units still pay significantly lower rates compared to houses, while generally having access to the same level of ACT Government services.

Key Points and Statistics

- Avg. Rates in 2017-18 for Houses: \$2,295, Units: \$1,352.
- Avg. increase in Rates 2016-17 to 2017-18 for Houses: \$159 (7 per cent), Units: \$217 (19 per cent).
- By the end of Stage 2 (2020-21), a residential property valued at \$500,000 will save \$10,500 in conveyance duty or 51 per cent compared to before the reform.
- ACT now has the lowest conveyance duty for most residential properties, except Queensland that has a lower rate for owner occupier properties.

Background Information

- The Government commenced a 20 year program of tax reform in 2012-13. The first stage reforms were completed in 2016-17. Stage 2 commenced in 2017-18.
- During stage 1, the Government significantly reduced the Territory's reliance on inefficient and volatile transaction taxes, such as conveyance and insurance duties that hinder economic activity.
 - Commercial Land Tax was abolished in 2012, and Insurance Duties were abolished from 1 July 2016.
 - Residential conveyance rates declined significantly.
- These reforms have been broadly revenue neutral with an incremental increase in the general rates revenue offsetting losses in conveyance revenue.

TREASURER ANNUAL REPORT HEARINGS 2016-17

ISSUE: ICRC RESTRUCTURE

Talking Points

- The Government is currently considering some adjustments to the operational model for the Independent Competition and Regulatory Commission (ICRC).
- These changes will enable greater flexibility and economies of scale, while retaining the Commissioner's independence.

Key Points and Statistics

- On 9 June 2016, the Independent Competition and Regulatory Commission Amendment Bill 2016 (the Bill) was passed by the Legislative Assembly, with all legislative provisions effective from 1 July 2016.
- The Bill made significant changes to the *Independent Competition and Regulatory Commission Act 1997* (ICRC Act), which included:
 - changes to the conceptual framework for determining regulated prices to include an overarching objective of economic efficiency;
 - changes to the review provisions to help improve the review mechanism for price directions;
 - clarifying the process for determining a regulatory period of a price direction and the process for how the ICRC undertakes a pricing investigation; and
 - other minor amendments that were identified as part of the consultation process.
- The changes effected are in line with the Government's Response to the Grant Review.

Background Information

Grant Review

- In November 2014, the Government commissioned Mr Peter Grant PSM to review the water and sewerage pricing framework in the ACT, consistent with the Government's response to the Auditor-General's Performance Audit Report, *The Water and Sewerage Pricing Process, Report No. 2/2014, April 2014*.
- The resulting report from the review was publicly released on 4 June 2015 as the *Pricing of Regulated Water and Sewerage Services: Review of the Regulatory Framework – Final Report – February 2015* (the Grant Review).
- On 29 October 2015, the Treasurer tabled the Government's Response to the Grant Review, which outlined the preferred way to improve the regulatory framework for the provision of regulated pricing services.

TREASURER ANNUAL REPORT HEARINGS 2016-17

ISSUE: ICRC – WATER AND SEWERAGE PRICING INVESTIGATION

Talking Points

- The Independent Competition and Regulatory Commission (ICRC) is currently determining how water and sewerage prices will be set over the next five year regulatory period, which commences on 1 July 2018.
- The Terms of Reference were issued in December 2016, and an Issues Paper released in March 2017
- On 28 September 2017, the ICRC held a community consultation forum and no major concerns were raised.
- The ICRC's draft report, which will show the estimated price path is due to be released by 12 December 2017.
- Following the release of the draft report, the ICRC will conduct a public hearing in early 2018 and release its final report by 1 May 2018.
- The ICRC's final report and price direction will set out the price path for water and sewerage prices in the ACT from 1 July 2018 to 30 June 2023.

Key Points and Statistics

- On 14 June 2017, the ICRC announced the maximum water and sewerage charges for 2017-18 (see table below), effective from 1 July 2017. The ICRC also released a report, describing the price adjustment process undertaken for 2017-18 water and sewerage prices.

	2016-17 Prices (\$)	New prices for 2017-18 (\$)	% change
Water Fixed Charge (per annum)	101.48	104.21	2.69%
Water Tier 1 (0-200 kilolitres)	2.61	2.68	2.68%
Water Tier 2 (200+ kilolitres)	5.24	5.38	2.67%
Fixed Sewerage Charge (per annum)	529.38	537.34	1.5%

Water and Sewerage Prices

- The average water bill for 2017-18 is \$663 which is an increase of around \$17 from 2016-17. This is based on a typical household consuming 200 kilolitres.
- The sewerage charge has increased by around \$8 from 2016-17.
- The Government provides a 50 per cent discount to community organisations such as schools and churches for water and sewerage services.



ICRC Tariff Review

- On 31 March 2017, the ICRC released its final report for the Tariff Review, which outlined its approach toward tariff reform for water and sewerage prices in the next five year regulatory period.
- The Tariff Review draft report had included an option which would significantly increase the fixed water charge and hence increase costs for households regardless of their water use, but this option was not included in the final report.
- The ICRC has addressed a number of key concerns that were raised in the Government's Submission to the Draft Report of the Tariff Review, including the need to balance economic efficiency and environmental and social impacts.
- As a result, the ICRC's preferred approach is to implement tariff reform over time, rather than adopt a new tariff structure.
 - The ICRC will retain the current fixed charge plus two volumetric charges structure for water prices for the foreseeable future, but will consider the potential to gradually rebalance the fixed and volumetric charges in the next regulatory period.

Background Information

Water and Sewerage Pricing Investigation 2018-2023

- The indicative timeline for the price investigation is:

Issues Paper Released	31 March 2017
Submissions on Issues Paper closed	28 April 2017
Icon Water submitted its pricing proposal	1 July 2017
Release of draft report	12 December 2017
Submissions on draft report	February 2018
Public hearing	February 2018
Release of final report and price direction for 2018-23	1 May 2018

- Icon Water's main submission outlines its preferred approach. Key elements of the submission are:
 - average increases in the total water and sewerage bills for households of around 2.3 to 2.4 per cent per annum across the regulatory period;
 - retaining the current inclining block tariff structure for water (fixed charge plus two tiers of usage charges), but introducing some water tariff reforms to increase the economic efficiency of the tariff structure;
 - introducing a greater ability for Icon Water to negotiate individual pricing agreements with very large users, as a mechanism for avoiding uneconomic bypass; and
 - the introduction of a trade waste charging regime which is currently under development.

TREASURER ANNUAL REPORT HEARINGS 2016-17

ISSUE: ELECTRICITY PRICING

Talking Points

- On 7 June 2017, the Independent Competition and Regulatory Commission (ICRC) released its final pricing decision for small electricity customers in the ACT for the 2017-18 financial year.
- The ICRC allowed an 18.95 per cent increase in ActewAGL Retail's regulated retail electricity tariffs from 1 July 2017.
- Despite this increase, ACT consumers will continue to have access to some of the lowest retail electricity prices in Australia.

Key Points and Statistics

- There are five retailers serving small customers in the ACT. ActewAGL Retail holds about 92 per cent of small customer market share.
- In the ACT, electricity prices for small customers are regulated by the ICRC.
 - For 2017-18, ActewAGL Retail customers' annual electricity bill (consuming 8,000 kWh a year), is expected to increase by around 19 per cent to \$2,091.
 - By comparison, Origin Energy customers' annual electricity bill is expected to increase by around 25 per cent to \$2,194 in 2017-18; and Energy Australia customers' annual electricity bill is expected to increase by around 20 per cent to \$2,318.
- Wholesale prices are rising in nearly all states and the ACT is not immune. This is the main driver of the regulated retail prices increase.
 - The ICRC expects the costs of wholesale electricity for ACT and NSW retailers will increase by 50 per cent from 2016-17 to 2017-18. This accounts for 13.26 percentage points of the total 18.95 percentage point increase outlined in the ICRC's final decision.
 - In addition, the lack of a long-term national carbon reduction framework has impacted on investor certainty in the generation sector. This means, modern, low carbon generation sources are not coming on line as originally expected when ageing coal fired generators retire from the national market.
- The ACT Government's longstanding position is that deregulation of retail electricity prices in the ACT will only take place when it is demonstrated to be in the interests of the ACT community. This is unlikely to occur until there is sufficient competition in this sector.
- The ACT's large and small Feed-in Tariff (FiT) schemes contribute around \$3.47 per week to the annual electricity bill of an average Canberra household (consuming an estimated 8,000 kWh of electricity per annum) in 2017-18.

Background Information

Government Assistance

- Eligible households in the ACT can apply for an annual concession of \$604 for 2017-18 to assist with utility bills, including water, gas and electricity.
 - Further information refer to Brief titled: “**11. Combined Utility Concession**”.
- ActewAGL Retail and the ACT Government announced, on 7 June 2017, the establishment of a \$500,000 Energy Support Fund, to which each party will contribute \$250,000. The Energy Support Fund is run by ActewAGL Retail:
 - provides energy vouchers to community groups that provide emergency relief services, for distribution to vulnerable Canberrans to help pay their energy bills; and
 - includes a solar grants program for eligible community organisations, which will help cut energy bills for groups that provide vital community services.
- The Government also offers an Energy Efficiency Improvement Scheme, which can save households around \$5 per week on average, with a particular focus on energy savings in low income priority households.
- The Government provides comprehensive information, tools and programs to assist households and businesses manage their energy costs and usages.
- The Government supported the establishment of an Energy Consumer Advocate, to provide the community with a voice in decision making processes such as the processes ICRC conduct to determine electricity prices.

Electricity Distribution Pricing Decision

- The Australian Energy Regulator’s (AER’s) price determination for electricity distributors’ revenue for the 2014-19 regulatory period was appealed by ActewAGL Distribution to the Australian Competition Tribunal (the Tribunal).
 - The AER decision highlighted a number of operational inefficiencies in ActewAGL Distribution compared to other networks.
 - The Tribunal ruled in favour of ActewAGL on some issues, requiring the AER to remake its determinations relating to the allowable operating expenses, return on debt and value of imputation credits. The AER needs to only reconsider the service target performance incentive scheme, and classification and charges for meeting services within the overall process.
 - The AER applied to the Federal Court for a judicial review of the Tribunal decision and in May 2017, the Federal Court substantially upheld the Tribunal’s prior ruling.
 - At this stage, it is unclear when AER’s will make its new determination, but it is likely to be reflected in its new determination for the next regulatory period that begins on 1 July 2019.
- There is no immediate impact on electricity prices in 2017-18 due to the Federal Court’s decision, but it could result in significant increases in future electricity prices in the ACT.
 - There is also potential for further appeals by the AER to the High Court of Australia.
 - To manage this issue, the AER and ActewAGL Distribution have previously entered into an arrangement to only increase network charges by the Consumer Price Index until this matter is resolved.

TREASURER ANNUAL REPORT HEARINGS 2016-17

ISSUE: GENERAL ICRC ISSUES

Talking Points

- The Independent Competition and Regulatory Commission (ICRC) is currently undertaking two major investigations, which are an investigation into ACT water and sewerage prices from 1 July 2018 and an investigation into Icon Water's proposed Water and Sewerage Capital Contribution Code (draft code).
- The ICRC recently completed its investigation into retail electricity prices for small customers, which resulted in an increase of 18.95 per cent in ActewAGL's regulated retail electricity tariffs from 1 July 2017.
- A recruitment process to appoint a new ICRC Chief Executive Officer (CEO) is currently underway, as the current CEO, Mr Michael Rawstron's term ends on 30 November 2017.

Key Points and Statistics

Water and sewerage

- On 31 March 2017, the ICRC released its Issues Paper on regulated water and sewerage services prices for 2018-2023 and the final report for the Tariff Review.
 - For further information refer to Brief titled "**3. ICRC – Water and Sewerage Pricing Investigation**".

Icon Water's proposed Water and Sewerage Capital Contribution Code

- On 29 September 2017, the ICRC released its draft decision on the draft Water and Sewerage Capital Contribution Code (draft code).
- The draft code proposes a more equitable and transparent charging approach to funding water and sewerage infrastructure augmentation that will be required to enable urban infill than the current 'last man standing' arrangement..
 - For further information refer to Brief titled "**8. Icon Water Developer Contributions Code**".

Background Information

ICRC Responsibilities

- The ICRC is an independent statutory body, which is constituted under the *Independent Competition and Regulatory Commission Act 1997* (the ICRC Act).
- The Commissioner has independent decision making powers and other powers under the ICRC Act and *Utilities Act 2000*.
- The ICRC's key responsibilities include:
 - economic and price regulation for sewerage services, potable (drinking quality) water and electricity retail prices in the ACT;
 - ensuring infrastructure access; and



- competitive neutrality complaints investigations.
 - On 2 May 2016, Mr Joe Dimasi was appointed as a Commissioner of ICRC for a period of five years, and became the Senior Commissioner from 1 June 2016.
 - Currently, there is only one Commissioner, who is the Senior Commissioner.
 - The Government is considering some adjustments to the operational model for the ICRC that will enable greater flexibility and economies of scale, whilst retaining the Commissioner's independence, consistent with its response to the Grant Review – further details at **2. ICRC Restructure brief**.
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Executive Responsible: Nicole Masters, A/g Executive Director, Economic and Financial Group. Ext: 52895

TREASURER ANNUAL REPORT HEARINGS 2016-17

ISSUE: ASSET RECYCLING INITIATIVE

Talking Points

- During 2016-17, the Territory received Asset Recycling Initiative (ARI) incentive payments of \$10.9 million from the Commonwealth.
- To date, the Territory has received approximately \$229 million of the estimated \$543 million, from asset sales (\$206.2 million) and ARI incentive payments (\$22.7 million).

Key Points and Statistics

- Across the four years of the program (2014-15 – 2018-19), the ARI incentive payments are estimated to total \$70.87 million (depending on the final proceeds from the sale of the various assets).
 - The Territory has received \$22.7 million (highlighted in table below) to date from the Commonwealth, with an expectation to receive an additional \$14.39 million in 2017-18, bringing the expected total incentive payments to around \$37.09 million for the period of 2014-15 – 2017-18.
- The table below shows assets for which the ACT has achieved the specific milestone, and the associated incentive payments.

Asset	Milestone One Payment ¹ (\$ million)	Milestone Two Payment ² (\$ million)	Actual sale value (\$ million)
ACTTAB	\$7.9 ³	\$7.9 ⁵	\$105.5
Currong and Allawah Apartment	\$3.5 ⁴	\$3.5 ⁶	\$47
Dickson Motor Registry	\$0.397 ^{4,9}	not settled yet	
Precinct One:	\$3 ⁵		\$40
○ Dickson Flats		\$1 ^{6,7}	
○ Garden Flats and Visitor Centre		not settled yet	
Precinct Two:	\$3.38 ⁶		\$45
○ Owen Flats		\$1.35 ^{6,8}	
○ Lyneham & DeBurgh Flats		not settled yet	
Bega Court	\$2.89 ⁶		\$38.5
Dame Pattie Menzies House	\$1.13 ⁶	\$1.12 ⁶	\$15.03

- Note:**
1. Milestone one payment can occur once an expression of interest for asset, or similar notice of the sale of the asset is publicly released, or asset is sold.
 2. Milestone two payment can occur once the sale is completed and Light Rail – Stage 1 construction has commenced.
 3. This payment was received in 2014-15.
 4. These payments were received in 2015-16.
 5. These payments were received in 2016-17.
 6. These payments are expected in 2017-18.
 7. Dickson Flats was settled in September 2017, while other assets in Precinct One are scheduled to settle in 2018-19.
 8. Owen Flats was settled in June 2017, and settlement for Lyneham & DeBurgh Flats was scheduled in 2018-19.
 9. Dickson Motor Registry was released to sell in March 2016, the first incentive payment was based on the book value.



- Under the terms of the National Partnership Agreement (NPA) for ARI, the scheduled assets must be sold before the end of June 2019.
 - If the Territory does not proceed with an asset sale identified on the schedule or within the timeframe, it will not be entitled to the associated incentive payment.
 - To the extent a first milestone payment has been received, but the asset sale has not been completed, the NPA requires that any initial payments received be repaid.
- This program is on track, noting that the timing of individual sales over the four year period will be determined on a project by project basis with appropriate community engagement and consultation.

Background Information

- The ARI is a Commonwealth program that provides incentive payments to States and Territories to facilitate the unlocking of under-productive assets on their balance sheets and reinvestment of the proceeds of sale in additional infrastructure that would support economic growth and enhance productivity.
 - Alongside the ACT, the NSW and Northern Territory have also participated in this program.
- On 7 February 2015, the Commonwealth Treasurer agreed to the ACT's program for asset recycling – as defined in the NPA, Schedule A. The schedule outlines the assets proposed for sale and the infrastructure project in which the proceeds are to be invested. Under the NPA, the Territory is entitled to receive payments of 15 per cent of the net sale proceeds, in two instalments relating to defined milestones
 - ACT Schedule A was updated in 2016 to include additional assets, and reflects the actual sale proceeds received.
 - The assets listed in the ACT Schedule A includes public housing, government buildings and ACTTAB.
 - The agreed infrastructure project for the ACT is Light Rail – Stage 1. The proceeds of the asset sales and the Commonwealth's incentive payments must be invested into Light Rail – Stage 1.

TREASURER ANNUAL REPORT HEARINGS 2016-17

ISSUE: STREETLIGHTS: STATUS OF PROCUREMENT PROCESS

Talking Points

- Three tenderers from the RFT phase progressed to the final stage of the procurement process - a 12 week detailed study of the network facilities - for the proponents to comprehensively examine the Territory's streetlight network and finalise their offers.
- The detailed facility study concluded in early August 2017, and the final evaluation process is in its final stages.
 - The new contract is expected to commence in late 2017.

Key Points and Statistics

- The ACT Government owns and manages more than 79,000 streetlights, not including streetlights which are located on the Commonwealth land. These streetlights are separately owned and operated by the National Capital Authority.
 - The number of ACT streetlights increases over time, as new roads and suburbs are built.
- These streetlights are the ACT's largest ongoing electricity cost, accounting for 25 per cent of the ACT Government's electricity use and 18 per cent of its total greenhouse gas emissions.
- On 1 July 2017, the amendments made by the Utilities (Streetlight Network) Legislation Amendment Bill 2017 became effective. These legislative changes will help support a competitive procurement process for streetlight services in the Territory and the Territory's preferred approach to the future management of the streetlight network.

Background Information

Streetlight Procurement Process

- In November 2015, the Government invited industry to respond to a Request for Expressions of Interest (REOI) to determine the best way forward for managing and improving the Territory's streetlights.
 - The Government received significant interest from respondents, both from Australia and internationally.
 - All potential financing options submitted under this REOI for the management of streetlight assets were considered.

- Following a detailed and rigorous evaluation process, the Government decided to retain ownership of the streetlight assets, and to undertake a competitive procurement process for the ongoing management and operation of the streetlight network, including the implementation of an accelerated energy efficiency upgrade process.
- Following a request for proposals (RFP – which closed in October 2016), the Government received 14 submissions for a complete management solution for the streetlight network.
 - Subsequent to this initial process, the Government invited formal responses to a Request for Tender (RFT), issued to shortlisted proponents from the RFP phase.
 - Responses to the RFT process were received in early February 2017, and the evaluation process was completed in early April 2017.
- Three tenders from the RFT phase progressed to the final stage of the procurement process – a 12 week detailed study of the network facilities – for the proponents to comprehensively examine the Territory’s streetlight network and finalise their offers.
- The detailed facility study concluded in early August 2017, and the evaluation process is in its final stages.
- As part of the Government’s commitment to making Canberra a more sustainable city and a leading digital city, the completed management contract will expedite energy efficiency upgrades to LED lights and install a flexible smart cities backbone platform across the city.

Utilities (Streetlight Network) Legislation Amendment Bill 2017

- The Utilities (Streetlight Network) Legislation Amendment Bill 2017 amended the following Acts, effective 1 July 2017:
 - *Utilities Act 2000 (the Utilities Act)*; and
 - *Electrical Safety Act 1971 (ES Act)*.
- The amendments made to the legislation increase clarity in relation to the regulatory framework for the streetlight network, for the benefit of Government, industry and the ACT electricity distributor, while continuing to ensure a safe and efficient streetlight network, and also supporting a competitive procurement process for streetlight services in the ACT.
- The Government undertook consultation on the proposed amendments with key external stakeholders, including ActewAGL Distribution (as the ACT’s electricity distributor) and the shortlisted proponents from the current streetlight procurement process.

TREASURER ANNUAL REPORT HEARINGS 2016-17

ISSUE: ICON WATER DEVELOPER CONTRIBUTIONS CODE

Talking Points

- On 30 March 2017, Icon Water submitted a proposal for new arrangements to fund water and sewerage infrastructure upgrades (augmentation) that are required to enable development projects in urban infill (brownfield) sites to the Independent Competition and Regulatory Commission (ICRC).
- The proposed arrangement is that 50 per cent of the infrastructure costs are funded by developers through the introduction of a Capital Contributions Code. Given the increased focus on urban infill in the Territory in coming years, in particular on key corridors such as Northbourne Avenue, the Government considers it timely that consideration is undertaken to ensure an equitable, transparent and accountable funding mechanism is in place for network augmentation requirements arising from brownfield development in Canberra.

Key Points and Statistics

- On 29 September 2017, the ICRC released the *Draft Decision: Water and Sewerage Capital Contribution Code* (the draft decision and draft code) on Icon Water's proposed Water and Sewerage Capital Contribution Code (the draft code).
- The ICRC's draft decision takes into account the six submissions received, including one from the Chief Minister.
 - These comments were provided in his own capacity as a member of the Legislative Assembly and it was not considered as a Government Submission.
- As part of the draft decision, the ICRC's opinion is that a contribution charge of \$1,200 should be levied on a per-Equivalent Population (EP) basis on relevant developments.
 - EP is a standard industry measure of sewerage network flow/impact from development used in calculating capital contributions, which is widely used across Australia. EP is set by the Water Services Association of Australia.
 - The charge will apply to all developments in existing urban areas across the ACT – rather than particular precincts.
 - The code will not apply to greenfield development.
- The ICRC considers the proposed code as a more equitable and transparent charging regime than the current arrangement of 'last man standing' for brownfield developments, which imposes the ultimate cost of an upgrade on a developer who triggers the requirement to augment infrastructure.
- The ICRC found that the potential impact on housing prices in the ACT from the proposed code is not likely to be significant, compared to other development and purchase costs. This is due to the relatively small contribution amount compared to the overall costs of maintaining the water and sewerage network.

- The ICRC is conducting further consultations with any comments on the draft decision and draft code due by 3 November 2017.
- Further consultations on ICRC's draft decision will occur up to 3 November 2017 and the ICRC is also required to consult with Minister Gentleman, as the responsible minister under the *Utilities Act 2000*.

Background Information

- The *Utilities Act 2000* requires utilities codes to be reviewed and approved by the ICRC before they can be implemented. The deadline for initial public submissions to the ICRC in relation to the proposed code was 12 May 2017.
- On 9 May 2017, the Chief Minister wrote to ICRC in his capacity as an MLA, outlining his support for reform principles underlying the proposed code. The letter also outlined:
 - the current 'last man standing' approach as being uncertain and inequitable;
 - that Icon Water's proposed approach appears more equitable and would provide greater transparency and accountability in relation to these augmentation costs in the Territory;
 - the clear distinction between Icon Water's proposal and the Lease Variation Charge; and
 - concerns around housing affordability and the Government's strategy already in place on this matter (Affordable Housing Strategy), while noting costs are already being passed through under the current arrangements (last man standing).

TREASURER ANNUAL REPORT HEARINGS 2016-17

ISSUE: GENERAL RATES AND LAND TAX – CHANGE OF CALCULATION METHOD FOR UNITS

Talking Points

- Changes to how general rates and land tax for units are calculated commenced from 1 July 2017 and were announced in the 2016-17 Budget.
- Under the new method, rating factors will be applied to the unimproved value of the entire block and then apportioned according to individual unit entitlements.
 - Previously, the rating factor was applied only to the unimproved value of the unit, which meant that the lowest rating factor usually applied, and units with higher market values than a house were paying substantially lower rates and land tax.
- While owners of both houses and units generally have access to the same level of ACT Government services, units still pay significantly lower rates and land tax compared to houses despite this change.
 - The new methodology for general rates will be phased in over two years. Unit owners will receive a \$100 rebate in 2017-18, which will not be available in 2018-19.
- The new methodology does not apply to commercial rates.

Key Points and Statistics

- Avg. increase in Rates 2016-17 to 2017-18 for **Houses: \$159 (7 per cent), Units: \$217 (19 per cent)**.
- Avg. Rates in 2017-18 for **Houses: \$2,295, Units: \$1,352**.
- Avg. increase in Land Tax for **Houses: \$140 (4 per cent), Units: \$642 (41 per cent)**.
- Avg. Land Tax in 2017-18 for **Houses: \$3,715, Units: \$2,227**.
- In 2016-17, general rates for units were on average half that of houses. After the change, rates for units in 2017-18 are still only 60 per cent that of houses.
- Houses still pay on average 40 per cent more than units. This is true for land tax as well.
- 72 per cent of unit owners pay rates below \$1,500 per annum, whereas only 5 per cent of house owners pay below this amount.

Background Information

- Houses typically have higher rates and land tax liabilities than units, despite similar market values. The new methodology helps achieve greater equity.

TREASURER ANNUAL REPORT HEARINGS 2016-17

ISSUE: LAND TAX CHANGES TO TREATMENT OF RESIDENTIAL PROPERTIES (NON-PRINCIPAL PLACE OF RESIDENCE)

Talking Points

- From 1 July 2018, land tax will be extended to all residential dwellings that are not the owner's principal place of residence, whether they are rented or not.
 - Currently, land tax is only charged on residential properties that are rented or owned by a company or a trust.
- This initiative will encourage property investors to make their properties available for renting and increase the supply of properties available for rent.

Key Points and Statistics

- The initiative is estimated to raise \$2 million each year from 2018-19.
- The definition of principal place of residence for this initiative will be determined over the coming months as legislation to amend the *Land Tax Act 2004* is developed.
 - The focus will be on keeping it simple to understand and administer.
- Treasury estimated the number of vacant properties by identifying properties with unusually low electricity and water use. This analysis identified around 1.5% of properties (around 2,500 dwellings) were likely to be vacant over a 12 month period. This is similar to the approach taken by the Victorian Government to identify possible vacant properties in parts of Melbourne.
- Land tax rates have increased from 1 July 2017 as set out in [Attachment A](#). The average increase for units, around 40 per cent, is larger than for houses, around 4 per cent, due to the change in calculation methodology for units.

Background Information

- All other Australian jurisdictions (except for the NT which does not levy land tax) impose land tax on residential properties that are not the owner's principal place of residence, including properties that are vacant.
- However, all other jurisdictions have a tax free threshold that means many property owners who own one or two investment properties are exempt.
 - From January 2018, Victoria will also tax the capital improved value of vacant residential property at one per cent (in addition to any land tax liabilities).

Attachment A - Table 1: Estimated average increase from 2016-17 to 2017-18 in land taxes by suburb and dwelling type

Suburb	Houses				Units			
	Total Number	Proportion of total houses (%)	Increase (\$)	Increase (%)	Total Number	Proportion of total units (%)	Increase (\$)	Increase (%)
INNER NORTH								
AINSLIE	270	16.82%	\$20	0.30%	60	24.49%	\$944	29.90%
BRADDON	95	38.78%	\$155	2.40%	1880	67.38%	\$608	40.80%
CAMPBELL	150	15.15%	\$178	2.70%	240	64.86%	\$843	48.10%
CITY					1395	77.29%	\$423	32.10%
DICKSON	185	28.46%	\$286	5.70%	255	75.00%	\$715	43.50%
DOWNER	300	23.44%	\$65	1.30%	95	57.58%	\$798	42.90%
HACKETT	125	12.50%	\$230	4.90%	110	55.00%	\$853	49.60%
LYNEHAM	170	18.78%	\$283	6.50%	925	63.36%	\$601	40.60%
O'CONNOR	330	20.31%	\$40	0.70%	315	48.46%	\$791	41.60%
REID	40	13.33%	-\$81	-1.00%	245	63.64%	\$715	43.10%
TURNER	90	28.57%	\$167	2.10%	1030	63.38%	\$703	43.70%
WATSON	310	20.95%	\$198	5.50%	525	52.76%	\$537	36.50%
INNER SOUTH								
BARTON	10	16.67%	-\$178	-1.70%	525	57.69%	\$847	49.60%
DEAKIN	160	16.75%	-\$106	-1.40%	140	51.85%	\$741	38.40%
FORREST	30	10.00%	-\$844	-5.40%	250	50.00%	\$819	36.50%
GRIFFITH	110	12.50%	-\$165	-1.90%	1050	64.02%	\$776	46.30%
KINGSTON	40	22.86%	-\$22	-0.30%	1805	64.93%	\$771	47.10%
NARRABUNDAH	340	18.84%	\$47	0.90%	340	53.54%	\$779	45.90%
RED HILL	120	14.29%	-\$101	-1.20%	95	47.50%	\$930	33.90%
YARRALUMLA	125	12.95%	-\$51	-0.60%	145	36.25%	\$973	30.10%
WODEN DISTRICT								
CHIFLEY	145	20.14%	\$62	1.40%	190	48.10%	\$872	48.50%
CURTIN	275	15.03%	\$62	1.20%	190	61.29%	\$774	45.90%
FARRER	115	10.95%	\$150	3.70%	60	46.15%	\$900	46.30%
GARRAN	115	14.20%	-\$192	-3.30%	215	51.81%	\$628	38.90%
HUGHES	125	13.16%	\$67	1.40%	90	51.43%	\$749	44.90%
ISAACS	105	14.09%	-\$21	-0.50%	65	25.49%	\$1,191	53.70%
LYONS	135	19.15%	\$45	1.00%	370	65.49%	\$680	42.80%
MAWSON	130	19.55%	\$61	1.40%	340	43.87%	\$823	49.70%
O'MALLEY	75	24.59%	-\$354	-4.30%	30	26.09%	\$1,375	37.70%
PEARCE	95	13.57%	-\$38	-0.80%	115	33.33%	\$905	49.40%
PHILLIP	50	32.26%	\$216	8.20%	835	60.07%	\$677	43.30%
TORRENS	100	12.82%	\$98	2.40%	40	47.06%	\$875	48.70%
WESTON DISTRICT								
CHAPMAN	70	7.41%	\$66	1.50%				

Suburb	Houses				Units			
	Total Number	Proportion of total houses (%)	Increase (\$)	Increase (%)	Total Number	Proportion of total units (%)	Increase (\$)	Increase (%)
DUFFY	115	10.31%	\$60	1.60%	50	32.26%	\$810	46.80%
FISHER	130	12.50%	\$60	1.70%	20	11.76%	\$679	34.70%
HOLDER	105	11.41%	\$102	2.90%	75	40.54%	\$905	51.80%
RIVETT	150	12.66%	\$127	3.90%	20	25.00%	\$850	48.00%
STIRLING	65	9.92%	\$61	1.70%	60	54.55%	\$780	47.80%
WARAMANGA	120	13.71%	\$94	2.70%	50	38.46%	\$739	42.40%
WESTON	185	15.61%	\$103	2.90%	60	30.00%	\$822	49.00%
BELCONNEN DISTRICT								
ARANDA	105	12.65%	\$23	0.40%	20	25.00%	\$876	39.40%
BELCONNEN	115	31.94%	\$118	4.60%	1880	67.38%	\$443	32.20%
BRUCE	180	30.51%	\$132	3.60%	1295	61.67%	\$535	36.70%
CHARNWOOD	135	12.11%	\$174	7.60%	45	37.50%	\$666	43.30%
COOK	105	12.96%	\$148	3.80%	120	27.27%	\$1,003	53.30%
DUNLOP	320	13.53%	\$168	7.50%	40	26.67%	\$571	35.30%
EVATT	240	12.44%	\$215	8.10%	50	52.63%	\$599	37.70%
FLOREY	230	14.51%	\$151	5.30%	165	52.38%	\$873	49.60%
FLYNN	130	10.70%	\$213	7.70%	10	33.33%	\$621	33.30%
FRASER	45	6.34%	\$180	6.50%				
GIRALANG	165	14.29%	\$247	8.30%	35	38.89%	\$896	49.40%
HAWKER	60	8.22%	\$135	3.50%	170	44.74%	\$841	49.10%
HIGGINS	125	11.11%	\$127	4.30%	15	33.33%	\$682	35.80%
HOLT	180	12.50%	\$151	6.10%	200	33.33%	\$523	36.60%
KALEEN	415	16.31%	\$177	5.30%	65	48.15%	\$664	40.90%
LATHAM	155	11.65%	\$181	7.00%	40	44.44%	\$627	38.10%
MACGREGOR	370	15.42%	\$199	9.20%	70	33.33%	\$726	44.90%
MACQUARIE	150	18.87%	\$113	2.90%	175	56.45%	\$588	36.60%
MCKELLAR	105	10.99%	\$156	5.10%	15	27.27%	\$980	52.20%
MELBA	110	10.23%	\$208	7.60%	50	34.48%	\$743	43.00%
PAGE	190	24.20%	\$163	5.00%	125	34.25%	\$806	44.80%
SCULLIN	160	17.49%	\$129	4.50%	110	53.66%	\$777	45.20%
SPENCE	95	10.50%	\$163	6.20%	15	37.50%	\$604	34.50%
WEETANGERA	90	10.71%	\$167	3.90%	40	36.36%	\$846	41.20%
TUGGERANONG DISTRICT								
BANKS	195	12.96%	\$138	5.60%	80	24.24%	\$730	41.40%
BONYTHON	115	13.69%	\$200	7.40%	240	39.34%	\$752	45.00%
CALWELL	220	12.32%	\$167	6.10%	110	34.38%	\$688	43.70%
CHISHOLM	185	10.14%	\$172	6.20%	15	23.08%	\$923	52.10%
CONDER	165	11.26%	\$193	7.60%	70	25.93%	\$603	36.90%
FADDEN	75	7.18%	\$181	5.30%				
GILMORE	95	10.38%	\$193	6.80%	45	64.29%	\$720	41.10%
GORDON	265	12.38%	\$205	8.20%	215	30.94%	\$602	38.40%
GOWRIE	95	8.68%	\$237	8.70%	10	22.22%	\$865	43.80%

Suburb	Houses				Units			
	Total Number	Proportion of total houses (%)	Increase (\$)	Increase (%)	Total Number	Proportion of total units (%)	Increase (\$)	Increase (%)
GREENWAY	35	31.82%	\$293	11.60%	460	50.55%	\$550	37.10%
ISABELLA PLAINS	160	13.62%	\$209	8.10%	150	38.46%	\$716	45.20%
KAMBAH	565	10.66%	\$236	8.50%	200	34.78%	\$792	47.20%
MACARTHUR	45	9.28%	\$212	7.20%				
MONASH	180	11.92%	\$194	6.80%	165	37.50%	\$743	45.10%
OXLEY	40	7.55%	\$212	7.10%	35	30.43%	\$945	54.40%
RICHARDSON	120	10.76%	\$224	8.80%	15	30.00%	\$565	35.30%
THEODORE	120	10.13%	\$195	7.80%	50	25.64%	\$725	45.10%
WANNIASSA	265	9.89%	\$58	1.90%	90	40.00%	\$783	44.10%
GUNGAHLIN - HALL DISTRICT								
AMAROO	315	19.44%	\$181	6.80%	105	35.00%	\$840	46.20%
BONNER	425	20.68%	\$235	11.70%	85	54.84%	\$586	39.40%
CASEY	385	20.98%	\$213	9.40%	175	42.17%	\$432	29.50%
CRACE	395	27.15%	\$208	9.10%	95	48.72%	\$380	28.50%
FORDE	215	17.70%	\$276	11.00%	100	42.55%	\$590	36.20%
FRANKLIN	390	28.36%	\$195	7.50%	620	58.49%	\$283	22.70%
GUNGAHLIN	575	40.07%	\$176	7.00%	410	66.13%	\$451	31.50%
HARRISON	565	32.94%	\$193	7.50%	580	52.02%	\$281	21.80%
JACKA	15	13.64%	\$205	9.40%	15	11.54%	\$470	34.00%
NGUNNAWAL	685	20.09%	\$159	6.90%	290	40.28%	\$641	40.60%
NICHOLLS	205	10.76%	\$277	9.80%	130	28.57%	\$941	51.00%
PALMERSTON	255	17.65%	\$175	7.10%	280	41.79%	\$1,003	51.80%
MOLONGLO								
COOMBS	50	8.00%	\$165	6.10%	60	32.43%	\$592	40.90%
WRIGHT	60	11.54%	\$63	1.70%	240	29.27%	\$332	26.20%
JERRABOMBERRA								
OAKS ESTATE	10	15.38%	\$143	6.00%	20	66.67%	\$270	21.50%

TREASURER ANNUAL REPORT HEARINGS 2016-17

ISSUE: COMBINED UTILITY CONCESSION

Talking Points

- Up until 2016, pensioners in private rental accommodation were receiving less concession support to pay utility bills than homeowners.
- From 1 July 2017, the Combined Utility Concession is a single payment providing the same level of support (\$604 a year) to both homeowners and renters.

Key Points and Statistics

- From 1 July 2017, the energy and utility concession and the water and sewerage rebate have been combined into a single Utilities Concession of \$604 per year.
 - The combined Utilities Concession replaces the previously separate energy and utility concession (up to \$426.46), and the water and sewerage rebate (up to \$424.59).
 - All eligible recipients will have the \$604 annual concession applied to their quarterly electricity bill.
 - This change does not affect life support rebates.
- Eligible applicants must be the primary holder of one of the following cards:
 - Centrelink Pensioner Concession Card;
 - Centrelink Low Income Health Care Card; or
 - Veteran's Affairs Pensioner Concession Card, and DVA Gold Cards.

Background Information

- Under the combined concession, homeowners are worse off (around 16,000 households) and renters are better off (around 15,000 households).
- The impact of the concession changes on a renting household and an owner-occupied household are shown in the table below. These include the impacts of large increases in gas and electricity prices for 2017-18.

Household	Utilities concessions 2016-17	Proportion of utilities bills 2016-17	Utilities Concession 2017-18	Proportion of utilities bills 2017-18
Renting	\$426	13%	\$604	16%
House owner	\$851	20%	\$604	12%

Note: Calculations are based on 8,000 kWh/year electricity consumption and 43 GJ/year gas consumption for both households. The house owner is assumed to use 200 kl/year of water and also pay for sewerage services. Renters do not pay for water consumption.

TREASURER ANNUAL REPORT HEARINGS 2016-17

ISSUE: BILATERAL AGREEMENT ON SMALL BUSINESS REGULATORY REFORM

Talking Points

- The Commonwealth Treasurer has proposed a bilateral agreement on small business regulatory reform with each jurisdiction in 2017-18, which is separate to the *Intergovernmental Agreement on Competition and Productivity – Enhancing Reforms* (the IGA).
- Jurisdictions would be able to access their equal-per-capital (EPC) share of \$300 million provided by the Commonwealth for these bilateral agreements.
- ACT's EPC share for any bilateral agreement made is \$4.8 million.
- The ACT is currently working with the Commonwealth towards developing a bilateral agreement consistent with the IGA.

Key Points and Statistics

- In August 2017, the Commonwealth Treasurer offered to progress a bilateral agreement on small business regulatory reform with each jurisdiction in 2017-18. This ensures all jurisdictions are able to access their EPC share of the \$300 million provided for in the 2017-18 Commonwealth Budget.
 - Each jurisdiction will receive its EPC share once they propose and implement net additional and sufficiently ambitious regulatory reforms that help small business.
 - Unallocated EPC shares will go into a pool for competitive bids by other jurisdictions from 1 June 2018.

Background Information

- The IGA establishes a high level overarching agreement that confirms that participating jurisdictions support the objectives of the competition reform program.
- The IGA is supplemented by National Partnership Agreements (NPA) for each of four priority reform areas, with each NPA supported by jurisdictional specific schedules (JSSs).

TREASURER ANNUAL REPORT HEARINGS 2016-17

ISSUE: COMPULSORY THIRD PARTY (CTP) INSURANCE SCHEME – DELIBERATIVE DEMOCRACY PROCESS

Talking Points

- The ACT is piloting a deliberative democracy process. A citizens' jury has decided on objectives to improve the CTP scheme to balance the interests of all road users. The Government set some parameters on what the jury could consider, including that the scheme must remain compulsory, community rated and the premium cannot increase.
- The six objectives specified by the jury are:
 1. early access to medical treatment, economic support and rehabilitation services;
 2. equitable cover for all people injured in a motor vehicle accident;
 3. a value for money and efficient system;
 4. promote broader knowledge of the scheme and safer driver practices;
 5. implement a support system to better navigate the claims process; and
 6. a system that strengthens integrity and reduces fraudulent behaviour.
- The objectives determined by the jury have now been put to a Stakeholder Reference Group. The Stakeholder Reference Group is made up of people from organisations with expertise or special interest in CTP. The group consists of two government representatives, two representatives of the legal profession, two insurer representatives, a rehabilitation researcher, a health consumer advocate, an actuary and a scheme design expert. The Reference Group will develop a number of potential models which meet the jury's objectives.
- The jury will then come together again in March 2018 and assess which of the models best meets the identified objectives. The government will pursue the model the jury prefers.

Key Points and Statistics

- Consultation opened at <https://yoursay.act.gov.au/ctp> on 22 August 2017 and closed on 29 September 2017. We received around 1,435 pieces of feedback, including 725 survey responses, 328 people told us their CTP priorities, 263 online quiz responses and 119 comments and submissions. This information was presented to the jury, and the jury received copies of the feedback.
- The citizens' jury met on 14-15 October 2017 and 28-29 October 2017. On the first weekend, 49 jurors attended and 48 jurors attended on the second weekend.



- On the first weekend the jury learnt about CTP from the scheme design expert, legal academic, representative of the CTP Regulator and representatives of the legal profession and insurers, and received the feedback from the community consultation.
- On the second weekend the jury considered further evidence. A total of 16 witnesses presented to the jury as well as six people injured in a motor vehicle accident. The jury then developed objectives for a CTP scheme for the Stakeholder Reference Group to develop into models.
- The public were able to request to be observers at each of the jury meetings. On the first weekend there were an approximate total of nine observers across the two days. On the second weekend there were an approximate total of six observers on the Saturday and no observers on the Sunday.

Background Information

Jury Selection

- The Government has brought in expert consultants in deliberative democracy to run the citizens' jury process and they were responsible for recruiting the jury to ensure it happened at arms' length from government.
- Invitations to participate in the CTP citizens' jury were mailed to 6,000 randomly selected households using Australia Post's database. A further 1,500 individuals were randomly selected from the Vote Compass database to receive online invitations. A total of 117 responses were received.
- A group of around 50 jurors were chosen from those who responded, with the selection and stratification managed by the jury facilitators, democracyCo. This process has ensured the jury is made up a mix of people according to criteria such as age, gender and location that broadly corresponds with the demographics of the ACT population.

Restrictions on who can sit on the jury

- It is important that the jury's deliberations are balanced and not unfairly influenced in any direction by people with a particular stake in the CTP scheme. For this reason, people who receive an income from the CTP system, such as a personal injury lawyer, a CTP insurance company employee or a person who works for government in personal injury compensation, or anyone in their households, were not eligible to be on the jury.
- These professions are represented within the Stakeholder Reference Group, which includes representatives of the ACT Law Society, the ACT Bar Association and insurance companies. The legal and insurance members of the SRG had the opportunity to discuss their perspectives with the jury on day two.
- People who are currently in the process of having a CTP claim considered and their household members were also be unable to participate on the jury.



- People who have had experiences with the CTP scheme – including people who have pursued claims under the current system and those who were ineligible to do so because of its current design – had the opportunity to give evidence before the jury as witnesses. This ensured their views and perspectives were taken into account by the jury as an important part of the deliberations.

Executive Responsible: Nicole Masters, A/g Executive Director, Economic and Financial Policy Group
Ext: x52895

TREASURER ANNUAL REPORT HEARINGS 2016-17

ISSUE: ACT OF GRACE PROCEDURES

Talking Points

- Under Section 130 of the *Financial Management Act 1996*, the Treasurer can authorise an Act of Grace payment if special circumstances warrant such a payment.
- On 2 August 2017, the Treasurer tabled in the Legislative Assembly the guidelines that Treasury uses when considering the merits of an Act of Grace payment request. These guidelines are:
 - The Territory's direct role, acts or omissions in relation to the particular case has caused an unintended or inequitable result for the individual or entity concerned.
 - The application of Territory legislation has produced a result that is unintended, anomalous, inequitable or otherwise unacceptable in a particular case.
 - The matter is not covered by legislation or specific policy, but it is intended to introduce such legislation or policy and it is considered desirable in a particular case to apply the benefits of the relevant provisions prospectively.

Key Points and Statistics

- The number of Act of Grace payments issued over the last five years is outlined on the next page. These are published each year in Annual Reports.

Background Information

- The Act of Grace process has received attention recently as a result of a request for compensation for injuries to Jack Joseph Hartigan sustained in a dog attack on 7 October 2010 at an ACT Public Housing property.
- Action was brought against the Commissioner for Social Housing in the Supreme Court, where it was alleged that the Commissioner owed a duty of care to Jack Hartigan, that the Commissioner breached that duty of care and was therefore liable to compensate Jack for loss suffered by him.
- Justice Penfold of the Supreme Court found in favour of the Commissioner for Social Housing in the ACT; that the Commissioner was not liable for the dog involved in the attack, and did not have a duty of care to prevent the dog attack.
- On the basis that Justice Penfold found that the Commissioner for Social Housing was not liable, the Treasurer did not agree to authorise the act of grace payment. Her Honour found that there were no steps the Commissioner might have reasonably taken that could have prevented the attack.



Act of Grace Payments			
Year	Directorate	Number	Value
2016-17	CMTEDD Controlled	2	\$19,000
	JACS	1	\$600
	Total	3	\$19,600
2015-16	CMTEDD Territorial	1	\$15,000
	EPD Territorial	1	\$11,000
	Total	2	\$26,000
2014-15	CMTEDD Controlled	22	\$271,000
	CMTEDD Territorial	1	\$17,000
	EPD Controlled	34	\$413,000
	EPD Territorial	1	\$12,000
	Total	58	\$713,000
2013-14	EPD Controlled	4	\$450,000
	EPD Territorial	7	\$100,000
	Total	11	\$550,000
2012-13	ESDD Controlled	4	\$43,000
	Unknown	1	\$14,000
	Total	5	\$57,000
2011-12	JACS	1	\$30,000
	Treasury	1	\$133,526
	CSD	1	\$10,000
	Total	3	\$173,526

TREASURER ANNUAL REPORT HEARINGS 2016-17

ISSUE: ASBESTOS ERADICATION SCHEME – FINANCIAL IMPACTS

Talking Points

- The estimated financial impacts of the Loose-fill Asbestos Insulation Eradication Scheme (the Asbestos Eradication Scheme) remain unchanged from the 2017-18 Budget.
- The loan repayment schedule for the Scheme is unchanged from the 2017-18 Budget.

Key Points and Statistics

- There are 1,023 houses in the ACT eligible for the Asbestos Eradication Scheme. This comprises 1,018 private and five government-owned houses. A newly discovered ‘missed’ house in Downer was added to the *Affected Residential Premises Register* in December 2016.
- As at 30 June 2017:
 - 989 homeowners had accepted offers to sell affected properties to the Government;
 - 930 houses have been purchased at a total cost of \$664 million – with individual property costs ranging from \$361,000 to \$3 million;
 - over 652 owners had exercised Stamp Duty concessions to the value of \$15.9 million;
 - \$1.4 million has been paid for asbestos assessments of houses;
 - a total of 990 relocation assistance grants have been paid;
 - 741 houses have been demolished; and
 - 25 auction events have been held. Of the 408 blocks released for sale, 203 were sold under the hammer, with another 119 sold shortly thereafter.
- Auction sales prices have ranged from \$340,000 to \$1.9 million.
- In addition to the properties sold at auction, 31 former owners who held first refusal rights have accepted the purchase price to buy back their remediated blocks.

2017-18 Budget estimates

- The net cash cost of the Asbestos Eradication Scheme is estimated at \$307 million (excluding contingency) over the whole life of the Scheme. Total cash payments are estimated at \$911 million, with net sales revenue estimated at \$604 million.
- The Commonwealth Government provided a loan of \$1 billion to the ACT to support financing of the Asbestos Eradication Scheme. The loan was provided in two tranches: \$750 million in January 2015 at a fixed interest rate of 2.605 per cent; and \$250 million in July 2015 at a fixed interest rate of 3.015 per cent. The loan term is 10 years, from January 2015 to 30 June 2024.
- Repayments of the principal commence on 30 June 2018 and are paid annually until 30 June 2024. Repayments of the principle are to be paid as follows:
 - \$50 million at the end of June each year from 2018 to 2020;
 - \$100 million at the end of June each year from 2021 to 2023; and
 - \$550 million at the end of June 2024.

- Tables 1 to 3 present the 2017-18 Budget estimates for the Asbestos Eradication Scheme. Further detail can be found at Appendix I, 2017-18 Budget Paper No.3.

Table 1: 2017-18 Budget Asbestos Eradication Scheme cash flow impact excluding contingency

	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000
Payments					
Financial Assistance Package	1,510	400	20	80	0
Purchase Costs ¹	22,122	6,168	824	19,238	200
Demolition and Remediation	55,751	61,753	889	127	3,492
Other Costs ²	8,909	8,821	4,527	4,489	4,397
Total Payments	88,292	77,141	6,260	23,934	8,089
Receipts					
Net Sales Revenue	238,396	242,504	97,262	4,255	16,379
Total Receipts	238,396	242,504	97,262	4,255	16,379
Net Cash Flow³	150,104	165,363	91,001	(19,679)	8,290

Notes: Numbers may not add due to rounding.

1. Includes purchase of house and land, purchase transaction costs, board-up costs and holding costs.
2. Mainly comprises Asbestos Response Taskforce costs.
3. The 2015-16 cash flow impact was \$214 million excluding financing costs.

Table 2: 2017-18 Budget Asbestos Eradication Scheme Headline Net Operating Balance (HNOB) impact¹

	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000
Financial Assistance Package	-2,256	-400	-20	-80	0
Other Costs	-8,985	-8,910	-4,877	-4,481	-4,488
Purchase Costs	-1,486	-1,114	-102	-154	-200
Contingency	0	-1,265	-1,265	-1,265	-8,856
Total HNOB Impact (including contingency)	-12,728	-11,690	-6,264	-5,980	-13,545

Notes: Numbers may not add due to rounding.

1. The 2015-16 HNOB impact was \$65 million excluding financing costs.

Table 3: 2017-18 Budget Asbestos Eradication Scheme cumulative cash flow impact including financing costs

	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000
Net Cash Flow – Cumulative	-488,822	-702,503	-552,399	-387,037	-296,035
Indicative Annual Interest Cost ^{1,2,3}	-6,619	-16,131	-16,991	-12,720	-9,249
Total Cost (including financing costs)	-495,441	-718,634	-569,391	-399,756	-305,284
	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000
Net Cash Flow – Cumulative	-315,714	-307,424	-307,424	-307,424	-307,424
Indicative Annual Interest Cost ^{1,2,3}	-8,283	-8,437	-8,325	-8,325	-8,325
Total Cost (including financing costs)	-323,997	-315,861	-315,749	-315,749	-315,749

Notes: Numbers may not add due to rounding.

1. The indicative interest cost is calculated on the cumulative net cash flow from the Scheme each year but interest is not cumulative. The interest cost is met from the total Territory budget not the budget for the Scheme.
2. Indicative interest cost is calculated assuming an equal spread of payments/receipts across the year.
3. The interest rate use is based on the weighted cost of the loan of 2.708 per cent.

Background Information

- On 28 October 2014, the Government announced a voluntary buyback and demolition program for all ACT houses affected by loose-fill asbestos insulation.

TREASURER ANNUAL REPORT HEARINGS 2016-17

ISSUE: OUTCOME FOR THE 2016-17 CAPITAL WORKS PROGRAM

Talking Points

- The budget appropriation for the Capital Works Program in 2016-17 was \$752 million (\$1.6 billion over the four years to 2019-20).
- After adjusting for rollovers of unspent funds from 2015-16, program variations and savings, total funds available for the 2016-17 Capital Works Program was \$756 million.
- Actual expenditure outcome for the 2016-17 Capital Works Program was \$513 million or 68 per cent of budget appropriation.
- After making allowance for the Capital Delivery Provision introduced as part of the 2016-17 Budget, the adjusted performance was 79 per cent.
- 2015-16 program performance was 81 per cent. This performance was supported by a record level of program savings, valued at \$50 million.
- 2014-15 program performance was 67 per cent.

Key Points and Statistics

- Total underspend for the year was \$243 million or 32 per cent of total funds available. Four agencies accounted for 89 per cent of this underspend: Chief Minister, Treasury and Economic Development Directorate (CMTEDD) - \$94 million or 39 per cent, ACT Health - \$66 million or 27 per cent, Transport Canberra and City Services - \$30 million or 12 per cent and Education - \$27 million or 11 per cent.
 - The underspends were reported as caused primarily by delays in the planning and approval processes, consultation, adverse weather conditions, and unforeseen subterranean work requirements.
 - Major projects contributing to the underspend include:
 - Public housing renewal program (\$64 million);
 - Modernising Belconnen High (\$13 million);
 - Better Roads for Gungahlin – Gundaroo Drive Duplication - Stage 1 (\$16 million);
 - Water Quality Improvement – Basin Priority (\$11 million);
 - University of Canberra Public Hospital – Car park (\$11 million); and
 - Upgrading and Maintaining Health Assets (\$10 million).



Background Information

- The 2016-17 Infrastructure Investment Program announced in the Budget was \$768 million (\$2.2 billion over the four years to 2019-20). The 2016-17 Infrastructure Program included:
 - \$752 million for the Capital Works Program (\$1.6 billion over four years);
 - \$95 million for Information and Communication Technology (\$161 million over four years);
 - -\$107 million in net provisions in 2016-17 (\$345 million over four years, including the Capital Delivery Provision); and
 - \$28 million for Plant and Equipment (\$44 million over four years).
- The Capital Delivery Provision was introduced as part of the 2016-17 Budget and aims to improve the accuracy of the overall budget estimates. The Capital Delivery Provision contains offsetting adjustments to the annual forecasts for the Capital Works Program based on past outcomes and risk analysis. This provision does not affect the timely delivery of any project.
- Under Section 30F (3b) of the *Financial Management Act 1996*, the Treasurer is required to provide a report on the Capital Works Program to the Legislative Assembly at least every six months. The same report is also published on the Treasury website.
- Quarterly reports for September/December combined, March and June were provided to the Legislative Assembly in 2016-17. The September Quarter report was incorporated in the December quarter because of the 2016 election and associated care taker period.
- Total savings identified in the 2016-17 Capital Program were valued at \$24 million which consisted of savings in the CMTEDD - \$20 million, Justice and Community Safety (JACS) - \$3 million and Education - \$1 million directorates.

Public Private Partnerships

- Works on the ACT Law Courts Facilities (\$160 million) and Light Rail - Stage 1 (\$707 million) commenced in 2015-16. These projects will see \$867 million being invested in the Territory from 2015-16 to 2019-20.

2016-17 Major new projects

- Major new projects in the 2016-17 Budget included:
 - Better Public Housing – New Public Housing Properties (\$357 million over four years);
 - Better Health Services – Upgrading and maintaining ACT Health assets (\$95 million);
 - Caring for our Environment – Water Quality Improvement – Contributions to the Basin Priority Project (\$77 million);
 - Better Roads for Gungahlin – Horse Park Drive duplication (Mulligans Flat Road to the Federal Highway) (\$57 million);
 - Better Services – Weston Creek and Stromlo swimming pool and leisure centre (\$33 million);
 - Improving Our Suburbs – New Molonglo Valley infrastructure (\$33 million);
 - Better Roads for Weston Creek – Cotter Road duplication (Tuggeranong Parkway to Yarralumla Creek) (\$29 million);



- Better Schools – Investment in Gungahlin school infrastructure (\$17 million);
- Better Roads for Belconnen – Aikman Drive duplication (\$10 million);
- Caring for our Environment – Lake Tuggeranong Water Quality Improvement – Stage 2 (Isabella Weir) (\$9 million);
- Better Roads for Canberra – Stronger bridges to transport freight (\$7 million);
- Better Roads for Gungahlin – Gungahlin town centre road network improvements (\$5 million); and
- Narrabundah Ballpark Upgrade – Best little ballpark in Australia (\$5 million).

TREASURER ANNUAL REPORT HEARINGS 2016-17

ISSUE: BUDGET CONSULTATION

Talking Points

- The Budget Consultation process serves to inform decision-making processes associated with the development of the Territory's annual budget.
- Community groups, interested parties and individuals are invited to provide their commentary.
- The formal consultation period ran from **10 November to 22 December 2016**. Submissions continued to be received after this time; however, the website was formally closed on 31 January 2017, with no further uploads occurring after this date.
 - This timeframe was later than in prior years, because of the 2016 ACT Legislative Assembly Election.
- Participants were invited to submit their views via a Short Survey on the 'Your Say' website, or provide more detailed feedback, either in response to a series of prompting questions, or provide their own detailed submission.
- Submissions were made publicly available on the Budget Consultation website unless the author specified that their submission was to be treated as confidential in nature.
 - Confidential items were provided to the Chief Finance Officers of relevant directorates for their consideration in the development of their Budget proposals.

Key Points and Statistics

- As at 22 December 2016, 368 respondents had completed the short survey. The results for each of the three short survey questions are presented overleaf.

Top three (3) service areas you think we should be spending <u>MORE</u> on?		Top three (3) service areas you think we should be spending <u>LESS</u> on?		Are there any other comments you would like to make on where we should focus resources in next year's ACT Budget?	
Service Area	Number of votes	Service Area	Number of votes	Top 3 other comment categories	Number of comments
Sport and Recreational Facilities	130	Active Travel	85	Build a new ice rink	86
Health and Health Infrastructure	96	Arts and Culture	82	Build a roller skating rink	8
Education	64	Public Transport	60	Increased funding for community services	5

- As at 31 January 2017, 90 respondents had either completed the detailed survey, made a submission, or both, as outlined below:

Feedback Type	Non-Confidential	Confidential	Total
Detailed Survey	45	12	57
Submission	49	23	72

- Similar to earlier Budget Consultation processes, detailed surveys and submissions effectively covered all areas of Government service delivery.
- The 2017-18 Budget outlined the Government's response to the matters raised via the 2017-18 Budget Consultation process.



TREASURER ANNUAL REPORT HEARINGS 2016-17

ISSUE: GOVERNMENT BUDGET MANAGEMENT SYSTEM

Talking Points

- The Government Budget Management System (GBMS) went live in August 2016. The GBMS has now been used for a full annual budget cycle, which comprised the 2016 Pre-Election Budget Update, the 2016-17 Budget Review and the 2017-18 Budget.
- The Cognos Disclosure Management (CDM) application also went live in April 2017 to automate preparation of agency Budget Statements for the 2017-18 Budget.
- The project was delivered on schedule and under budget, the main factor being lower than budgeted charges from Shared Services ICT. Further details are provided below.
- After the 2017-18 Budget, a survey was conducted to determine how satisfied users were with GBMS and CDM.
 - Users reported minimal issues with GBMS as it had been used for a number of stages prior to the Budget. Users were satisfied with the overall performance of GBMS and reported that it had delivered the anticipated benefits through greater information transparency and timeliness.
- In contrast, there were some functional issues with CDM that only became apparent after the application went live during the final budget stage.
 - This required intensive support from the project team and the implementation partner to assist agencies in preparing their Budget Statements in CDM.
 - A number of improvements have been suggested from users to improve the functionality of CDM and these are being reviewed.
- Treasury has negotiated a scope change with the implementation partner, Excelerated Consulting (EC), to undertake a number of enhancements to GBMS and CDM to address the findings of the survey as well as streamline the process of reconciling to other applications that interact with GBMS - for example the business case tracker and capital works monthly reporting.
- The governance arrangement established for this project was effective in foreseeing and addressing issues related to the project in a timely and cost effective manner. This Committee has now been disbanded.
 - The governance arrangement included a Working Group with representatives from most agencies and a Joint Steering Committee with senior executives from selected agencies and a key member from the Implementation Partner team. The project team also provided regular updates at the Budget Officers' forum.

Contract and budget status

- The budget status of GBMS (excluding GST) is as follows:

Key component and supplier	Funding type	Original budget	Actual paid to 30/6/16	Actual paid to 30/6/17	Remaining funding
		\$	\$		\$
Proof of concept*	Expense	400,000	303,186		96,814
Full implementation costs of EC [^]	Capital	2,042,937	1,151,558	647,309	244,070
Full implementation costs – data cleansing [^]	Capital	39,782	39,782		0
Full implementation –SSICT and other capital charges [^]	Capital	3,219,281	14,189	52,812	3,152,280
Full implementation – other charges [#]	Expense	198,000	523	0	0
GBMS maintenance ^{##}	Expense	1,584,000	0	515,000	1,069,000
Total Expenses		2,182,000	303,709	515,000	1,878,291
Total Capital ^{**}		5,302,000	1,205,529	700,121	4,096,471
Total		7,484,000	1,509,238	1,215,121	5,974,762

* 2014-15 initiative to be absorbed by the Directorate (page 123, BP3).

[^] 2015-16 capital initiative totalling \$5.302 million (page 113, BP3)

[#] 2015-16 expense initiative totalling \$1.782 million (pages 77 and 113, BP3).

^{##}The GBMS maintenance of \$0.515 million is a combination of expenses paid and returned to budget. Expenses paid include \$21,927 rental for the project office and \$85,099 for annual GBMS licence support charges.

^{**} CMTEDD 2016-17 Annual Report, Capital Works table (Page 199)

- The lower than budgeted capital and recurrent costs in 2016-17 were due to delays in finalising testing on some whole of government functionality and the decision to implement CDM for the preparation of Budget Statements only, and not the Budget Review and Budget Paper 3. The reduction in the scope of CDM was undertaken to minimise the amount of change on users given the GBMS was also relatively new.
- The original contract with Excelerated Consulting (EC) was executed on 9 July 2015 with a budget of \$2,247,231 (GST inclusive) which included costs for conducting the proof of concept, full implementation, additional licences and system support (2015-16 Annual Report, Vol 1, p197).
- There was a contract variation executed in August 2016 to incorporate the findings of the proof of concept, which resulted in a revised scope of work for the full implementation and the purchase of additional licences. The contract value is now \$2,747,810 (GST inclusive).



- Since the rollout of GBMS in August 2016, users have requested some new functionality to enable the collection and retrieval of more targeted information from the system. Most of this additional functionality has been incorporated into GBMS such as data collection to allow for the preparation of agencies' Budget Statements in CDM and additional bulk processing functionality.
- Capital funding of \$3,176,501 from 2016-17 was reprofiled to 2017-18 to enable the finalisation of testing on the whole of government elimination and consolidation functionality.
- A further scope change has been agreed with EC to address key findings of the survey and to streamline the process of sending/receiving and reconciling data with related systems and processes – for example, the new P-MARS (Project Management and Reporting System) and the business case tracker. Another key part of this scope change is to further automate the generation of Budget Statement tables in CDM.
- The cost of the scope change is \$205,000, excluding GST. A contract variation is currently being drafted in consultation with the Government Solicitor's Office to incorporate this change.



TREASURER ANNUAL REPORT HEARINGS 2016-17

ISSUE: EXPENDITURE REVIEW - ACCOUNTABILITY INDICATORS

- The two "*policy/service reviews **commenced***" were the Human Resources and Financial Services Update and work flowing from the review of select budget programs.
- The three "*policy/service reviews **completed***" were the Human Services Cluster Review, the Human Resources and Financial Services Update and work flowing from the review of select budget programs.

Talking Points

Human Services Cluster Review

- The Review looked at services (delivered by the Community Services, Education, Justice and Community Safety and Health directorates) that are intended to impact upon, or alleviate, disadvantage and persistent marginalisation and the factors leading to it for children aged 0-8 years and their families.
- It provided insight into the number and breadth of services delivered to the 0-8 years age cohort, their targeting and resourcing levels.

Human Resources and Financial Services Update

- Comprised directorates being surveyed on their human resource and financial services activities with the results compared to a previous review in 2014.
- The review found that, while there have been significant changes in the structure of the ACTPS since 2013 due to administrative arrangements, effort in Human Resources and Financial Services had not changed significantly compared to the size of the ACTPS.

Work Flowing from the Review of Select Budget Programs

- A Coordination Network was established which led monitoring of progress against the key milestones for options being progressed with update reports provided to Strategic Board and the Treasurer.
- In addition Expenditure Review considered ways to identify and prioritise areas of Government that may benefit from increased contestability while not compromising the integrity of services. A proposed framework was developed and is being considered by Government.

Key Points and Statistics

Nil

Background Information

Nil

TREASURER ANNUAL REPORT HEARINGS 2016-17

ISSUE: ACT Government MOU with UnionsACT

Talking Points

- The MOU is designed to ensure ACT Government procurement activity includes fair consideration of the rights of workers, in addition to ensuring providers:
 - Are accountable to the public;
 - Promote quality; and
 - Promote local employment.
- The Government remains committed to these principles and is considering the development of a Local Jobs Code, which would ensure Government procurement decisions deliver better outcomes for Canberra workers by encouraging employers to adopt the highest ethical and labour standards.
- The MOU is a publically available document and can be accessed via the ACT Government's Procurement and Capital Works website.

Key Points and Statistics

Background Information

- The ACT Government's MOU with UnionsACT was originally established in April 2005 and an updated version was signed in March 2015. The intent of the MOU has not changed.
- The MOU records an agreed approach to union consultation in relation to industrial relations and workplace health and safety issues as part of the prequalification and tender evaluation processes for ACT public sector procurements.
- Provisions exist within the MOU for the Government to consult with UnionsACT about who has put in for a tender, and for UnionsACT to alert the Government to possible wrongdoing by contractors.
- Under the MOU, the ACT Government provides UnionsACT with a list of respondents to tenders, which is the same list provided to the ACT Long Service Leave Authority and the ACT Environmental Protection Authority. This list is also published on the Tenders ACT website, making it available for anyone to view.
- Commercial-in-confidence information is not shared with UnionsACT or with any other external entity unless obliged to do so by law.
- Prior to the October 2016 ACT election, the Chief Minister outlined a plan for a fairer Canberra. A key part of this plan was to deliver a *Secure Local Jobs for Local Workers* package of reforms. The ACT Government will be consulting widely with stakeholders in the development and implementation of the **Secure Local Jobs Package**.

TREASURER ANNUAL REPORT HEARINGS 2016-17

ISSUE: Review of the IRE Strategy

Talking Points

- The *Compliance with Industrial Relations and Employment Obligations Strategy for ACT Government Capital Works Projects* (IRE Strategy) was introduced on 1 July 2011. One of the objectives was to eliminate sham contracting on ACT Government sites.
- The IRE Strategy consists of an assessment and certification process on building entities, as well as random project audits, and applies to all head contractors and subcontractors on ACT Government sites. Audits for the certification and random audits are both conducted by independent approved auditors, which are registered on the Procurement website.
- Most feedback from building entities is that the IRE Strategy has had a positive impact on the industry. Infrastructure Finance and Capital Works is undertaking a review of the IRE Strategy to ensure best practice in ACT Government construction.
- The Standing Committee on Education, Employment and Youth Affairs is conducting an inquiry into insecure work in the ACT, and the Government's response to that inquiry may inform any changes to the IRE Strategy.

Key Points and Statistics

- There are approximately 1,839 contractors who hold IRE Certification.

Background Information

- PCW consulted with multiple stakeholders including the ACT Government Solicitor to finalise the detail of the review of the IRE Strategy, including evaluation strategies. The IRE Strategy's effectiveness in eliminating sham contracting has been assessed, as well as the performance of independent auditors. Consideration is being given to removing auditors exhibiting unsatisfactory performance from the register of approved auditors.
- In forming the review, PCW engaged in industry consultation, meeting with stakeholders including the Master Builders Association, the CFMEU, the Long Service Leave Authority, as well as other organisations.
- Preliminary review work involved auditors being asked by PCW to complete a short questionnaire about both the certification and random audit streams of the IRE Strategy. Responses to the questionnaire indicated that this group considered processes to be working well, with the associated documentation fit for purpose.
- Currently, certification is based around a desktop audit, which looks at things such as:
 - an organisation's taxation records;
 - whether the organisation is paying into the appropriate superannuation scheme(s) on its employees' behalf.

TREASURER ANNUAL REPORT HEARINGS 2016-17

ISSUE: SMI IN ADMINISTRATION

Talking Points

- Procurement and Capital Works (PCW) was advised on Tuesday 7 February 2017 that a licensed builder, SMI Group Pty Ltd, had gone into voluntary administration. This resulted in SMI losing its building licence, and a number of subcontractors were left with unpaid claims and uncertainty about their futures.
- SMI has been on a panel of Project Managers established by PCW in May 2015 and was working on five contracts for upgrade projects on Education, CIT and Health facilities.
- PCW met with the appointed Administrator, RSM Australia Partners, to determine the best way forward. After making an urgent assessment, RSM advised on Thursday 9 February that SMI would not be able to trade out of administration and the Territory promptly moved to terminate its contracts with SMI that afternoon.
- PCW novated the subcontractors to the Territory to allow them to be paid. Currently we are not aware of any monies outstanding on Territory projects owed to the subcontractors.
- A new contractor has completed CIT works. Former SMI subcontractors were novated to the new contractor.
- The Territory holds security deposits for four of the SMI projects.
- The Territory is working with the administrator to assess the cost incurred by the Territory due to SMI going into administration and will, if necessary, deduct these costs before returning the balance of the security deposits. Once the remaining contract works are completed IFCW will determine the actual costs incurred.

Key Points and Statistics

- N/A

Background Information

- Wherever feasible, the ACT Government provides commercial consideration to a company which has entered administration as this approach may provide better outcomes for employees of that company, as well as helping to limit the adverse impact on other entities it is trading with.
- Strategies to mitigate the likelihood of engaging an organisation that is not financially viable include:
 - not contracting with organisations that are not legal entities under the *Federal Corporations Act 2001*, or with organisations that have 'actions' outstanding against them under this Act;



- financial assessment of tenders, including, for some large and complex tenders, using an Expression of Interest stage to identify the status of potential tenderers;
- mandatory ACT Government and National prequalification schemes for all construction-related services and works, excepting trades, above specified thresholds. In the event that an ACT Government prequalified supplier is placed into liquidation an automatic notification from ASIC is received.
- IFCW requires contractors to declare that all claims that are payable have been paid when issuing an invoice. Subcontractors can be unpaid where there is a (for example) 30 day payment term on their claim and the contractor's invoice is issued before that time expires.
- IFCW generally relies on communication with the administrator to validate a company's capacity to continue trading once it has entered administration. In particular, the Territory must assess:
 - whether or not the insolvent entity is able to successfully trade in administration;
 - whether the entity is willing and able to proceed with some or all of their contracts with the Territory; and
 - whether contract termination or taking the contract works out of the hands of the contractor will achieve a better outcome than working with the administrator.
- Usually, the administrator is able to make a judgement on the company's viability, enabling the Territory to decide on the preferred course of action relatively quickly.
- IFCW is available to talk to any subcontractors who are affected by a contractor going into administration.

TREASURER ANNUAL REPORT HEARINGS 2016-17

ISSUE: COMPANIES GOING INTO LIQUIDATION OR ADMINISTRATION

Talking Points

- The Territory has a number of measures to mitigate the likelihood of engaging an organisation that is not financially viable. There is less ability to mitigate the risk of a subcontractor going into liquidation and this financial risk is borne by the head contractor.
- If a contractor working on ACT government work sites enters into administration or liquidation, advice and assistance is generally sought from the ACT Government Solicitor, with each instance managed on a case by case basis.
- Wherever feasible, the ACT Government provides commercial consideration to completing a project with a company which has entered administration, as this approach may provide better outcomes for employees of that company, as well as helping to limit the adverse impact on other entities it is trading with.

Key Points and Statistics

- N/A

Background Information

- Strategies to mitigate the likelihood of engaging an organisation that is not financially viable include:
 - not contracting with organisations that are not legal entities under the *Federal Corporations Act 2001*, or with organisations that have 'actions' outstanding against them under this Act;
 - financial assessment of tenders, including, for some large and/or complex tenders, using an Expression of Interest stage to identify the status of potential tenderers;
 - mandatory ACT government and national prequalification schemes for all construction-related services and works, excepting trades, above specified thresholds. In the event that an ACT government prequalified supplier is placed into liquidation an automatic notification from ASIC is received.
- Infrastructure Finance and Capital Works generally relies on communication with the administrator to validate a company's capacity to continue trading once it has entered administration. In particular, the Territory must assess:
 - whether or not the insolvent entity is able to successfully trade in administration;
 - whether the entity is willing and able to proceed with some or all of their contracts with the Territory; and
 - whether contract termination or taking the contract works out of the hands of the contractor will achieve a better outcome than working with the administrator.
- Usually, the administrator is able to make a judgement on the company's viability, enabling the Territory to decide on the preferred course of action relatively quickly.

TREASURER ANNUAL REPORT HEARINGS 2016-17

ISSUE: SAFETY ON ACT GOVERNMENT CONSTRUCTION SITES

Talking Points

- The government's first priority on its worksites is the safety of workers, visitors and the general public.
- Infrastructure Finance and Capital Works (IFCW) has several roles to play in safety, through implementing the government's policy of weighting safety at a default of 30 per cent in the evaluation of tenders for construction, administering the WHS Active Certification Policy, and in managing construction contracts on behalf of directorates.
- While it is the contractors' responsibility to manage safety on sites, and WorkSafe ACT is the regulatory body for safety in the Territory, IFCW project officers and managers attend regular project control group meetings, where work health and safety is a standing agenda item. The relevant Directors report on worksite accidents and incidents to the Executive Director on a monthly basis, in accordance with the ACT Public Service Guidelines for Managing Work Health and Safety in Construction Projects with a Value of \$250,000 or more.

Key Points and Statistics

- N/A

Background Information

- There have been several media reports over recent months about safety on construction sites in the ACT following accidents and incidents on both government and non-government worksites.
- An accident on the University of Canberra Public Hospital site in August 2016 resulted in the first construction site death in the ACT since 2012.
- On a private worksite in October 2016, a teenage apprentice suffered a fall from 7 metres which resulted in a broken back. Worksafe ACT is investigating both incidents.
- There was a spate of incidents and near-misses involving cranes reported in the Canberra media in the latter part of 2016. The CFMEU has also appeared in the media calling for greater focus on safety on construction sites.

TREASURER ANNUAL REPORT HEARINGS 2016-17

ISSUE: P-MARS (Project Management and Reporting System)

Talking Points

- The Project Management and Reporting System (P-MARS) is an end-to-end project and contract management system designed to provide a single source of truth for capital works project management information and reporting.
- Stage 1 of the P-MARS project is being implemented in two phases:
 - Stage 1a – implementation in Infrastructure Finance and Capital Works (IFCW) to manage works on behalf of client directorates.
 - Stage 1b – implementation in the Chief Minister, Treasury and Economic Development Directorate (CMTEDD), Health Directorate (Health) and Transport Canberra and City Services Directorate (TCCS).
- When fully implemented (Stage 1a and 1b) P-MARS will provide the capability for project and contract management, construction management, WHS management, contractor performance monitoring, risk management, document management, budget and procurement management and reporting.
- P-MARS will integrate with Oracle Financials and the Government Budget Management System, ensuring alignment with budget decisions.
- P-MARS will manage compliance with the provisions relating to Notifiable Invoices under the *Government Procurement Act 2001*.
- The rollout will be accompanied by an ongoing suite of training with a focus on change management and embedding P-MARS as a capable, practical, accurate and user friendly system for capital works management and reporting.

Key Points and Statistics

- IFCW selected Open Windows Australia in September 2016 to provide the new system and the associated change management and training services as well as ongoing support for five years post implementation. The contract price is \$2.265m (ex GST).
- Stage 1a was implemented in mid-October 2017.
- The rollout of Stage 1b will be completed in November 2017, representing completion of Stage 1 of the project.
- Stage 2 – the implementation in remaining directorates and agencies - will be subject to an evaluation of the efficacy of the system as it used by the Stage 1 Directorates, and a decision to proceed is expected to be sought in early 2018.

Background Information

- N/a



Executive Responsible: Glenn Bain, Executive Director Procurement Projects

Ext: x76569

TREASURER ANNUAL REPORT HEARINGS 2016-17

ISSUE: POLYETHYLENE FILLED ALUMINIUM COMPOSITE PANELS

Talking Points

- The safety of Canberrans, whether they are at work or at home, is always the utmost priority for the government. This is why we have a strong focus on both stringent building regulation and investing in our emergency services.
- There has been general concern about the use of Polyethylene filled Aluminium Composite Panels (PE ACPs) as a factor in exacerbating fires in high rise buildings; including most recently the Grenfell Tower in London.
- The ACT Government has formed a working group including representatives from the Environment, Planning and Sustainable Development Directorate (EPSDD), the Emergency Services Agency and Access Canberra to coordinate work and identify and address buildings that are at high risk from combustible cladding.
- Through the working group, a review of the safety of the ACT's buildings is underway and questions relating to the use of combustible cladding can be directed to EPSDD as the coordinating agency.
- ACT Health recently identified that the Centenary Hospital for Women and Children contains a small portion of PE ACPs.
- It is important to understand that PE ACPs are not a banned building material.
- However, as a hospital we expect a higher standard and we want patients and the public to have complete confidence. Up to ten percent of the Centenary Hospital panels will be removed as a precautionary measure as soon as practicable.
- ACT Health is working with the relevant parties to remove and replace the panels with completion of the replacement works anticipated by the end of June 2018.
- Investigations into combustible ACPs on other ACT government buildings are progressing and we will continue to provide updates to the community.
- At present we are aware of a further five ACT Health buildings which potentially have PE ACPs.
- Investigations have identified 46 schools and seven public housing buildings that have ACPs. Additional testing will confirm if any of these have combustible ACPs. Further investigations into these buildings is underway.
- Treasury, Infrastructure Finance and Capital Works (IFCW) has made a decision that for future government building projects ACPs will be required to have a fire rated mineral core fill.

Key Points and Statistics

Background Information

- The protection of building occupants from building fires is mainly regulated through building laws that rely on compliance with the National Construction Code (the NCC). The NCC aims to minimise the risks of occupants being injured or killed in a building fire.



- Aluminium composite panels are not prohibited. There is a large variety of panels available for different uses. There are some aluminium cladding products that meet combustibility limitations for higher risk buildings and others that do not.
- While some uses of the material do not pose an undue risk to building occupants, the ACT Government has been aware of the issues posed by combustible Aluminum Composite Panels (ACPs) being used in a non-compliant way since 2010 and has taken steps to assess the risks on a case-by-case basis.
- If there was to be a fire, ACT Fire & Rescue has the best response times in the country so Canberrans have the support they need when they need it.
- Physical inspections of ACT Government buildings (both those owned and tenanted) are continuing to take place to ensure that aluminium composite panels have been installed correctly and comply with all ACT and national building and fire safety codes.
- In relation to new buildings, last year the ACT Government announced a series of reforms to improve the quality and compliance of our buildings – including residential buildings. This includes better documentation and certification of what was constructed as well as more monitoring and supervision of building projects.

Executive Responsible:

Peter Murray, Executive Director, Infrastructure Finance and Capital Works

Ext: x75650

TREASURER ANNUAL REPORT HEARINGS 2016-17

ISSUE: THE CAPITAL FRAMEWORK – FIRST POST IMPLEMENTATION REVIEW

Talking Points

- The initial review was undertaken on the Charles Weston School, a P-6 four stream school in the new suburb of Coombs.
- The structure and guidance for a Post implementation Review (PIR) under The Capital Framework (TCF) was developed in 2016-17.
- The review answers the key question 'Did Cabinet receive what it approved, in the Business Case?'
- The review seeks to identify any lessons learnt to be fed back into the TCF Processes
- The project was the first Design, Construct and Maintain (DCM) Delivery Model undertaken in the Territory.

Key Points and Statistics

- The project is considered to be a successful delivery under The Capital Framework.
- The project delivered the planned scope, on time and under budget at \$39 million.
- The delivery model contributed to a low contingency spend with a saving of approximately \$10 million.
- The key lesson learnt in the review, was that the interactive tender processes as, part of the DCM delivery model, contributed positively to the project being delivered under budget.

Background Information

- N/A

TREASURER ANNUAL REPORT HEARINGS 2016-17

ISSUE: IMPLEMENTATION OF A WHOLE-OF-GOVERNMENT TOTAL FACILITIES MANAGEMENT SERVICE FOR TERRITORY AGENCIES.

Talking Points

- As part of the *Smart Modern Strategic Procurement Reform Program* (SMS Program), the Territory is conducting a two stage procurement process to establish a Whole of Government (WhoG) Total Facilities Management (TFM) arrangement.
- The objective of the RFT is to:
 - deliver savings to the Territory through the SMS Program;
 - achieve cost efficiencies through economies of scale; and
 - introduce centralised management of facilities management services and providers.
- Following an open Request for Expressions of Interest (REOI), in April 2016 a Request for Tender (RFT) was issued to six suppliers identified through the REOI stage.
- The RFT closed on 9 June 2016; five suppliers responded.
- Tenders are currently being assessed; the evaluation phase of a procurement of this scale and complexity is lengthy to ensure that all possible due diligence is applied.
- In accordance with probity principles and to maintain the integrity of the procurement process, at this stage details cannot be provided; however, an outcome is expected to be known within the next two months.

Key Points and Statistics

- The key point is that during the tender evaluation, a concern regarding the affordability of the proposed new TFM Model and the commercial offers received from suppliers has been identified.
- The possible management fee, transition-in costs, and charges for scaling the service represent significant expense.
- It is uncertain whether the Territory would be able to afford the new arrangement, or whether the resultant costs would be comparable to the current level of facilities management expenses.
- The ACT Property Group is implementing a Single Service Model for property management which may also impact upon the proposed Whole TFM.
- The Chief Minister, Treasury, and Economic Development Directorate (CMTEDD) is currently analysing its options to identify and recommend the best way forward.

Background Information

- The TFM RFT services involves the provision of preventative maintenance, breakdown maintenance, replacement/refurbishment maintenance, minor works, small construction works, property services and management services to the Territory.
- The new arrangement was intended to be implemented in a staggered fashion across the Territory, with the first tranche including Emergency Services Agency and ACT Property Group (ACT PG).
- ACT PG is implementing a Single Service Model for property management and, consequently, may not be included in the WhoG TFM arrangement which materially affects the RFT's scope of work on offer. Further, since the RFT closed, the Territory's asset portfolio has changed substantially.
- To remain viable, the Territory would need to approach other Directorates to determine whether they may opt in early, at the commencement of a new arrangement.
- If other Directorates do not opt in, the WhoG TFM arrangement would likely be unviable, and the Territory may choose to terminate the procurement.

TREASURER ANNUAL REPORT HEARINGS 2016-17

ISSUE: 8.1-14: SMART MODERN STRATEGIC PROCUREMENT REFORM PROGRAM

Talking Points

- During 2016-17, the directorate continued to implement the SMS Procurement Reform Program, launching a new set of initiatives aimed at streamlining business processes across directorates.
- The Program has established enhanced whole of government contracts for goods and services, resulting in improved value for money fleet, utilities and stationery arrangements.
- The Program has supported stronger engagement with Industry, leading to improved procurement practices and policies.
- Reforming the purchasing model of government goods and services has resulted in significant budget savings being delivered to the Territory totalling in 2015-16 and in 2016-17.
- The SMS Program promotes the Territory's commitment to reducing red tape, and increases our digital capabilities, to achieve the best government outcomes and deliver quality services.

Key Points and Statistics

- The SMS initiatives implemented over 2016-17 include:
 - Contractor Central to improve the Territory's transparency and management of our labour hire workforce;
 - a Whole of Government Managed Print Service contract to achieve savings through improved printing arrangements and billing processes;
 - modernising ACT government's digital capability to engage the Canberra community through replacing bulk physical mail with digital mail solutions.

Background Information

- The SMS Program was approved by Government on 10 April 2015 as part of the 2015/16 Budget process. The SMS Program aims to achieve better whole of government procurement outcomes and deliver budget savings to each directorate.

TREASURER ANNUAL REPORT HEARINGS 2016-17

ISSUE: WHOLE OF GOVERNMENT CONTRACTS

Talking Points

- Whole of Government (WhoG) arrangements present benefit to the Territory through:
 - Yielding better overall value for money through aggregated spend across specific categories and targeted commercial negotiations;
 - Delivering efficiencies for both buyers and suppliers through reduced duplication/increased standardisation, streamlining of the procurement process and reduction of time required to engage suppliers;
 - Informing ACT Government policy and process improvement through innovation and the promotion of more strategic, sustainable and social procurement practices.
- The Contracts and Category Management Team in Goods and Services Procurement manage most of the WHOg contracts. Where a WhoG contract is mostly utilised by one business area (over 80%), the contract is managed by that business area. (eg. Shared Services manage various ICT WhoG contracts).
- Significant WhoG arrangements established in 2016-17 include Contractor Central, Creative Services, Multi-Function Devices and Digimail, which were all initiatives deriving from the Smart, Modern, Strategic Procurement Reform Program.
- The Territory has also accessed various Whole of Australian Government arrangements including Mass Media Advertising, Airline travel and Fleet.
- Looking forward, Goods and Services Procurement are implementing more contract and category management planning which will provide a greater strategic approach to procurement across Government.

Key Points and Statistics

- In 2016-2017, Goods and Services Procurement managed 24 WhoG contracts with a total contract value of approximately \$396 million.
- There was also an additional 8 WhoG contracts managed by other business areas with a total contract value of approximately \$233 million.
- A list of WhoG contracts is at [Attachment A](#).

Background Information

ATTACHMENT A – List of WhoG Contracts in 2016-17

Contracts managed by the Goods and Services Procurement Branch:

Employee Assistance Program and Critical Incident Stress Management Services
Panel Provision of Workplace Rehabilitation Services
Cash Collection Services
Whole of Government Creative Services Panel
Panel of Removalists
Panel of Training Providers on behalf of the ACT Government
Campaign Advertising Services
WhoG Internal Auditing Services Panel
Labour Hire
Financial Assessment Services and ASIC Search Report Services
Travel - Lido, QBT
Car Hire
Government Banking Services
Post Billpay Agency Services
Stationery and Office Products
Supply of Electricity
Medical Services
Digimail
PlaaS Ricoh Australia
Provision of Bulk Diesel Fuel
Supply of Natural Gas to ACT Government Large Sites
Agreement for the Retail of Natural Gas to Small ACT Government Sites and Other Arrangements
Fleet

WhoG Contracts not managed by the Goods and Services Procurement Branch:

Supply of end user devices and related services
ICT Consulting and Related Business Services
Provision of ICT Hardware, Commercial Off-the-Shelf (COTS) Software
Supply and Installation of Structured Cabling Systems and Associated Electrical Services
Supply and Installation of Underground Fibre Optic Cabling Services
Panel of Providers for Administrative Reviews, Investigations and Related Services
Internet Services
Telecommunications Fixed and Mobile Services

TREASURER ANNUAL REPORT HEARINGS 2016-17

ISSUE: UNSOLICITED BIDS

Key Points and Statistics

- There is currently one Unsolicited Proposal under consideration within Phase 2 of the Guidelines for Unsolicited Proposals. This proposal is Commercial-in-Confidence and Cabinet-in-Confidence.
- Six proposals were formally lodged during 2016-17, all of which did not proceed further evaluation under the Guidelines for Unsolicited Proposals. Additionally, two unsolicited proposals lodged in 2015-16 were assessed and did not proceed to further evaluation during 2016-17.

Background Information

- A second edition of The Guidelines for Unsolicited Proposals was launched in 2016-17. This replaced the previous First Revision of Guidelines for Unsolicited Proposals and Invest Canberra's *Investment Proposal Guidelines*. A third edition is currently under development for release in early 2018.

TREASURER ANNUAL REPORT HEARINGS 2016-17

ISSUE: RENEWABLE ENERGY – 5% GREEN POWER PURCHASE

Talking Points

- Action 38 of the Carbon Neutral Government Framework commits the ACT Government to purchasing 5% of its annual electricity consumption as renewable energy under the certified GreenPower™ scheme.
- The 2016/17 purchase of 7,700 MWh (Mega Watt-hours) equated to 5.04%.
- ACT Property Group completed the procurement in Q4 via a competitive tender process, at a cost of \$630,630 +GST.
- The Carbon Neutral Framework Review (Draft: May 2017), Recommendation 7 states: “It is recommended that the ACT Government discontinue the purchase of 5% GreenPower by 2018-19 as the ACT transitions to 100% renewable electricity”.
- The purchased quantity of 5% GreenPower has remained the same for the past 3 years at 7,700MWh demonstrating that despite growing services to the community, ACT Government is improving its energy productivity with support of the Carbon Neutral Government Program.

Key Points and Statistics

- The 2016/17 ACT Government’s total electricity use was 152,900,000 MWh
- The 2016/17 purchase was 7,700 MWh
- The 2016/17 purchase equated to 5.04%
- Cost of GreenPower was \$630,630 +GST

Background Information

- ACT Government electricity consumption is calculated using the Enterprise Sustainability Platform (ESP), maintained by EPSDD.
- Initial Output Indicator of 5.06% was calculated on 13 July 2017 noting that a full dataset of utility data for 2016/17 was not available at the time (152,000,000 MWh).
- An updated report run on 10 October 2017 with complete utility data indicated that ACT Government’s actual GreenPower purchase was 5.04% for 2016/17 (152,900,000 MWh).
- GreenPower is purchased through a competitive tender process only from accredited GreenPower providers.
- GreenPower is procured through a bulk purchase of Large Generation Certificates (LGCs).

BLD ID	BLD NAME	ADDRESS	SUBURB	CLASS
428	Former Transport Depot - Kingston	Kingston Foreshore Dev. Area Wentworth Avenue	Kingston ⁶⁰	LSE
402	4/19 Essington Street Mitchell (L)	4/19 Essington Street	Mitchell	LSE
412	112 Alinga Street (L)	112 Alinga Street	City	LSE
436	Winyu House (L)	125 Gungahlin Place	Gungahlin	LSE
417	Penrhyn House (L)	2-6 Bowes Street	Phillip	LSE
316	221 London Circuit (L)	221 London Circuit	City	LSE
320	Fairbairn 17-19 Amberley Ave (L)	17-19 Amberley Avenue	Canberra International	LSE
344	Civic Library (L)	176 London Circuit	City	LSE
273	220 Northbourne Avenue (L)	220 Northbourne Avenue	Braddon	LSE
399	Hume Warehouse (L)	68 Sheppard Street	Hume	LSE
390	470 Northbourne Ave Dickson (L)	470 Northbourne Ave	Dickson	LSE
470	Australian Sports Commission Buildings 20 & 14	14 Leverrier Street	Bruce	LSE
407	490 Northbourne Ave (L)	490 Northbourne Avenue	Dickson	LSE
408	Fairbairn 13 Amberley Ave (L)	13-15 Amberley Ave	Canberra International	LSE
409	Fairbairn 15 Amberley Ave (L)	15 Amberley Avenue	Canberra International	LSE
410	Fairbairn 9 Amberley Ave (L)	9-11 Amberley Ave	Canberra International	LSE
397	Neal Bates Warehouse (L)	2/42 - 48 Sheppard Street	Hume	LSE
398	Kingston Library (L)	Shop 2 - 54 Giles Street	Kingston	LSE
92	Tuggeranong Shopfront (L)	150-180 Soward Way	Greenway	LSE
02	Dame Pattie Menzies Building (L)	16 Challis Street	Dickson	LSE
277	11 Moore Street (L)	11 Moore Street	City	LSE
387	109 Flemington Rd Mitchell (L)	Unit 4 5 & 6, 109 Flemington Road	Mitchell	LSE
32	Swanson Plaza (L)	Swanson Court	Belconnen	LSE
01	Reserve Bank of Australia (L)	20-22 London Circuit	City	LSE
22	Canberra Nara Centre (L)	1 Constitution Avenue	City	LSE
247	Nature Conservation House (L)	153 Emu Bank	Belconnen	LSE
260	12 Moore Street Civic (L)	12 Moore Street	City	LSE
438	ACTSPORT Sports Hub - Building 29	University Drive North	Bruce	LSE
453	Hume Motor Vehicle Inspection Station	29 Couranga Crescent	Hume	LSE
454	21 Bowes Place (L)	21 Bowes Place	Phillip	LSE
455	19-23 Moore St (L)	19-23 Moore St	Turner	LSE
456	496 Northbourne Avenue (L)	496 Northbourne Avenue	Dickson	LSE
457	2 Constitution Avenue (L)	2 Constitution Avenue	Canberra	LSE
444	O'Connor ACT Pathology (L)	1-15 Sargood Street	O'Connor	LSE

TOTAL LEASED 34

	OWNED			
1344	Charnwood Neighbourhood & Cooina Childcare	Charnwood Place	Charnwood	OWNA
1347	Gungahlin Childcare Centre	7 Faye Lane	Gungahlin	OWNA
1232	Bunyarra Children's Centre	27 Halley St	Chisholm	OWNA
1265	Greenway Childcare Centre	Cowlishaw Street & Atholon Drive	Greenway	OWNA
1279	Illoura Child Care Centre	Cremean Close	Wanniassa	OWNA
1342	Narrabundah Children's Cottage (Yamba)	6 Yamba Place	Narrabundah	OWNA
1256	Fyshwick Early Childhood Centre	5 Maryborough Street	Fyshwick	OWNA
1450	Narrabundah Children's Cottage (Nimbin)	22 Nimbin Street	Narrabundah	OWNA
1316	Spence Children's Cottage	19 Dalglish Cl	Spence	OWNA
1317	Stirling Early Childhood Centre	15 Bunbury St	Stirling	OWNA
1325	Totom House Multicultural Early Childhood Centre	Corner Maribrnyong Avenue and Georgina Avenue	Kaleen	OWNA
1327	Turner Childcare Centre	57 Ormond Street	Turner	OWNA
1329	Tuggeranong Childcare & Education Centre	97 Cowlishaw Street	Greenway	OWNA
1337	Weston Creek Children's Centre	8 Parkinson Street	Weston	OWNA
1292	Manuka Occasional Childcare Centre	Cnr Flinders Way and Bougainville Street	Griffith	OWNA
1306	Rainbow Cottage Early Childhood Centre	29 Rae Street	Belconnen	OWNA
1311	Salem Children's Centre	Kett Street	Kambah	OWNA
1386	Isabella Plains Early Childhood Centre	Ellerson Avenue	Isabella Plains	OWNA
1219	Noah's Ark Resource Centre	79 Bangalay Crescent	Rivett	OWNA
1243	Civic Early Childhood Centre	2 Childers Street	Canberra	OWNA
1254	Forrest Early Childhood Centre	1 Hobart Avenue	Forrest	OWNA
1263	Gordon Community Centre	Lewis Luxton Circuit	Gordon	OWNA
1283	Kaleen Childcare Centre	97 Alberga St	Kaleen	OWNA
1284	Mannheim Centre	Summerland Circuit & Mannheim Street	Kambah	OWNA
1442	KU Braddon Children's Centre	12 Farrer Street	Braddon	OWNA
433	Chinese Australian Early Childhood Centre	50 Ainsworth Street	Mawson	OWNA
434	Holder Early Childhood Centre	174 Dixon Drive	Holder	OWNA
1224	Appletree Early Childhood Centre	Cremean Close	Wanniassa	OWNA
1236	Campbell Cottage Childcare Centre	8 Savige Street	Campbell	OWNA
1451	Narrabundah Community House	3 Iluka Street	Narrabundah	OWNC
1345	Gungahlin Community Centre	47 Ernest Cavanagh Street	Gungahlin	OWNC
1352	Palmerston Community Hall	8 Tiptree Crescent	Palmerston	OWNC
1354	Woden Community & Lollipop Children's Centre	26 Corinna Street	Phillip	OWNC
1145	Flynn Childcare and Community Centre	5 Pither Close	Flynn	OWNC

1247	Conder Community House & Child Care Centre	Tom Roberts & Beaumaris Sts	Conder	OWNC
1288	Lanyon Community & Lanyon Youth Centre	22 Sidney Nolan Street	Conder	OWNC
1335	Weston Community Hub	6 Gritten Street	Weston	OWNC
1285	Kambah Cottage	8 Laidlaw Place	Kambah	OWNC
341	Tharwa Pre School	North Street	Tharwa	OWNC
1466	Canberra Seniors Centre (Development)	No Location set		OWNC
1315	Southside Community Centre	63 Boolimba Crescent	Narrabundah	OWNC
1323	Theiss Cottage	7 Reynell Place	Kambah	OWNC
1324	Torrens Community Hall	95 Batchelor Street	Torrens	OWNC
1330	Tuggeranong Community Centre	245 Cowlshaw Street	Greenway	OWNC
1332	Vocal House	1 Iluka St	Narrabundah	OWNC
1333	Wanniassa Community House	69 Sternberg Crescent	Wanniassa	OWNC
1336	Weston Creek Community Centre	Parkinson Street	Weston	OWNC
1338	Woden Youth Centre	29 Callam Street	Phillip	OWNC
1340	Chifley Community Hub	70 Maclaurin Crescent	Chifley	OWNC
1262	Giralang Community Hall	1 Hirst Place	Giralang	OWNC
1278	Humpy Hall	15 Frewin Place	Scullin	OWNC
1282	Kaleen Community Hall	28 Georgina Crescent	Kaleen	OWNC
1290	Majura Community Centre	2 Rosevear Place	Dickson	OWNC
1456	Tuggeranong 55 Plus Club	101 Cowlshaw Street	Greenway	OWNC
1295	Nellie Hall	Melba Court	Melba	OWNC
1296	Ngunnawal Neighbourhood Centre	Yarrowonga Street	Ngunnawal	OWNC
1297	Nicholls Community Centre	Kelleway Avenue	Nicholls	OWNC
1300	Oaks Estate Community Hall	2 William Street	Oaks Estate	OWNC
1303	Pearce Community Centre	Collett Place	Pearce	OWNC
1308	Richardson Community House	33 Pritchard Crt	Richardson	OWNC
1309	Richardson Family Centre and Child Care Centre	May Gibbs Close	Richardson	OWNC
1146	Hall Community Precinct	Corner Hoskins and Palmer Street	Hall	OWNC
1379	Tuggeranong Youth Resource Centre	43 Pitman Street	Greenway	OWNC
1277	Hughes Community Centre	Wisdom Street	Hughes	OWNC
1245	Civic Youth Centre	Corner Scotts Crossing and Cooyong Street	Canberra	OWNC
1249	Corroboree Park Community Hall	47 Paterson Street	Ainslie	OWNC
1251	Downer Community Centre	Frencham Place	Downer	OWNC
1253	Erindale Neighbourhood Centre	Comrie and Sternberg Crescent,	Wanniassa	OWNC
1261	Ginninderra Community Hall - Higgins	Higgins Place	Higgins	OWNC

1267	Griffin Centre	20 Genge Street	City	OWNC
1268	Gugan Gulwan Youth Centre	36 Grattan Court	Wanniassa	OWNC
1276	Holt Community Hub	80 Beaurepaire Crescent	Holt	OWNC
1280	Isabella Plains Neighbourhood Centre	123 Ellerston Avenue	Isabella Plains	OWNC
1452	Bonython Neighbourhood Hall	17 Barr-Smith Avenue	Bonython	OWNC
1455	Forde Community Centre	26 Francis Forde Boulevard	Forde	OWNC
1457	Youth Coalition of the ACT	46 Clianthus Street	O'Connor	OWNC
1260	Gilmore Community Centre	2 Henry Melville Crescent	Gilmore	OWNC
1142	Causeway Preschool	Eurabbie Street	Kingston	OWNC
1143	Cook Playschool	8 Rowan Street	Cook	OWNC
1144	Cook Community Hub	41 Templeton Street	Cook	OWNC
1406	Griffith Neighbourhood Hall	53 Stuart Street	Griffith	OWNC
1459	Waldorf Unit 150	2 Akuna Street	City	OWNC
1460	Flynn Community Hub	21 Bingle Street	Flynn	OWNC
1461	Tharwa Community Precinct	10 North Street	Tharwa	OWNC
1220	Aboriginal and Torres Strait Islander Cultural	245 Lady Denman drive, Yarramundi Reach	Acton	OWNC
1223	Alkira Community Childcare & Preschool	117 Tillyard Drive	Charnwood	OWNC
1226	Belconnen Community Centre	23 Swanson Court	Belconnen	OWNC
1234	Calwell Childcare and Neighbourhood Centre	Webber Crescent	Calwell	OWNC
1237	Causeway Hall - Kingston	14 Spinifex Street	Kingston	OWNC
1240	Chisholm Community Centre	15 Halley St	Chisholm	OWNC
406	Piney Creek Homestead	RMB 470 Uriarra Crossing Road STROMLO	Stromlo	OWND
427	Kingston Fitters Workshop	Wentworth Ave	Kingston	OWND
437	Ricky Stuart House	70 Maclaurin Crescent	Chifley	OWND
104	Gratton Court Centre	Grattan Court	Wanniassa	OWND
279	Dickson Motor Vehicle Registry	19 Challis Street	Dickson	OWND
460	Burraburoo South	Williamsdale	Tuggeranong	OWND
375	Duntroon Dairy	Morshead Drive	Campbell	OWND
350	Tuggeranong Homestead	Johnson Drive	Richardson	OWND
449	701 Cotter Road	701 COTTER ROAD	Duffy	OWND
1383	Couranga Homestead & Tralee Slab Hut	Tralee Road	Hume	OWND
292	Nicholls Parks Depot	Clarrie Hermes Drive	Nicholls	OWND
1423	Canberra and Region Visitors Centre	330 Northbourne Ave	Dickson	OWND
285	Ron Reynolds Training Centre Curtin	7 Strangways Street	Curtin	OWND
1401	Newcastle House	Newcastle Street (Trade Measurement Building)	Fyshwick	OWND

147	Maribyrnong House	159 Maribyrnong Avenue	Kaleen	OWND
287	Calwell Parks Depot	Were Street	Calwell	OWND
294	Reid Parks Depot	Elimatta Street	Reid	OWND
302	Tucana Street Depot	Tucana Street	Giralang	OWND
340	Nealie Place Centre	Nealie Place	Rivett	OWND
349	Old Tuggeranong Schoolhouse	6 Chase Place	Chisholm	OWND
355	Mitchell Depot - Grimwade Street	66-68 Grimwade Street	Mitchell	OWND
392	Throsby House	Throsby Crescent	Griffith	OWND
351	Chelsea Cottage	RMB 85A Burra Road	Burra	OWND
280	Belconnen Library	Chandler Street / Swanson Court	Belconnen	OWND
283	Woden Library	Corner of Corinna and Furzer Streets	Phillip	OWND
284	Blaxland Centre	21 Blaxland Crescent	Griffith	OWND
286	Belconnen Parks Depot	Moubray Place	Belconnen	OWND
288	Charnwood Parks Depot	Lhotsky Street	Charnwood	OWND
289	City Depot	Allara Street	Canberra	OWND
290	Deakin City Parks Depot (Gawler)	1B Gawler Crescent	Deakin	OWND
342	Kingston Freight Shed (Robbo's Pet Barn)	Cunningham Street	Kingston	OWND
354	Yarralumla Woolshed	210 Cotter Rd	Weston Creek	OWND
357	Namadgi Visitor's Centre	Naas Rd Paddy's River ACT	Tharwa	OWND
404	Kallenia Rivers Homestead	Blocks 12/13/14/15/16 Molonglo Valley	Molonglo Valley	OWND
324	Giralang former Health Centre	5 Menkar Close	Giralang	OWND
323	Wakefield Gardens Ainslie	Wakefield Gardens	Ainslie	OWND
367	Acton Ferry Terminal	Kuttabul Place	Acton	OWND
307	Tuggeranong Library	145 Cowlshaw Street	Greenway	OWND
358	Lyneham Depot	12 Wattle Street	Lyneham	OWND
373	Bendora Dam Rangers Cottage	Bendora Dam	Tharwa	OWND
374	Namadgi Riverview Cottage	Namadgi	Tharwa	OWND
377	Googong Depot	241 Googong Road	Tuggeranong	OWND
378	Hume Weighbridge	Tralee Street	Hume	OWND
379	Corin Dam Depot	Namadgi	Tharwa	OWND
338	Hall Pre School	Palmer Street	Hall	OWND
423	Kingston Harbour Jetty	Trevillian Quay Kingston ACT	Kingston	OWND
356	Athllon Drive Parks Depot	Athllon Drive	Tuggeranong	OWND
386	Coombs Cottage	Cotter Road	Coombs	OWND
368	Cotter Depot	Cotter rd	Canberra	OWND

372	Googong Ranger Cottage Cooma Road	RMB 99 Cooma Rd	Googong	OWND
376	Cotter Campground Residence	Cotter Rd	Canberra	OWND
380	Tidbinbilla Depot	Tidbinbilla	Tidbinbilla	OWND
469	Grevillia Park Rowing Club	23 Menindee Drive	Barton	OWND
270	Mitchell Depot - Sandford Street	9 Sandford Street	Mitchell	OWND
369	Cotter Cottage 8	Cotter Road RMB109	Canberra	OWND
370	Gudgenby Homestead	Via Boboyan Road, Namadgi National Park	Rendezvous	OWND
371	Tidbinbilla - Cinerea Cottage	Tidbinbilla	Tidbinbilla	OWND
405	Kallenia Rivers Cottage	Blocks 12/13/14/15/16 Molonglo Valley	Molonglo Valley	OWND
394	National Convention Centre	31 Constitution Ave	City	OWND
309	Kippax Health Centre	20 Kippax Place	Holt	OWND
325	Minns Place	6 Minns Place	Weston	OWND
332	Scollay Street Offices	200 Scollay Street	Greenway	OWND
365	Glendale Depot & Workshop	.	Booth	OWND
366	Bendora Depot	Corner Burkes Creek & Pipeline Road	Tharwa	OWND
385	Erindale Business Park	4 Lansell Circuit	Wanniassa	OWND
347	Civic Merry-Go-Round	Petrie Plaza	City	OWND
348	Albert Hall	100 Commonwealth Avenue	Yarralumla	OWND
383	Page Pre School	Macadam Street	Page	OWND
384	Village Creek Centre	37 Kingsmill Street	Kambah	OWND
153	Former NBSL Building - Westlund House	16 Gordon Street	City	OWND
48	North Building	London Circuit	City	OWND
19	Red Hill Former Preschool	46 Quiros St	Red Hill	OWND
172	Angas Street Depot	Angas Street	Ainslie	OWND
52	Stapylton House	25 Stapylton Street	Holder	OWND
141	Carruthers Offices	123 Carruthers Street	Curtin	OWND
149	Bangalay Street Depot	Bangalay Street	Rivett	OWND
165	Hackett Park Depot	Holtze Close	Hackett	OWND
189	Mount Rogers Community Centre (Spence)	55 Crofts Crescent	Spence	OWND
162	Gold Creek Homestead	Monty Place	Ngunnawal	OWND
50	Deakin (former pre-school)	125 Strickland Crescent	Deakin	OWND
160	Gungahleen School House	8 Piguenit Close	Lyneham	OWND
152A	Grant Cameron Community Centre	27 Mulley Street	Holder	OWND
275	Macrossan Crescent Depot	Macrossan Crescent	Latham	OWND
276	Longeranong Street Depot	Longeranong Street	Farrer	OWND

53	Broadsmith Street Depot	Broadsmith Street	Scullin	OWND
146	Maitland Centre	114 Maitland Street	Hackett	OWND
154	Fassifern Homestead	off Kerrigan Street	Dunlop	OWND
132	Callam Offices	50 Easty Street	Phillip	OWND
82	Googong Visitors Centre	Googong National Park	Tuggeranong	OWND
95	Paterson Street Depot	65 Paterson Street	Ainslie	OWND
363	Tidbinbilla Visitors Centre	141 Paddy's River rd, Paddy's River	Tidbinbilla	OWND
459	Teen House	41 Templeton Street	Cook	OWND
75	Kambah Parks Depot	Cnr O'Halloran & Chirnside	Kambah	OWND
137	Belconnen Traffic Centre	Rae Street	Belconnen	OWND
133	Macarthur House	12 Wattle Street	Lyneham	OWND
116	Mugga Lane DAS Depot	92 Mugga Lane	Symonston	OWND
122	1 Moore Street	Cnr Moore and Alinga St	City	OWND
14	Storeyard Belconnen	Parkwood Road	Belconnen	OWND
79	Fyshwick Parks Depot	141 Canberra Ave	Fyshwick	OWND
187	Belconnen Radio Mast	Barton Highway	Belconnen	OWND
148	Maitland House	100 Maitland Street	Hackett	OWND
174	Griffith (former ambulance station)	2 Light Street	Griffith	OWND
60	Birch Place Depot	Birch Place	Macquarie	OWND
44	Hyland Place Depot	Hyland Place	Wanniassa	OWND
442	Boomanulla Oval	Goyder Street	Narrabundah	OWND
450	Astrolabe Preschool	28 Astrolabe Street	Red Hill	OWND
151	Kama Homestead	Dungowan Street	Hawker	OWND
188	Stokes Street House	20 Stokes Street	Griffith	OWND
175	White Crescent Depot	16 White Crescent	Campbell	OWND
167	Throsby Street Depot	Throsby Lane	Griffith	OWND
63	Howard Florey Utilities	25 Mulley St Holder ACT		OWND
210	Frewin Centre Scullin (fmr Health Centre)	Frewin Place	Scullin	OWND
251	Rosehill Community Hall	Scattergood Place	Spence	OWND
239	Canberra Brickworks	Denman Drive	Yarralumla	OWND
241	White House Red Hill	19 Astrolabe Street	Red Hill	OWND
242	Mawson Drive Depot	Mawson Drive	Mawson	OWND
243	Brownlee Place Depot	Brownlee Place	Melba	OWND
245	Kaye Street Depot	Kaye Street	Yarralumla	OWND

244	Dunkley Place Depot	Dunkley Place	Spence	OWND
246	Webster Street Depot	Webster Street	Hughes	OWND
252	Cooinda Court - No. 1	1 Cooinda Court	Kingston	OWND
253	Cooinda Court - No. 2	2 Cooinda Court	Kingston	OWND
254	Cooinda Court - No. 3	3 Cooinda Court	Kingston	OWND
255	Cooinda Court - No. 4	4 Cooinda Court	Kingston	OWND
256	Cooinda Court - No. 19	19 Cooinda Court	Kingston	OWND
257	Cooinda Court - No. 20	20 Cooinda Court	Kingston	OWND
263	Wave Centre	Mortimer Lewis Drive	Greenway	OWND
264	Kemsley Place Depot	Kemsley Place	Pearce	OWND
267	Fyshwick Offices Canberra Ave	255 Canberra Avenue	Fyshwick	OWND
448	Black Mountain Slipway	John Cardiff Close	Acton	OWND
296	Dickson Parks Depot	Hawdon Street	Dickson	OWND
297	Holder Parks Depot	Dixon Drive	Holder	OWND
298	Waramanga Depot	Badimara Street	Waramanga	OWND
299	King Street Depot	King Street	Deakin	OWND
301	Finlay Place Depot	Finlay Place	Gowrie	OWND
303	Holt Parks Depot	Ormsby Place	Holt	OWND
304	Haig Street Depot	Henty Street	Braddon	OWND
305	Parkwood Recycling Estate	Parkwood Road	Belconnen	OWND
318	Tooms Place Depot	Tooms Place	Lyons	OWND
308	Erindale Library	115 McBryde Crescent	Wanniassa	OWND
313	Kippax Library	Hardwick Crescent	Holt	OWND
359	Coombs Depot	Cotter Road	Coombs	OWND
360	Pine Island Homestead	Pine Island Road	Greenway	OWND
361	Corin Dam Cottage	Corin Dam Road	Tharwa	OWND
330	Canberra & District Historical Society	Carruthers Street	Curtin	OWND
414	Kingston Former Railway Land	Block 7 Section 11	Kingston	OWND
1410	Scullin Preschool	Gatty Street	Scullin	OWND
281	Dickson Library	Dickson Shopping Centre	Dickson	OWND
295	Manuka Multi Storey Carpark	Furner Street	Forrest	OWND
420	Robertson Cottage - Hazel Street	9 Hazel Street	Oaks Estate	OWND
462	Canberra Olympic Pool	Constitution Ave & Allara Street	Canberra	OWNP
463	Dickson Aquatic Centre	152 Cowper Street	Dickson	OWNP
464	Lakeside Leisure Centre	Anketell St & Athlon Drive	Greenway	OWNP

465	Gungahlin Leisure Centre	71 The Valley Ave	Gungahlin	OWNP
466	Manuka Pool	New South Wales Cres & Manuka Circuit	Griffith	OWNP
471	Canberra Olympic Pool Cottage	36 Constitution Ave	City	OWNP
451	Milapuru Kambah	Hake Street	Kambah	OWNL

TOTAL OWNED 247

Building	Area Occupied	Area Vacant
138 Parkwood Road	200	
140 Parkwood Road	200	
Aboriginal and Torres Strait Islander Cultural	453.69	
ACTSPORT Sports Hub - Building 29	250	
Appletree Early Childhood Centre	448	
Astrolobe St Red Hill	148	
Bangalay Street Depot	686.1	
Belconnen Community Centre	3515	
Belconnen Youth Centre	400	
Blaxland Centre	2821	
Bonython Neighbourhood Hall	300	
Broadsmith Street Depot	507	
Brownlee Place Depot	664	
Bunyarra Children's Centre	360	
Birch place depot	115	
Canberra historical	144.7	
Callam Offices	4335	1430
Calwell Childcare and Neighbourhood Centre	692	
Campbell Cottage Childcare Centre	2420	
Carruthers Offices	593	
Causeway Hall - Kingston	92	
Causeway Preschool	100	
Chapman Community Rooms	1590	
Charnwood Neighbourhood & Coinda Childcare	1225.1	
Chelsea Cottage	12	
Chifley Community Hub	2145	
Chinese Australian Early Childhood Centre	309.12	
Chisholm Community Centre	246	
Civic Early Childhood Centre	450	
Civic Merry-Go-Round	20	
Civic Youth Centre	1172	
Conder Community House & Child Care Centre	288.7	165.4
Cooinda Court - No. 1	113	
Cooinda Court - No. 19	113	
Cooinda Court - No. 2	113	
Cooinda Court - No. 20	113	
Cooinda Court - No. 3	113	
Cooinda Court - No. 4	113	
Cook Community Hub	1806.21	
Cook Playschool	168.77	
Corroboree Park Community Hall	435	
Cotter Cottage 8	150	
Deakin (former pre-school)	549.92	
Downer Community Centre	370	
Dunkley Place Depot	708	
Erindale Business Park	787.31	141.2
Erindale Neighbourhood Centre	190	

Finlay Place Depot	882	
Flynn Childcare and Community Centre	150	
Flynn Community Hub	707.5	1519
Forde Community Centre	409.72	
Former Transport Depot - Kingston	5628.6	
Forrest Early Childhood Centre	710	
Frewin Centre Scullin (fmr Health Centre)	76	
Fyshwick Early Childhood Centre	1516.34	
Gilmore Community Centre	110	
Ginninderra Community Hall - Higgins	110	
Ginninderra Early Childhood Centre	200	
Giralang Community Hall	104	
Giralang former Health Centre	153	
Gordon Early Childcare Centre	1571	
Grant Cameron Community Centre	2474.1	72
Gratton Court Centre	397.36	
Greenway Childcare Centre	537	
Griffin Centre	2059.4	
Griffith Neighbourhood Hall	297	
Gugan Gulwan Youth Centre	395	
Gungahlin Childcare Centre	862	
Gungahlin Community Centre	1030	
Gungahleen Schoolhouse	132.97	
Haig Street Depot	125	
Hall Community Precinct	200	
Holder Early Childhood Centre	1300	
Holt Community Hub	3259.73	120.3
Hughes Community Centre	858	
Humpy Hall	107	
Hyland place depot	150	
Illoura Child Care Centre	275	
Isabella Plains Early Childhood Centre	180	
Isabella Plains Neighbourhood Centre	234	
Kaleen Childcare Centre	138	
Kaleen Community Hall	549	
Kallenia Rivers Homestead	200.81	
Kama Homestead	150	
Kambah Cottage	169	
Kaye Street Depot	369	
Kemsley Place Depot	117	
King Street Depot	640	
Kingston Former Railway Land	4736	
Kippax Health Centre	1518	53
KU Braddon Children's Centre	387	
Lanyon Community & Lanyon Youth Centre	3019	
Longeranong Street Depot	66	
Macrossan Crescent Depot	146	
Maitland Centre	2778.63	

Maitland House	901.56	210
Majura Community Centre	1125	
Majura Occasional Care/Early Childhood Centre	200	
Mannheim Centre	1202	
Manuka Occasional Childcare Centre	488	
Maribyrnong House	446	
Milapuru Kambah	290.03	
Minns Place	150	
Mount Rogers Community Centre (Spence)	5904.94	
Namadgi Riverview Cottage	100	
Narrabundah Children's Cottage (Yamba)	1192	
Narrabundah Community House	542	
National Convention Centre	12353	
Nealie Place Centre	1768	
Nellie Hall	110	
Ngunnawal Neighbourhood Centre	400	
Nicholls Community Centre	196	
Noah's Ark Resource Centre	475.96	
Oaks Estate Community Hall	193	
Old Tuggeranong Schoolhouse	130	
Former Page Pre School	180	
Palmerston Community Hall	308	
Paterson Street Depot	190	
Pearce Community Centre	3500	
Pine Island Homestead	317.7	
Piney Creek Homestead	168.9	
Rainbow Cottage Early Childhood Centre	325	
Richardson Community House	994	
Richardson Family Centre and Child Care Centre	1424	
Ricky Stuart House	696	
Rosehill Community Hall	509.01	
Salem Children's Centre	1992	
Scollay Street (200)	772.7	1482
Southside Community Centre	2220	
Spence Children's Cottage	200	
Stirling Early Childhood Centre	100	
Stokes Street House	75	
Theiss Cottage	431	
Throsby House	132	
Tucana Street Depot	361.79	
Tuggeranong 55 Plus Club	314	
Tuggeranong Childcare & Education Centre	948	
Tuggeranong Community Centre	2011	
Tuggeranong Homestead	1507	
Tuggeranong Youth Resource Centre	819	
Turner Childcare Centre	333	
Vocal House	542	
Waldorf Unit 150	159	

Wanniassa Community House	474	
Wave Centre	129.08	
Weston Community Hub	3566	27.77
Weston Creek Children's Centre	450	
Weston Creek Community Centre	1390	
Woden Community & Lollipop Children's Centre	629.28	
Woden Youth Centre	581	
Youth Coalition of the ACT	265.92	
TOTALS	132,764.83	5,220.67

TOTAL AREA
137,985.50

VACANT
4%

TREASURER ANNUAL REPORT HEARINGS 2016-17

ISSUE: COMMUNITY VACANCY RATE

- Accountability Indicator Output 9.1b Government Services, Property, 'Occupancy rate for properties designated for use by non-government tenants' sets a target of 96 per cent occupancy for 2017-18.

Talking Points

- ACT Property Groups occupancy rate at October 2017 is 96 per cent, meeting the 2017-18 target.
- ACT Property Group is proactive in promoting space that is available to applicants on the Community Application Register and more broadly to existing tenants.
- Community interest remains strong, with previous difficult to lease sites attracting new tenants.

Key Points and Statistics

- A total of 138,000sqm of accommodation is made available for community leasing within the ACT Property Group portfolio.
- Current notable vacancies include, Callam Offices, Phillip (1,430sqm) Flynn Community Hub (1,519sqm) and 200 Scollay Street, Greenway (1,482sqm).

Background Information

- ACT Property Group manages 247 properties on behalf of the ACT Government. The majority of these properties are available for rent by Government and non-government organisations.
- ACT Property Group aims to keep the vacancies in properties it manages to a minimum, however some vacancies will occur for example due to changes in tenant requirements or turnover of properties (new or to be disposed of).
- It is also an opportunity for a 'rethink' by applicants in terms of adapting their more specific requirements to the space that is available.

Office accommodation Utilisation Rate @ April 2017			
Directorate	Occupied work points	NLA (m2)	Average Utilisation Rate
Chief Minister, Treasury & Economic Development	1,968	23,592	12.0
Community Services Directorate	630	8,749	13.9
Education and Training	121	1,843	15.2
Environmental Protection and Sustainable Development	367	5,328	14.5
Health	593	11,358	19.2
Justice and Community Safety	640	12,196	19.1
Transport Canberra and City Services	372	4247.5	11.4
ACT Electoral Commission	11	160	14.5
Audit Office	31	500	16.1
Office of the Legislative Assembly	35	624	17.8
Office of the Commissioner for the Environment	6	100	16.7
Average	4774	68,698	14.4

TREASURER ANNUAL REPORT HEARINGS 2016-17

ISSUE: GOVERNMENT OFFICE OCCUPANCY RATE

- Accountability Indicator: Average Square Metres of Office Accommodation per Employee

Talking Points

- Output 9.1 requires that the ACT Government's office accommodation portfolio achieve an average square meters of office accommodation per government employee of 15m². The figure as at 30 April 2017 is 14.4m². The current target square metres of office accommodation per employee have been achieved for a numbers of years.
- With the announced renewal of office accommodation in Civic, Dickson and Woden, the expectation is this rate will trend towards 12m² per employee by 2020, reflecting the introduction of contemporary office fit out, including for example, activity based working.

Key Points and Statistics

- The average square metres of office accommodation occupied by government is trending downwards.

Background Information

- The Accountability indicator for the ACT Property Group of 15 square metres of office accommodation per employee reflects the current occupancies of leased and owned office accommodation managed by the ACT Property Group.
- The result is calculated by dividing the net lettable area for ACT Government office accommodation by the total headcount. Averages at individual properties vary due to different fit out and usage arrangements.
- The ACT Government Office Accommodation Policy, issued in December 2015 sets the target of 12 square meters of office accommodation per employee. This rate will be achieved progressively over the next five years as older buildings such as Macarthur House are retired, using the Asset Recycling Initiative funded by the Australian Government. Leases in older buildings such as Eclipse House have not been renewed and new leased buildings at Civic, Dickson and Woden were announced in January 2016.

TREASURER ANNUAL REPORT HEARINGS 2016-17

ISSUE: 2016-17 Capital Upgrades Program

Talking Points

The Capital Works and Property Upgrades Program cost for 2016-17 was \$8,510,000. The primary capital works were:

- North Building HVAC, National Convention Centre and Callam Offices refurbishments.
 - The North Building HVAC upgrade works were approximately 30% complete at the end of 2016-17. The remaining 70% is expected to be completed by December 2017.
 - Refurbishment works for the National Convention Centre was substantially completed at the end 2016-17 at a cost of \$2, 314,000.

The property upgrades program was focussed on ensuring buildings meet workplace health and safety requirements and are effective in the delivery of government services. The primary focus of these works have been with:

- Blaxland Centre Windows Upgrades \$700,413.
- Childcare centres expenditure of \$470,000.

ACT Property Group determines the priority buildings and projects through its asset management process including condition assessments, ACT Property Group staff visits to sites and feedback from tenants. These works will extend the usable lifespan of the buildings, improve their presentation and increase the functionality for tenants in the buildings.

Key Points and Statistics

North Building HVAC is a sustainability initiative with a move from gas to electricity.

The National Convention Centre works is a major upgrade of the facility to deliver growing services in Civic.

Background Information

North Building – Upgrade of HVAC system

	2015-16	2016-17	2017-18	2018-19	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Capital	495	1,412	4,634	0	6,541

The Government will upgrade the North Building's Heating, Ventilation and Cooling (HVAC) system, which is beyond the end of its useful life.

Refurbishment of the National Convention Centre

	2015-16	2016-17	2017-18	2018-19	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Capital	3,247	2,134	0	0	5,381

Fyshwick Depot - Fuel storage tanks removal and site remediation*

- Funds approved for removing fuel tanks in other properties

	2015-16	2016-17	2017-18	2018-19	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Capital		261	670	0	931

Government Accommodation Strategy

	2015-16	2016-17	2017-18	2018-19	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Capital		448	300	0	848

More Men's shed

	2015-16	2016-17	2017-18	2018-19	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Capital		23	64	0	87

Improving Community Facilities – Building refurbishment and upgrades in Tuggeranong

	2015-16	2016-17	2017-18	2018-19	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Capital		100		0	100

The property upgrades expenditure for 2016-17 was \$4, 132,000 composed of:

Project	\$ '000	Description of priorities
Blaxland Centre	\$510	Continuation of the windows upgrade and heating services projects
Building and Safety Upgrades at various Government	\$510	Electrical, Lift and Roof safety and other compliance works identified through the condition assessment program. Anticipated to

Buildings		include major works at the Mitchell depot confined spaces, Griffin centre security systems upgrades, Yarralumla Woolshed electrical compliance upgrades and Mount Rogers/ Spence Community centre – landscape rectification works
Building refurbishment including roofing, energy efficiency upgrades and internal remediation at various buildings	\$292	Works identified through the condition assessment program with a focus on aged community facilities including roof renovations, energy efficiency and fit out in offices, workshops, factories and community facilities.
Building renovations and extensions including modifications to amenities at various buildings	\$460	Identified through the condition assessment program with a focus community facilities and depot energy efficiency, BMS and HVAC related upgrades.
Childcare centre Upgrades	\$470	Projects to address aged condition and safety issues throughout centres; including but not restricted to the Civic; Condor, Ginninderra, Narrabundah centres.
Fire service upgrades at various Government Buildings	\$127	Works identified through the condition assessment program and Fire Protection compliance program
Government Buildings	\$510	Building safety - Electrical, Lift and Roof safety and other compliance works identified through the condition assessment program. Anticipated To include major works at the Mitchell depot confined spaces, Griffin centre security systems upgrades, Yarralumla Woolshed electrical compliance upgrades and Mount Rogers/ Spence Community centre – landscape rectification works
Hazardous material removal at various Government building	\$365	Removal or treatment of asbestos, lead paints and other material in depots, factories and community facility buildings
Grounds upgrades including fencing and landscaping at various Government Buildings	\$88	Works include fencing, landscaping road marking and tree removals.
Upgrades to address ageing infrastructure at various Government building	\$395	Works identified including roof upgrades, roller doors and shutters, chiller pumps and compressors, plumbing and drainage.
Upgrades to Heritage Buildings	\$155	Tralee Homestead remediation work, Civic Merry Go Round, Yarralumla Woolshed gutter and roof works and other sites as required.



Renovation of the Tidbinbilla Visitors Centre	\$250	Facade rectification and other works as required
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Executive Responsible: Garry Gordon, Director, ACT Property Group

Ext: x52250

TREASURER ANNUAL REPORT HEARINGS 2016-17

ISSUE: ELECTRICAL SWITCHBOARDS

Talking Points

- ACT Government buildings and facilities are managed either by the ACT Property Group which is a business unit in the Chief Minister, Treasury and Economic development Directorate or in certain cases by individual Directorates. This response is provided in relation to those buildings and facilities managed by ACT Property Group.
- Those sites not managed by the ACT Property Group are the responsibility of Directorates including management of electrical switchboards.
- Electrical Switchboards in buildings under the custodianship of the ACT Property Group were compliant at time of installation and have a maintenance program in place to maintain the integrity of the switchboard.
- All new switchboards fall under two categories:
 - Those that are an off the shelf type, for smaller installations and sub boards. Usually bought at an electrical wholesalers & manufacturers. All such boards are built to the Australian Standard AS/NZS 3439.1:2002.
 - Larger main switchboards for commercial & industrial installations. These boards are custom built for the various tasks of delivering power to other sub switchboards throughout the facility, and manufactured at a licensed switchboard maker. In this case they will be built to the Australian Standard and an electrical engineer's specification. Extensive testing is undertaken by the builder as part of the pre delivery process.

Key Points and Statistics

- For those buildings under the control of ACT Property Group a program of thermal imaging of all switchboards is carried out.
- All major load centres are checked annually. The nature of the testing is invasive, in that our licensed electrician removes the escutcheon panels to reveal the electrical chassis and associated switchgear (circuit breakers).
- This process identifies any Issues with the equipment with any minor problems rectified during the inspection. A report is produced, if any larger issues arise they are then addressed in a timely manner.
- The inspections are carried out by and ACT Property Group officer who is our designated electrical tester has undergone an accredited training course and is a licensed electrician.

**Background Information**

- A consolidated response was provided by the Chief Minister to a series of questions to all Ministers relating the state of electrical switchboards and faults reported for all ACT government buildings and facilities for the financial years 2013-14, 2014-15, 2015-16 and to May 2016-17.

Executive Responsible: Garry Gordon

Ext: x55250

TREASURER ANNUAL REPORT HEARINGS 2016-17

ISSUE: CENTRALISATION OF PROPERTY MANAGEMENT

Talking Points

- The ACT Government announced the establishment of a single service model for property management. This is a similar model to the delivery of services by Access Canberra and Shared Services.
- ACT Property Group (ACTPG) will implement the single service model over the next four years, including a due diligence review of properties and the strengthening of ACTPGs capabilities and capacity.
- The new model will involve ‘partnership’ arrangements between ACTPG and individual ACT agencies and business units, with ACTPG ensuring that ACT Government owned and leased properties support the delivery of policy and program outcomes managed by ACT agencies.
- Arrangements with individual Directorates and business units will not be rushed and will be through agreement, based on whether ACTPG or the business entity is better placed to manage the various property activities (i.e. skills and risk management).
- A single service model will provide a single reference point for the ACT Government on the condition and performance of properties in the delivery of services to the ACT community.
- The key benefits to be derived from the single service model are:
 - whole-of-government assessment of asset planning, including prioritisation of repairs and maintenance and capital upgrades works activity;
 - optimal utilisation of spaces across all ACT Government owned assets; and
 - operational efficiencies through strategic procurement of property related services (i.e. energy supply, waste removal, security and cleaning services).

Key Points and Statistics

- As at 13 October 2017 there is a total of 726 ACT Government owned properties managed across all ACT Directorates and agencies.
- ACTPG has custodian responsibility for 244 properties and manages a further 39 leased properties.

Background Information

- An announcement was made in the 2017-18 Budget to centralise property management.

TREASURER ANNUAL REPORT HEARINGS 2016-17

ISSUE: ALBERT HALL MANAGEMENT PLAN

Talking Points

- The ACT Property Group has responsibility for the various actions required under the Albert Hall Land Management Plan including the establishment of a Management Reference Group.
- Following an expression of interest in April 2017 calling for representatives the Management Reference Group held its inaugural meeting on 29 May 2017, with agreement reached to meet quarterly - the next meeting is scheduled for 20 November 2017.
- The Friends of Albert Hall have been advised of developments throughout the process and several members are included in the Management Reference Group.

Key Points and Statistics

- External painting of the building commenced in August 2017 following expert technical advice to acquire the most appropriate paint solution and will be completed by the end of October 2017.
- Replacement of the heating, ventilation and air conditioning (HVAC) system has been scheduled for 2017/18.
- A review of the hire charges has resulted in a reduction and simplification of the fees which apply from 1 September 2017 to better promote Albert Hall as an affordable venue.

Background Information

- Following an inquiry by the Standing Committee on Planning, Environment and Territory Municipal Services a new Land Management Plan was completed in April 2016 to guide the management of this historic building for the next 10 years.
- The Management Reference Group have an advisory role, with final decisions about operational matters and management of the building and its surrounds remaining with the ACT Government.
- There has been a number of letter exchanges between the Chief Minister's Office and the President of the Friends of Albert Hall over the past 18 months.
- The most recent correspondence was the Chief Minister stating his support for the conservation and protection of Albert Hall and the ACT Property Group will also carry forward developments of the Land Managements Plan's and management of the Albert Hall.

TREASURER ANNUAL REPORT HEARINGS 2016-17

ISSUE: STROMLO LEISURE CENTRE PROJECT PROGRESS

Talking Points

- \$33 million has been committed under the 2016-17 ACT Budget to deliver a 50 metre pool and program/learn to swim pool at Stromlo Forest Park.
- The design will allow for future expansion of the facility so it has the capacity to grow over time as part of a unique sporting destination, Stromlo Forest Park, and a community asset for Canberrans, particularly residents of the Molonglo Valley and Weston Creek.
- Consultation with the community and key stakeholders was completed in January 2017 with over 700 submissions received. A summary of the feedback from the consultation process was posted on the Your Say website.
- Following a review of the submissions, the Government sought further information from the market on the costs of other works, including a gym/health club; Splash Park; program pool modifications, to include hydrotherapy, leisure/toddler amenities; and seating capacity increases. The shortlisted contractors have been asked to provide separate prices for each inclusion. The Government is committed to delivering a 50 metre pool at a cost of up to \$33 million.
- The design and construct RFT was released to the three shortlisted companies on 8 September 2017 and closes on 7 November 2017. A construction contractor is expected to be in contract in late 2017, with the construction of the Stromlo Leisure Centre to be completed in late 2019.
- A consultant has been engaged to complete a design of the site services (i.e. gas, electricity, water and sewerage). Final designs of the services are expected to be completed in mid to late November 2017.

Key Points and Statistics

- Some early works have already commenced with Venues Canberra relocating trees and large rocks on the site to other parts of Stromlo Forest Park.

Background Information

- In 2012, ACT Labor committed \$33 million to build an indoor 50 metre pool for Molonglo and Weston Creek.
- In 2013, possible sites for the facility were investigated in Weston, Holder, Waramanga, Stirling and Wright. The site in Wright was found most suitable.
- In 2016, a decision was made to relocate the pool facility site into Stromlo Forest Park to free up the site in Wright for more residential development.

TREASURER ANNUAL REPORT HEARINGS 2016-17

ISSUE: POOL FEES AND COMMUNITY CONSULTATION

Talking Points

- Community consultation on proposed increases to fees for ACT Government pools over the next four years was undertaken from 6 April 2017 to 12 May 2017.
- The proposal relates to pool fees for Lakeside Leisure Centre in Tuggeranong, Gungahlin Leisure Centre, Canberra Olympic Pool, Dickson Pool, Manuka Pool and Active Leisure Centre in Erindale.
- There were 11 submissions received, which are being considered at the moment.
- Fees at ACT Government owned public pools are comparably lower than privately owned public pools in the ACT and pools in other jurisdictions.
- People with a disability and children under three years of age will continue to have free access to ACT Government public pools.
- Any changes will not impact swimming lesson fees and is not applicable to privately owned public pools.

Key Points and Statistics

- In 2017-18, it is estimated that the management costs for ACT Property Group's pool facilities will have nearly tripled (from \$0.66M to nearly \$1.83M) since 2010-11. This is largely due to operators becoming more risk-averse as well as the increasing cost of utilities and lifeguard wages.
- In recent years, utility costs have increased by more than 30 per cent (gas prices have increased by 100% in 2017-18) and some staff wages have increased by more than 20 per cent. Combined, staffing and utility costs make up 72 per cent of operational costs for the pool facilities. As a comparison, the Standard casual entry fee in 2017-18 (\$6.10) is lower than it was in 2011-12 (\$6.20).

Background Information

- Active Canberra (AC) engaged a consultant to complete an independent review of pool fees in 2016, which found;
 - Standard and concession casual entry fees at AC managed pool facilities were below the ACT and national average, which private ACT operators may consider to be distorting the market;
 - Disposable income is higher in the ACT than in other regions and current fees may be below consumers' willingness to pay; and
 - Staff costs make up 52 per cent of expenditure at ACT Property Group managed facilities and entry fees have not increased in line with ACT wages since 2011-12.



- The CMTEDD Fees and Charges Policy and Guidelines require Cabinet approval for major variations (such as changing pricing policy or costing methodology).
- A Cabinet Submission is being prepared for consideration at the Cabinet meeting on 21 November 2017. If Cabinet approves the increase to pool fees, there will be some increases above the current WPI that will be staged over four years, but the majority of increases will be at or below the Wage Price Index.

TREASURER ANNUAL REPORT HEARINGS 2016-17

ISSUE: STATEMENT OF PERFORMANCE, NUMBER OF EVENTS, VENUES CANBERRA

Talking Points

- Number of major events at GIO Stadium, Manuka Oval and Exhibition Park in Canberra exceeded original targets.
- Number of Major Events at:

	Original Target 17/17	Actual 16/17
(i) GIO Stadium	23	28
(ii) Manuka Oval	5	8
(iii) Stromlo Forest Park	10	10
• (iv) Exhibition Park in Canberra	85	117

- GIO Stadium exceeded targets due to the success of our hirers, the Brumbies and Raiders in securing home finals, and acquiring A league matches and the Keith Urban concert.
- Manuka Oval acquired women's ODI cricket and AFL matches and the PM's XI cricket to improve on their target.
- Exhibition Park in Canberra exceeded targets due to an increased focus on marketing and high retention levels.
- Venues Canberra continues to work with government, promoters, sporting bodies and community groups to increase the number of events at our venues.

Key Points and Statistics

- N/A

Background Information

- The statement of performance measures planned major events held at each venue in 2016-17.

TREASURER ANNUAL REPORT HEARINGS 2016-17

ISSUE: STATEMENT OF PERFORMANCE, CUSTOMER SATISFACTION, NATIONAL ARBORETUM CANBERRA

Talking Points

- Customer satisfaction at the National Arboretum is measured by customers providing a rating of excellent or good.
 - The target of customer satisfaction at the National Arboretum in Canberra is 85%.
- Figures are taken from the Visitor Research Report generated from the Qualtrix software.
- The report is generated annually and last run as at 20 December 2016.
- Visitors strongly value the National Arboretum Canberra as a beautiful, natural place to visit and a place for the conservation of rare and endangered trees. They increasingly value it as an important tourist attraction for Canberra.

Key Points and Statistics

- Figures generated as at 20 December 2016 saw visitors rate their visit as excellent (63.9%) or good (29%) to provide the total of 93% customer satisfaction.
- Qualtrix reports can be run at any time and manage the entire customer experience.

Background Information

- The statement of performance measures customer satisfaction at the National Arboretum Canberra.

TREASURER ANNUAL REPORT HEARINGS 2016-17

ISSUE: MEDIA AND BROADCAST CENTRE, MANUKA OVAL

Talking Points

- The Strategic Partnership Agreement with Cricket Australia (CA) requires that minimum standard Test Match facilities be constructed and operational in time to facilitate the yet to be scheduled Test Match noting that Test Matches can be scheduled from the start of November 2018 to end of January 2019 .
 - The previous temporary solutions for broadcast facilities did not meet Test Match standards. CA's facilities requirements are based on the International Cricket Council's (ICC) specification that applies across all international cricket facilities.
- Design of the media centre is underway. The four storey 1,500m² building will also support AFL fixtures by providing corporate entertaining space as well as additional broadcast booths required by AFL. When not required for major sporting events, the building will be available for hire and use by the public.
- Currently, a reference design is being finalised and design meetings are being held with the National Capital Authority to agree on architecture.

Key Points and Statistics

- Construction of the main structure is expected to begin early 2018.
- Facilities are expected to be in place for November 2018.
- The media centre building cost is estimated to be \$11.7 million.
- The Media and Broadcast Centre project is funded in the 17-18 budget.

Background Information

- Developments at Manuka Oval draw a lot of local community interest. The design for the media centre responds to heritage and residential amenity considerations and the community was involved in discussions about the building design.

TREASURER ANNUAL REPORT HEARINGS 2016-17

ISSUE: COMMERCIAL SHUTTLE BUS SERVICE AT STROMLO FOREST PARK

Talking Points

- Venues Canberra has entered into a services agreement with Dynamic Motivation Pty Ltd to offer a commercial public shuttle bus service at Stromlo Forest Park
- The service operates on weekends, public holidays and on other days subject to demand.
- The initial schedule operates every 30 minutes.
- The agreement is for five years with options for two one year extensions.
- 10% of all takings is returned to Venues Canberra monthly and there is no subsidisation from the ACT Government.

Key Points and Statistics

- N/A

Background Information

- The provision of a public shuttle bus service improves the patronage experience at Stromlo Forest Park
- Reports from Dynamic Motivation Pty Ltd indicate that most users of the service are interstate visitors to the ACT.

TREASURER ANNUAL REPORT HEARINGS 2016-17

ISSUE: Relocation of Westside structure/commercial businesses

Talking Points

- Following a review of the Westside Village, the Government identified Stromlo Forest Park as the ideal location to move a section of the containers.
- The containers are currently being relocated and are expected to be operational prior to Christmas 2017.
- The ACT Government has engaged the commercial arm of Raine and Horne (R&H) to assist in the administration of an EOI for the provision of commercial operations for the new facility.
- R&H's assessment of the proposals will be based on
 - Best terms/rent;
 - Experience in business – eg cycling industry/participation & café operation;
 - Understanding of Stromlo Forest Park's strategic direction/master plan; the importance of the promotion of cycling tourism in the Territory; a Canberra focus; and an ability to demonstrate how their business/es would support these criteria;
 - Long term financial viability.
- A formal evaluation plan is being developed prior to public release of the EOI to ensure rigour and transparency in the evaluation process.
- It is proposed that R&H issue an EOI in the Canberra Times and other marketing mediums, such as real estate web portals, direct target and undertake an email marketing campaign.
- There has been considerable interest from a variety of groups to tenant the containers.
- All parties that have shown interest to Venues Canberra in relation the operation of the facility have been referred to Raine and Horne to be included in the EOI.
- The establishment of the containers ensures more facilities for the users of Stromlo Forest Park and the home owners of surrounding suburbs.

Key Points and Statistics

- As above

Background Information

- There has been considerable interest from the ACT Cycling community and associated commercial and non-commercial groups into the outcome of the EOI process.

TREASURER ANNUAL REPORT HEARINGS 2016-17

ISSUE: ANNUAL VISITATION – INCREASE IN CAMPING AND EVENTS, EXHIBITION PARK IN CANBERRA

Talking Points

- 1.25 million attendees across camping and event activities.
- 128 events that exceeded 500 patrons.
- Record attendance and the 30th Summernats Car Festival.
- Hosting of National Events including – National Caravan Rally and National Campervan Rally.

Key Points and Statistics

- As above.

Background Information

- Exhibition Park in Canberra continues to offer low cost camping accommodation for interstate visitors to Canberra and is the only camp ground in the area that allows pets.
- A wide variety of events, from festivals to weekly markets, are accommodated in the various spaces at Exhibition Park.

TREASURER ANNUAL REPORT HEARINGS 2016-17

ISSUE: CANBERRA TOURIST PARK – LOW COST ACCOMMODATION, EXHIBITION PARK IN CANBERRA

Talking Points

- FreeSpirit Developments constructed the facility.
- FreeSpirit owns and operates the facility and has an agreement in place with Exhibition Park in Canberra.
- Bookings commenced in April 2017. The purpose built facility offers 408 well equipped student beds, group dining and presentation spaces.
- FreeSpirit Developments constructed the facility.
- Interest in the facility has been strong from sporting and community groups for weekend and holiday use.
- Stage 2 of the facility will include a tourist park with cabins and caravan sites and associated facilities. Stage 3 of the project is a hotel site.

Key Points and Statistics

- The National Capital Educational Tourism Project reported that in 2014 student educational tourism delivers about \$105 million to the ACT economy.

Background Information

- The ACT Government is committed to the low budget tourist accommodation in the ACT, with a focus on accommodation for visiting school children to Canberra. A challenge has been meeting the demand for visiting schoolchildren accommodation.
- Canberra Park Resort is adjacent to Exhibition Park in Canberra

TREASURER ANNUAL REPORT HEARINGS 2016-17

ISSUE: VISITOR NUMBERS, FUNCTIONS AND EVENTS

Talking Points

- Public visitation to the Arboretum during the 2016-17 year once again exceeded expectations with approximately 564,000 visitors.
 - This number includes visitors who do not pass the counters in the Village Centre (470,000) and comprise those who attend private and corporate functions, ticketed events, families only accessing the pod playground, afterhours bus groups (schools and others) and visitors enjoying the forests and scenery.
- The 'Gallery Of Gardens' opened on 2 April 2017 as a result of generous donations received from community groups and individuals. These included; the Open Gardens Australia *Celebration Garden*, *Mununja the Butterfly Garden*, the *Labyrinth Garden* and the *Aids Garden of Reflection*. The gardens were opened by the Chief Minister and are now recognised as a valuable visitor experience.

Key Points and Statistics

- Managed 254 private and corporate functions.
- Managed 75 activities covering a wide range of free and ticketed public and promotional events.
- Managed and facilitated educational programs for 16,500 local and interstate students including facilitating 107 groups of 6,045 students (Local =2,927 and Interstate = 3,118).
- Booked and facilitated school holiday program activities for 577 children.
- Booked and facilitated 72 private birthday parties.
- Booked and facilitated 49 guided tours for 1,282 paying visitors.
- The volunteer guides delivered a total of 3,751 terrace talks and walks to 12,837 visitors.
- The Arboretum volunteers donated 18,609 hours during 2016-17.

Background Information

- The National Arboretum Canberra has seen increased visitation each year.
- There is a steady 20% annual increase in school groups visiting the Arboretum, however there is a 108% increase in those purchasing the facilitated education programs on offer as a result of conversion from previous first time visits.
- The number of guided walks is also increasing.
- Public Program events – both free and ticketed, continue to be of major interest with strong attendance and positive feedback.
- Functions, while numbers are down on the previous 12 months, are more financially viable due to changes to the pricing policy and providing 3 year fees and charges to ensure functions booked in one year are charged at the appropriate year's rates.
- Overall, the Arboretum visitor experience and community engagement is tracking at a strong level.

TREASURER ANNUAL REPORT HEARINGS 2016-17

ISSUE: FOREST HEALTH

Talking Points

- The vast majority of the Arboretum's forests are performing well and many are exceeding expectations. 31 of the trees species growing at the Arboretum are classed as 'threatened' species, including two species that are extinct in the wild, five critically endangered, 10 endangered and 14 vulnerable species.
- The Arboretum utilises experts in a Forest Management Advisory Group across a wide range of disciplines to assist in making management decisions.
- Arboretum staff continually monitor and manage the health and condition of the forests through soil moisture monitoring, irrigation, fertilising, mulching, pruning, providing condition reports, systematic visual assessments and replanting.
- Stage two of the water security project has been completed and is currently within its defect liability period.
- The arboretum is working closely with the University of Canberra (UC), as part of the 'Smart Cities and Suburbs Program' on future water efficiency strategies. This includes the use of site specific soil moisture sensors that enable accurate automatic irrigation, based on individual tree species requirements.
- A site specific GIS-based 'Tree Management Application' has been established to assist with horticultural and land management planning and audits.

Key Points and Statistics

- The Friends of the Arboretum have been key to many horticultural achievements on site including the fertilising of 28,571 trees and the mulching of five complete forests.
- The Arboretum has replanted 1,237 trees as part of capital upgrades; this has completed the plantings in many forests. Missing trees were due to early juvenile failures.

Background Information

- A major challenge faced by horticultural staff is site soil health. Since opening, soil health has increased by the introduction of biological management.
- Another major challenge has been the supply and delivery of adequate water to trees. The ongoing water security project has delivered much needed requirements. Management of water allocations and further reductions of water use through sustainable systems continue to evolve on site.

- Long term horticultural and silvicultural programs are being developed internally with some external oversight to ensure forest health continues to improve and all management requirements are officiated.

TREASURER ANNUAL REPORT HEARINGS 2016-17

ISSUE: FINANCIAL POSITION OF ROYAL NATIONAL CAPITAL AGRICULTURAL SOCIETY

Talking Points

- Royal National Capital Agricultural Society (RNCAS) wrote to the ACT Government on 10 and 19 May 2017 seeking financial assistance.
- To consider the assistance, the Government sought further information from RNCAS about their financial position.
- Following consideration of all the relevant information the Government decided it would not provide financial assistance to the RNCAS.
- Venues Canberra has been working with the RNCAS to seek other revenue opportunities, provide in-kind support and event/budget management advice. Early advice is that their financial position is improving and that they are now forecasting a profit for the Royal Canberra Show.
- The RNCAS has one commercially run event, being the Spring Home & Leisure Show, which was bought from a commercial client of EPIC in 2013.
- Due to cash flow pressures, the RNCAS has requested to defer the payment of the venue hire for this event to post event. Venues Canberra has agreed to this request.

Key Points and Statistics

- Exhibition Park in Canberra (EPIC) provides significant financial and in-kind subsidies to RNCAS. These reflect the historical agreements and included the ability for RNCAS to have a higher than industry number of set up and pack down days.

Background Information

- EPIC and the RNCAS have two long term agreements in place (1978-2032). One Agreement covers the RNCAS buildings and the other, the venue hire for RNCAS events, with a combined annual fee.
- The Royal Canberra Show in particular, has a long history and tradition in Canberra. It attracts significant numbers of exhibitors and competitors from the region and interstate for the duration of the event.
- It was requested RNCAS provide a copy of their 2017-21 strategic plan, a copy of their 2016-17 financial audit report and agree to full independent management investigation and audit.
- An audit report has been completed by KPMG.

TREASURER ANNUAL REPORT HEARINGS 2016-17

ISSUE: APPROPRIATION TO STRENGTHEN THE COMMERCIAL BASIS OF VENUES CANBERRA

Talking Points

- The Government provided a one-off appropriation amount of \$1.310 million in the 2017-18 Budget to support Venues Canberra in strengthening its commercial basis.
- \$200,000 of funding will be used to develop a business improvement strategy.
- Venues Canberra is seeking to increase own source revenue by \$350,000 annually, including improved sponsorship and function revenue.
- Work has commenced on the business improvement strategy.

Key Points and Statistics

- Gross profit has reduced due to a decrease in patronage, corporate spending and sponsorship.
- Difficulties have been experienced due to less favourable commercial terms for Venues Hire Agreements.

Background Information

- GIO Stadium revenues alone are not a sufficient or reliable source of income to provide for the subsidisation of Manuka Oval and Stromlo Forest Park.
- The venues have been able to effectively contain or reduce costs in employee expenses, repairs and maintenance, utilities and contractors over a five year period.

TREASURER ANNUAL REPORT HEARINGS 2016-17

ISSUE: OUTCOME OF FATAL ACCIDENT AT SUMMERNATS FESTIVAL HELD AT EXHIBITION PARK IN CANBERRA (EPIC), JANUARY 2017

Talking Points

- A patron at the Summernats Festival fell off the back of a moving vehicle and as a result of his injuries, died.
- The matter is currently with the Coroner and no outcome, findings or recommendations have yet been handed down.

Key Points and Statistics

- N/A

Background Information

- Venues Canberra and relevant ACT Government staff engaged with ACT Policing members at the time of the accident and have continued to provide assistance as required.
- ACT Policing immediately banned riding in the back of utility vehicles for the remainder of the Summernats festival following the accident.

TREASURER ANNUAL REPORT HEARINGS 2016-17

ISSUE: GOVERNMENT OFFICES PROJECT – CIVIC AND DICKSON

Talking Points

- On 25 January 2016 the Government announced that it would commission the development of new office buildings in Civic and Dickson. The Government has made significant progress in relation to these important office building projects.
- The two buildings reflect the implementation of the AGT Government's hub and spoke whole of government office accommodation strategy and have provided an opportunity to sell and vacate aging owned office buildings.
- Civic Office: The car park site next to the Legislative Assembly Building (Block 35 Section 100) has been sold to the Capital Property Group (CPG) with a pre-commitment to lease a new 20,000 square metre net lettable area (NLA) government office building.
- Dickson Office: Doma Group Pty Ltd was selected as the preferred tenderer on 3 April 2017 for the lease of a 13,000 square metre NLA office building. Contract negotiations are proceeding well and the contract documentation is being finalised.
- The Territory receives payment for the land sales for both sites. In addition, the Dickson site is subject to the Asset Recycling Initiative, which would see the Territory receiving an additional 15 percent of the land sale value. Rents for both buildings have been struck at competitive market rates.
- Both sites provide a significant urban renewal dividend and will include enhanced public realm, additional mixed use sites, apartments or hotel accommodation, restaurants, a gym and child minding facilities. These elements are not part of the ACT Government tenancies.

Key Points and Statistics

- The Civic Office building will house 1,900 staff working in an activity based working environment and Dickson 1,200 staff.
- The sale price for the Civic Office building site was \$34 million and the rent is \$450 per square metre. This information is not available for the Dickson Office building because contracts have yet to be executed.
- The Civic Office building was allocated \$40 million (ie \$2,000 per square metre) for its fit out in the 2016-17 Budget. A provision was included in the 2016-17 Budget for the fit out for the Dickson Office building, pending the finalisation of the procurement process.

Background Information

Achievements in 2016-17

- Civic Office building – Finalisation of the procurement process and execution of contracts for land sale and office lease.
- Dickson Office building – Commencement of the procurement process and selection of the preferred tenderer.

Plans for 2017-18

- Civic Office building – Finalisation of the fit out design and commencement of construction. Construction of some additional parking following the closure of parking currently available on the building site.
 - Temporary car parking will be provided to partially compensate for the loss of the 225 car parks (inclusive of MLA spaces) during the construction period. A total of 130 additional spaces (30 of these will be allocated to MLAs) will be provided on the Northbourne Avenue side of the Canberra Theatre – 50 spaces in the realignment of the existing car park and an additional 80 spaces on the grassed area facing City Hill. This work will result in a net loss of 91 spaces across the two car parks.
- Dickson Office building – Execution of contracts for the land sale and office lease, finalisation of the fit out design and commencement of construction.

Annual Report Hearing Brief Index

Day One – Monday 6 November 10:45am-12:00pm, 2:00-3:15pm.

TAB 1**Output Class 1.1: Government Policy and Reform**

Brief Number	Brief Title	Volume	Page No.
Government Administration			
1.	ACT Strategic Board	1	20
2.	Support to Cabinet/ Cabinet Subcommittees	1	27
3.	Reporting on Election Commitments and Parliamentary Agreement	1	Nil
4.	Territory Records Office and Digital Recordkeeping	1	295-302
Intergovernmental Relations			
5.	ACT - NSW MoU on Regional Collaboration	1	22, 27-28
6.	Canberra Region Joint Organisation (CBRJO)	1	22, 27-28
7.	Jervis Bay Territory	1	28
8.	Council of Capital City Lord Mayors (CCCLM)	1	23, 28, 30
9.	City Deals	1	Nil
10.	Office of LGBTIQ Affairs	1	22
11.	Reportable Conduct Scheme	1	23, 28, 131
Regulatory and Policy Reform			
12.	Traders Licensing Bill	1	30
13.	On-demand Transport Industry Evaluation and Taxi Licence Release	1	28
14.	Smart Parking Trial In Manuka	1	30, 31
15.	Red Tape Reduction Legislation	1	28
16.	Smart City Agenda	1	30, 31
17.	Greyhound Industry Transition	1	30
Digital Initiatives			
18.	Office of the Chief Digital Officer – Digital Strategy and Implementation initiatives	1	28
19.	iConnect	1	29

TAB 2**Output Class 1.3: Coordinated Communications and Community Engagement**

Brief Number	Brief Title	Volume	Page No.
1.	Whole of Government Community Engagement - Engagement reform project - Deliberative democracy pilot projects	1	37
2.	Your Say	1	37
3.	Whole of Government Communications services - Creative Services Panel - Media Monitoring - WHOG social media channels	1	36
4.	Our Canberra print and digital newsletters	1	36
5.	Consolidation of websites and social media accounts	1	36
6.	Emergency Communications	1	36
7.	Independent Reviewer and Campaign Advertising	1	36
8.	Pop up Cabinet	3	10
9.	Community Support Fund		
10.	Community Councils	1	36
11.	Ceremonial events	1	36
12.	Honours and awards	1	36

TAB 3**ACT Executive**

Brief Number	Brief Title	Volume	Page No.
1	ACT Executive Staffing	1	244
2	ACT Executive Travel	2.1	23
3	ACT Executive Hospitality	N/A	N/A
4	Operating Result	2.1	15
5	Payment for Expenses on Behalf of the Territory	2.1	15, 19, 22

Out of Scope

Out of Scope

Out of scope

CHIEF MINISTER ANNUAL REPORT HEARINGS 2016-17

ISSUE: ACT PUBLIC SERVICE STRATEGIC BOARD

Talking points

- The ACTPS Strategic Board provides leadership and supports alignment and coordination of effort by officials across the ACTPS.
- Strategic Board provides whole-of-government leadership and strategic direction to the ACTPS and aids the delivery of Government priorities and policies through:
 - defining and driving the ACTPS forward agenda in line with Government priorities
 - building the capacity and capability of ACTPS employees
 - promoting inclusive, collaborative, and cooperative culture within the ACTPS
 - ensuring the operation of proper governance and accountability arrangements across the ACTPS
 - exemplifying the ACTPS Values and the Signature Behaviours that underlie these values.
- Strategic Board is chaired by the Head of Service. Membership comprises Directors-General from all directorates, the Under Treasurer, the Chief Digital Officer, the Public Sector Standards Commissioner, and the Deputy Director-General Policy and Cabinet.
- Other Executives are invited to attend for agenda items of particular relevance.
- Strategic Board meets on a fortnightly basis.
- Secretariat support is provided by the Office of the Head of Service, Chief Minister, Treasury and Economic Development Directorate. The minutes of each Strategic Board meeting are provided to Cabinet for noting.

Key points and statistics

- Strategic Board held 23 meetings in 2016-17.

Background information

- The Strategic Board commenced operation in 2011.
- The Strategic Board is supported by five sub-committees:
 - Policy Council – provides policy advice and support on the decisions of Cabinet and Strategic Board.
 - People and Performance Council – the senior body for consideration of workforce capacity and capability related issues and workforce performance issues in the ACTPS.
 - Customer Council – provides direction and oversight of the provision of Shared Services to all directorates.



- Digital Services Governance Committee – provides strategic direction, leadership and advice on prioritisation on the development and management of the ACT Government’s information and technology assets.
- Aboriginal and Torres Strait Islander Affairs Sub-committee – provides advice to enhance the performance and accountability of ACT Government directorates in improving life outcomes for members of the Aboriginal and Torres Strait Islander community.

CHIEF MINISTER ANNUAL REPORT HEARINGS 2016-17

ISSUE: SUPPORT FOR CABINET AND SUB-COMMITTEES

- Cabinet meets on a weekly basis, with Committee and Sub-committee meetings scheduled on an ‘as needed’ basis.
- All ministers are members of Cabinet including, a minister from the ACT Greens.

Talking points

- A number of new subcommittees were established post election including the Economic Development, Human Services and Social Inclusion, Legislation and Enterprise Bargaining Negotiations subcommittees.

Key points and statistics

How many Cabinet meetings were held in 2016-17?

There were 34 Cabinet meetings held in 2016-17. Cabinet considered a range of matters relating to Government priorities, including the transport reform, urban renewal, social inclusion, and jobs creation items. Cabinet’s consideration of these priorities was enhanced by the corresponding subcommittee meetings, which were used to consider and develop the information available to Cabinet for decision-making purposes.

Statistics on Cabinet meetings held in 2016-17

	Total
Cabinet	34
All meetings (incl subcommittees)	75

How many Cabinet Subcommittees were held in 2016-17?

The Cabinet Office is supporting the government’s priorities by providing support for new subcommittees which are designed to support achievements against each. Statistics of meetings by topic area are:

Statistics on Cabinet Subcommittees held in 2016-17

Sub-Committee

2016-17

Budget	19
Capital Metro (old)	2
SEMC	3
Urban Renewal & Eco Growth (old)	1
Economic Development	4
Social Inclusion & Equality (old)	1
Human Services and Social Inclusion	4
Legislation	4
Enterprise Bargaining Negotiations	3

Background information

Nil

CHIEF MINISTER ANNUAL REPORT HEARINGS 2016-17

ISSUE: REPORTING ON ELECTION COMMITMENTS AND THE PARLIAMENTARY AGREEMENT

Talking points

- Fulfilling our Election and Parliamentary Agreement commitments is a key priority for this Government.
- This Government is making great progress in achieving its commitments we gave in the 2016 election campaign.
- It is an appropriate task for the public service to develop these reports. Effective tracking and reporting on these items is essential to ensuring transparency and accountability on the government's commitments to the community.

Key points and statistics

- As at 30 June 2017:
 - 60% of initiatives were active and on track
 - 8% of initiatives were completed
 - 17% of initiatives were not yet commenced
 - 1% were delayed or had minor issues
 - 0% were significantly delayed
 - 14% were awaiting input.
- As at 30 June there were 323 initiatives the ACT Government is monitoring.

Background information

- On 31 October 2016 ACT Labor and the ACT Greens signed the ALP Greens Parliamentary Agreement for the 9th ACT Legislative Assembly.
- Appendix 1, Section X "Review of this Agreement" of the Parliamentary Agreement notes "the parties will review the implementation of this Agreement every six months, and make a public statement on progress every year."
- Two Election Commitment and Parliamentary Agreement reports have been provided to you.
- Reports are conducted on a quarterly basis and aim to provide a high level of overview of commitment progress, highlighting those initiatives that are either complete or delayed in their implementation and the reason for the delay.
- The Parliamentary Agreement contains 13 sections and three appendices, and was signed by Andrew Barr, Yvette Berry, Shane Rattenbury and Caroline Le Couteur.



- The Parliamentary Agreement Status Update will be publicly released each year of this term of government on the anniversary of the agreement's signing.
- In late February 2017 Opposition Leader Mr Coe asked questions on notice relating to the appropriateness of reporting on the Parliamentary Agreement.

CHIEF MINISTER ANNUAL REPORT HEARINGS 2016-17

ISSUE: TERRITORY RECORDS OFFICE AND DIGITAL RECORDKEEPING

Talking points

- The Territory Records Office has established a whole of government electronic document and records management system (EDRMS) to provide a platform for agencies to transition to digital recordkeeping.
- The implementation project commenced in 2015–16, and cost \$375 000.
- During the project the system was rolled out to seven business units comprised of 229 users. Further take-up continues to be managed by Shared Services Records Services.
- A robust digital recordkeeping platform is essential to supporting the agile, digital ACT Government workforce of the future, and will be critical to the success of the Government’s new office accommodation strategy.
- To further support agencies to improve their records and information management effectiveness, the Territory Records Office has established its Better Records Advice and Support Service (BRASS).
- The service conducts in-depth reviews of aspects of an agency’s records and information management and makes recommendations on better practice.
- A test review has been completed in conjunction with the Education Directorate, and the Territory Records Office is now developing its forward program of engagements.
- The Territory Records Office is also making efforts to make information about ACT Government archives more easily available online to the public.
- Through its ArchivesACT service, the Territory Records Office is working with the ACT Heritage Library to establish the cloud-hosted, open source database, ACT Memory.
- ACT Memory will provide searchable information about publicly accessible ACT Government records, as well as the Library’s historical image collection.
- The Territory Records Office is currently discussing with ACT Government agencies access to data about their archives so that it can be provided in a form that is accessible to the public.

Key points and statistics

- There are two software products supporting EDRMS currently in use in the ACTPS:
 - There are currently 1200 users of the Objective system, primarily in:
 - Access Canberra,
 - Environment and Sustainable Development Directorate,
 - Transport Canberra and City Services,



- the Public Trustee and
- areas within CMTEDD (primarily areas that were formerly part of the Economic Development Directorate)
- There are currently 900 users of Hewlett Packard Content Manager (HPCM, often referred to as TRIM). They are spread across the ACTPS and include:
 - ACT Cultural Facilities Corporation,
 - the Electoral Commission,
 - the ACT Insurance Authority,
 - Community Services Directorate,
 - the Health Protection Service,
 - CMTEDD Policy and Cabinet and the Offices of the Director-General and Under Treasurer, and
 - Cabinet, Ministerial and Directorate Liaison officers.

Background information

- Territory Records Office provides leadership to the ACT Public Service on policy and practice for records management. It is a separate unit to Shared Services Records Services, which delivers hard copy and digital records creation, management and storage services to agencies.
- At the conclusion of the EDRMS implementation project the management of the system has been handed over to Shared Services for business as usual operation.
- The Territory Records Office is also responsible, through its ArchivesACT service, for providing public access to ACT Government records that are more than 20 years old.

CHIEF MINISTER ANNUAL REPORT HEARINGS 2016-17

ISSUE: ACT - NSW MOU ON REGIONAL COLLABORATION

Talking points

- The *ACT and NSW Memorandum of Understanding on Regional Collaboration* (the MoU) is the primary means of engagement between the NSW and ACT Governments, reflecting the desire to pursue a borderless regional approach on a range of areas. It recognises the mutual benefits and increased opportunities that emerge through such collaboration.
- The MoU's priority areas include coordination and cooperation on economic development, the natural and built environment and integrated service planning.
- A work plan under the MoU is agreed annually, and a progress report is released at the end of each financial year tracking progress of joint initiatives.
- On 3 November 2017, I joined NSW Deputy Premier Barilaro MP to celebrate the release of 2016-17 progress report and the ongoing progress of the 2017-18 work plan. (Both will be made public on this date).
- Under the MoU progress has been made on:
 - Freight activities, particularly through the joint funding of a report on the economic impacts of international freight – this work was funded with contributions from NSW Government and the Canberra Region Joint Organisation (CBRJO).
 - Development of the CBR Region website – this has been a significant jointly funded project, led by CMTEDD, working the NSW Government and the CBRJO and was launched by myself, the Deputy Premier and the CBRJO at the Airport at the end of October. Supporting this unified branding for the Canberra Region has been the development of a series of industry profiles covering:
 - tourism
 - defence
 - renewable energy
 - education
 - infrastructure
 - agribusiness
 - health and
 - waste



- Regional collaboration and coordination initiatives on water catchment management.
- ACT and NSW child protection agencies working to align information sharing legislation, policies and procedures.
- Initiatives in the MoU's 2017-18 work plan reflect work already commenced and some new initiatives. These include:
 - The development of a cross-border land and housing monitor to facilitate future land and transport planning and associated service delivery.
 - Whole of region demographic research to assist in regional analysis of recent census data and other key demographic indicators.
 - The alignment of container deposit schemes in NSW and the ACT.
 - A strong focus on health and education, with each portfolio having undertaken detailed reviews of their current and future activities, including an assessment of the impact of NSW clients utilising ACT services.
- The recently released NSW Department of Planning's *South East and Tablelands Regional Plan* has a vision for 'a borderless region in Australia's most geographically diverse natural environment with the nation's capital at its heart'. This recognition of Canberra as a major driver for the broader region in a NSW policy document is a key step forward in our collaboration with NSW Government and provides useful leverage for future activities.

Key points and statistics

- The Progress Report on 2016-17 implementation showed that of the 37 initiatives listed in the plan, 21 are on track, 16 are subject to minor delays and none are experiencing significant delays or barriers.
- There are 22 focus areas detailed in the 2017-18 work plan across the spectrum of Government services.

Background information

- In operation since 2011, the MoU was recommitted to in December 2016.

CHIEF MINISTER ANNUAL REPORT HEARINGS 2016-17

ISSUE: CANBERRA REGION JOINT ORGANISATION (CBRJO)

Talking points

- The ACT's associate membership of the CBRJO provides a valuable platform for engagement with our surrounding region.
- A MoU between the ACT Government and the CBRJO was signed in August 2016. It agreed to support the CBRJO's activities with a particular focus on economic development opportunities including:
 - Developing a Canberra Region Economic Development Strategy;
 - Activating the CBR Region identity and brand;
 - Enhancing regional freight, export and investment capacity and capability;
 - Supporting the development and success of a CBR Region Tourism identity embracing the CITY, COAST, ALPINE, TABLELANDS sub brands;
 - Examining joint procurement opportunities between the CBRJO and ACT Government; and
 - Examining cross-border collaboration for resource recovery and waste management.

Key points and statistics

- ACT's associate membership fee for 2016-17 is \$29,363.
- In addition, the ACT Government contributes to a range of regional initiatives, including:
 - The Cadence Economics report (principally funded by ACT Government with contributions from NSW Government and CBRJO - \$15k each) to examine the economic impacts of international freight. (Publically available).
 - The Canberra Region website is part of the activation of the Canberra Region brand. The website's development is equally funded by the ACT and NSW Governments and the CBRJO. The website profiles the Canberra Region's four sub-regions covering CITY, COAST, ALPINE, TABLELANDS sub brands as a great place to live, visit and invest.
 - The CBRJO successfully bid for \$50,000 under the NSW Government Regional Growth – Marketing and Promotion Fund, to undertake a Regional Champions campaign, in line with the Canberra Region brand. It will highlight the regional business success stories across each Local Government Area (LGA) and the ACT, with the ACT Government providing supplementary funding for Canberra based CITY champions.



- The NSW Regional Infrastructure Coordinator, tasked with accelerating the roll-out of infrastructure across NSW. The importance of connecting the ACT's key infrastructure assets to those in the Canberra Region was a key message conveyed by ACT officials and CBRJO member councils to the Infrastructure Coordinator.
- Implementation of the South East & Tablelands Regional Plan, especially on initiatives to support infrastructure investment, joint planning and the growth of tourism in the region.

Background information

- The membership of the CBRJO comprises the local governments across south east NSW including: Queanbeyan-Palerang, Yass Valley, Goulburn-Mulwaree, Upper Lachlan, Hilltops, Snowy-Monaro, Eurobodalla and Bega Valley.
- Under the then NSW Premier Mike Baird, the NSW Government announced major local government reforms which included amalgamations and the establishment of joint organisations.
- The current NSW position is that it has abandoned forced amalgamations both in the regions and metropolitan councils. In the Canberra Region, we have three merged councils – Snowy Monaro, Queanbeyan Palerang and Hilltops.
- Following the announcement of the local government reforms, several regions were selected to pilot joint organisation structures and received \$300,000 to support the refreshed governance arrangements. The Canberra Region councils were not successful in receiving funding, but progressed from the South East Regional Organisation of Councils (SEROC) to the CBRJO. In addition, the ACT Government became an associate member.
- The NSW Government is still to articulate its position on the future of joint organisations, with some uncertainty of the continuation of Joint Organisations.
- However, amongst the CBRJO members, there is a strong willingness and recognition of the benefits of functioning as a group of regional councils, strengthened with the inclusion of the ACT.

CHIEF MINISTER ANNUAL REPORT HEARINGS 2016-17

ISSUE: JERVIS BAY TERRITORY

Talking points

- The ACT Government is engaged by the Commonwealth to provide a broad range of state-type services in Jervis Bay Territory. These services fall into the following categories:
 - Primary Education
 - Early Childhood Regulation
 - Care and Protection
 - Health Protection Services
 - Environmental Monitoring
 - Vehicle Registration and Drivers Licenses
 - Access Canberra Services – government services and compliance activities
 - Court and Justice Services
- Following a 2014 review of services in Jervis Bay Territory (JBT), the Australian, ACT and NSW governments worked together until February 2017 on options for future service delivery arrangements to the Jervis Bay Territory.
- On 20 April 2017 the NSW Government decided not to continue work on options for future service delivery arrangements. This decision has no impact on the current delivery of government services to the Jervis Bay Territory community.
- The Memorandum of Understanding between the ACT and Australian Government is currently being reviewed with the objective of developing a new agreement to provide for state-type services to Jervis Bay Territory. As a part of this process, the ACT and Australian Governments are working closely with the Jervis Bay Territory community to identify opportunities to improve service outcomes.

Key points and statistics

- The total value of funding provided by the Australian Government to the ACT Government for services in Jervis Bay Territory for the last three years is as follows:
 - 2015-16: \$3,089,478
 - 2016-17: \$3,415,770
 - 2017-18: \$3,540,773 (note that this is the current year agreed amount and is subject to change dependent on service needs).

Background information

- Under the *Jervis Bay Territory Acceptance Act 1915 (Cwlth)*, ACT law applies in the JBT.

CHIEF MINISTER ANNUAL REPORT HEARINGS 2016-17

ISSUE: COUNCIL OF CAPITAL CITY LORD MAYORS (CCCLM)

Talking points

- Membership of the CCCLM provides an opportunity to engage with Australia's Capital Cities, to exchange information on shared issues faced by our cities, and to provide a platform to advocate on the importance of Australia's capital cities.
- The CCCLM meets several times per year to support cross-city network building and information sharing at both the Mayoral (and Chief Minister) and senior officer levels.
- The CCCLM also supports aligned engagement with the Federal Government to promote the importance of cities to Australia's prosperity. Cities are the engine room of Australia's economy, and the CCCLM provides an effective forum within which to call for strong federal cities policy to meet the needs of Australia's increasingly urbanised population.
- At the August 2017 meeting of the CCCLM, the Council:
 - Met with the CEO of Infrastructure Australia to discuss the infrastructure challenges facing cities and how the CCCLM could better support integrated infrastructure planning in our cities.
 - Discussed the profound risks posed by the reality of climate change to not only Australia's cities but our national security. The CCCLM is undertaking joint action to map the climate change adaptation activities being undertaken across Australia's cities to better inform planning, preparedness and advocacy to the Commonwealth.
 - Discussed opportunities for Commonwealth, state and city governments to work together to incentivise the uptake of electric vehicles in Australia. Australia is notably behind other nations and there is much that city leaders can do, with the support of Commonwealth Government, to encourage consumers to make the shift to electric vehicles. The ACT's recent announcements of a trial of electric buses demonstrates our capability to lead the nation in this policy area.
 - Met with the Hon Angus Taylor, Commonwealth Assistant Minister for Cities, to discuss the progress of the Commonwealth's *Smart Cities Plan*, including the development of city deals to support the growth of Australian cities, the *Smart Cities and Suburbs* funding program and the development of a *National Cities Performance Framework*. Canberra stands ready to commence negotiations with the Commonwealth for a Canberra City Deal and I welcomed the opportunity to meet again with the Assistant Minister.

ACT as chair in 2018

- Chairing duties of the CCCLM rotate among member cities and I will be chairing in 2018.
- I am looking forward to the opportunity for Canberra to take a leading role in CCCLM during 2018, focussing on its Capital City priority areas and engaging with the Australian government in the lead up to the next federal election.
- I also look forward to building international connections for CCCLM, particularly with Singapore and New Zealand cities including Wellington and Auckland.

Key points and statistics

- ACT membership of the CCCLM is \$52,200.
- The CCCLM represents a collaborative network that promotes information sharing, best practice development, service improvements and practical partnerships.
- Working with Lord Mayor Clover Moore of Sydney has brought opportunities to grow the support for improved Sydney – Canberra rail services, with Lord Mayor Moore agreeing that both our communities, and the communities of the Canberra Region, stand to benefit from stronger public transport connections between Australia’s capital city and its largest city.
- Similarly, membership of the CCCLM directly led to the development of a Smart City Cooperation Agreement between Canberra and the City of Adelaide earlier this year. Under the auspices of this Agreement, our two cities made a nation-leading joint application to the Commonwealth’s Smart Cities and Suburbs Program for the development of an integrated smart parking application.
- Through the CCCLM the ACT will continue to contribute to the development of key cities policies on issues such as city responses to homelessness, the Commonwealth’s recently released Crowded Places Strategy and innovative approaches to supporting the economic and social development of Australia’s cities.

Background information

- CCCLM priority areas are:
 - Economic Development
 - Infrastructure - including public transport and the need for greater connections between major cities, especially on the East coast
 - Homelessness
 - Resilience – including climate change adaptation and city responses to security threats

CHIEF MINISTER ANNUAL REPORT HEARINGS 2016-17

ISSUE: CITY DEALS

Talking points

- The ACT Government has been clear and forthright in its message to the Commonwealth that we stand ready to work with the Commonwealth on a Canberra City Deal.
- I wrote to the Prime Minister in April this year with a proposed Memorandum of Understanding (MoU) to progress a Canberra City Deal, but am yet to receive a reply.

Key points and statistics

- In my letter to the Prime Minister I offered some potential city-improving projects that could form the starting point for discussions about a City Deal. These included:
 - Light Rail Stage 2
 - National Centre for Innovation Impact (building on the success of the CBR Innovation network and developing an innovation ecosystem with other jurisdictions)
 - National Capital Authority Planning reform to remove unnecessary regulatory barriers and overlap in the planning system
 - Realignment or restructure of Parkes Way to reduce traffic congestion and improve productivity and access to the City to the Lake development
 - Regional transport connectivity with Queanbeyan Palerang Regional Council and Yass Valley Council to improve productivity through reduced congestion and travel time and enhance the road freight networks into the Canberra Region
- There are many other projects that could be considered as a part of a City Deal, and am keen to progress discussions with the Commonwealth.

Background information

- The “City Deal” model of city policy originated in the UK as a way to support collaborative action across government levels and identify key city outcomes.
- The Commonwealth announced City Deals as the centrepiece of their *Smart Cities Plan* in 2016.
- The Commonwealth has invited all States and Territories to sign an MoU to support City Deals in each jurisdiction.
- Three City Deals have been agreed so far, each tied to existing election commitments: Launceston, Townsville and Wester Sydney.

CHIEF MINISTER ANNUAL REPORT HEARINGS 2016-17

ISSUE: OFFICE FOR LGBTIQ AFFAIRS

Talking points

- The Office for LGBTIQ Affairs (the Office) was established in January 2017 to coordinate and support strategic government projects and policy to promote Canberra as the most LGBTIQ friendly city in Australia.
- The Office plays a critical role in progressing the Government's social inclusion agenda, ensuring lesbian, gay, bisexual, transgender, intersex and queer Canberrans and their allies are:
 - safe to participate in our community;
 - able to access the services they need; and
 - valued for their achievements and contributions to the life of the city.
- During the reporting period, the Office worked with and supported organisations like A Gender Agenda, the AIDS Action Council and the SpringOUT festival to ensure services, events and initiatives were inclusive of, and celebrated the true diversity of the Canberra community.
- The Office also provided secretariat support to the ACT LGBTIQ Ministerial Advisory Council and worked closely with the Council on priority issues for the ACT's LGBTIQ community.

Key points and statistics

- Notable achievements of the Office in the January-June 2017 period include:
 - supporting the Government to make a submission the Commonwealth Senate Committee on Same-Sex Marriage (January 2017);
 - promoted the 'We Are CBR' initiative, including rainbow lighting Black Mountain and Malcolm Fraser bridge and the flying of flags on Commonwealth Avenue (February 2017);
 - transition of Secretariat support for the LGBTIQ Council from CSD to CMTEDD (January 2017);
 - supported the 2017-18 Budget allocation process; including: support for LGBTIQ events, A Gender Agenda, and the Office (announced June 2017); and
 - development of city branding materials, supported design work and procurement of stickers/pins (June 2017).

Background information

- Against this output in 2016-17, the directorate established the Office in January 2017 utilising existing resources (1.5 FTE) and budget for the first six months only.
- The 2017-18 Budget provides \$1,497,000 over four years to resource the Office. This new resourcing will go towards: staffing of two staff; at a Senior Officer Grade B and



Administrative Service Officer Grade 6; LGBTIQ Ministerial Advisory Council administrative support expenses (\$10,000); and community engagement and research budget (\$50,000).

CHIEF MINISTER ANNUAL REPORT HEARINGS 2016-17

ISSUE: REPORTABLE CONDUCT SCHEME

Talking points

- The disturbing findings of the ongoing *Royal Commission into Institutional Responses to Child Sexual Abuse*, and the courageous testimonies of people like the ACT Local Hero, Damien de Marco, have highlighted need to oversight the reporting of allegations of abuse in organisations across Australia.
- In response to these findings the ACT Government committed to the introduction of a Reportable Conduct Scheme similar to that in NSW from 1 July 2017. The Legislative Assembly unanimously supported this approach during its debate on the *Reportable Conduct and Information Sharing Legislation Amendment Act 2016* in August 2016.
- Like the NSW Scheme, the ACT Scheme covers organisations that fall within certain categories, including government and non-government schools, all ACT Government Directorates, providers of childcare services, health services, out of home care services, and others prescribed by regulation.
- Currently clergy, religious instruction and sporting groups are not explicitly included in these categories. The extension of the scheme to include these organisations is an issue being actively investigated by my Directorate, and I have already publicly committed to the inclusion of religious institutions in the future. Related community consultations have recently commenced, with a view to amending the Act to include these organisations from 1 July 2018.
- The Government is committed to the continuous improvement and strengthening of the provisions of the Scheme, particularly allowing entities who have a common interest in protecting the safety and well-being of children to share any information they feel may be relevant to an investigation of an allegation of reportable conduct. Amendments to the Act further broadening these provisions were introduced in the Assembly on 2 November 2017.
- The Government is committed to increasing the capacity of organisations in the ACT to respond appropriately and effectively to allegations of child abuse, and to become more child centred and child safe organisations.
- When the Royal Commission hands down its final report in December 2017, the Government anticipates it will have specific recommendations relating to reportable conduct schemes. The ACT Government will be proactive in responding to any recommendations made.

Key points and statistics

- The ACT reportable conduct scheme commenced 1 July 2017.
- Currently the ACT, NSW and Victoria are the only jurisdictions where reportable conduct schemes have been implemented.
- The ACT scheme is closely modelled on the NSW scheme, which has been operating since 1999. This was considered appropriate for a number of reasons, importantly including cross-border consistency.
- The Ombudsman has had 33 notifications made by entities as at 30 September.
- Four investigations have been closed by the Ombudsman – two with a final report and two not being within the Ombudsman’s jurisdiction. Further, five final reports were submitted in late Sept and are currently pending assessment.
- The Ombudsman has received 45 inquiries from entities as at the end of September.
- The Reportable Conduct and Information Sharing Bill 2017 was introduced in the Assembly on 2 November 2017.
- The Canberra and Goulburn Archbishop wrote to you on 29 June 2017 requesting that all religious bodies be included under the oversight scheme.
- No schemes explicitly oversight the conduct of clergy, religious bodies or sporting groups at present; however the Victorian Scheme will be extended to all religious bodies from 1 January 2018.
- Consultations are currently underway with religious organisations to identify concerns and issues with their inclusion in the scheme.

Background information

- On 17 August 2016 the *Reportable Conduct and Information Sharing Legislation Amendment Act 2016* established the Reportable Conduct Scheme for the ACT which commenced on 1 July 2017.
- Certain government and non-government entities which deal with the safety, welfare or wellbeing of children are “designated entities” for the purpose of the scheme. These entities are subject to new oversight and reporting requirements for employee misconduct. All ACT Government Directorates are currently designated entities.
- “Reportable conduct” refers to certain types of misconduct involving children. This misconduct includes ill treatment, neglect, sexual misconduct, and certain types of criminal behaviour.
- When notified that one of their employees is alleged to have engaged in reportable conduct (whether or not the conduct happened as part of this employment) the head of the designated entity must report the allegation to the ACT Ombudsman. The Ombudsman then oversees the investigation to ensure it is conducted properly, and that appropriate action is taken as a result.

CHIEF MINISTER ANNUAL REPORT HEARINGS 2016-17

ISSUE: TRADERS LICENSING BILL

Talking points

- The establishment of Access Canberra in 2014 resulted in a one-stop-shop regulator for most licensing regimes in the ACT. In order to deliver efficient licensing processes in the fair trading space, work was undertaken to consolidate a small number of licensing types to reduce red tape and streamline requirements. The policy and legislative work for this first stage is now complete, with consideration now being given to broadening the types of licence included.
- The *Traders Licensing Act 2016* (the Act) was notified on 22 August 2016 and commenced on 22 August 2017.
- The Act consolidates the licensing requirements under the *Sale of Motor Vehicles Act 1977*, *Fair Trading (Motor Vehicle Repair Industry) Act 2010*, *Second-hand Dealers Act 1906*, and *Pawnbrokers Act 1902* into one piece of standardised legislation.
- The development of the Act utilised a ‘co-design’ approach, whereby external, and internal, stakeholders were actively engaged during policy and legislation development.
- Under the Act, licence applications, renewals and transfers are easier, faster and simpler for licence holders or new applicants with the capture of information only required once by Access Canberra.
- Effective implementation of the Act is an important step in creating a regulatory environment in the ACT that supports new and existing businesses by reducing the administrative burden, providing licensing flexibility and removing outdated licensing requirements that inhibit modernisation of existing systems. Licensing process redesign is the next step in delivering benefits for business and government under the Act.
- In order to build on the framework provided by the Act, and to assist with licensing process redesign, further consideration is being given to the multiple licensing requirements and processes that the government administers. A holistic approach to licensing in the ACT will provide a foundation on which to progress further phases of reform under the Act and other licensing legislation.

Key points and statistics

- It is anticipated that savings to industry and government will be in excess of \$1million when all benefits are realised from effective implementation of the Act.

Background information

Executive Responsible: Leesa Croke, Deputy Director General, Policy and Cabinet
Ext: x73751



- Currently, fair trading licensing legislation differs across various industry sectors leading to approximately 40 pieces of legislation prescribing different licensing frameworks, processes and requirements for a variety of licences in the ACT.
- The Traders Licensing Act 2016 is a key step in standardising these licensing regimes.

CHIEF MINISTER ANNUAL REPORT HEARINGS 2016-17

ISSUE: ON-DEMAND TRANSPORT INDUSTRY EVALUATION AND TAXI LICENCE RELEASE STRATEGY

Talking points

- During 2016-17 the Directorate supported the recommendations of the Taxi Industry Innovation Review, which regulated rideshare, and provided the framework and lower cost base to support a more differentiated and competitive taxi and hire car industry.
- **Status of the on-demand transport industry.** By the end of 2016-17, the industry consisted of: a significant rideshare service; a larger taxi fleet (including wheelchair-accessible vehicle – WAT); more taxi drivers; more booking services; and additional lowered Government fees for the taxi industry.
- **Industry Evaluation.** During 2016-17 the Directorate supported arrangements for a formal Evaluation of Reforms to the on-demand transport industry, which commenced early in 2017 and will conclude around the first quarter of 2018.
- The Evaluation is considering the impacts of the Reforms over a 24-month period commencing from when Reforms began, on 30 October 2015.
- The Evaluation process includes: an in-depth, 10-week stakeholder consultation phase (which commenced in July 2017); review and analysis of market data; and modelling of market impacts by a third-party industry expert.
- The Evaluation team will prepare a report on Evaluation findings by the end of 2017, for government consideration.
- **Taxi licence release strategy.** During 2016-17 the Directorate undertook the development and implementation of the taxi licence release strategy, which was announced 7 February 2017.
 - The release strategy is intended to broaden taxi service for passengers, including people living with disabilities; Airport passengers; and increase opportunities and choices for taxi vehicle owners and drivers.
 - To the end of 2016-17, 15 additional taxi licences were made available to industry – including 10 standard-vehicle and 5 WAT-vehicle licences.

Key points and statistics

- Around 1,000 active drivers provide rideshare services.
- Taxis licenced to drive increased by 20 (including 5 WAT) during 2016-17, to 323.
- Government standard-taxi licence annual fee further declined – \$10,000 to \$5,000.

- Eight booking services provide taxi, hire car and rideshare bookings, up from 3.

Background information

The Reforms

- Reforms to the industry support Government priorities of: providing a competitive environment that serves consumers well, supports economic growth in the Territory, and contributes to making Canberra a leading digital city.

Industry Evaluation

- The On-Demand Transport Industry Evaluation seeks foremost to determine if the Reforms are producing positive outcomes for consumers, including for people living with disabilities. It is also determining if there are positive outcomes related safety, accessibility, industry-participant viability, and industry sustainability and competitiveness.

Taxi licence release strategy

- A quarterly taxi licence release program forms part of the Reforms and the Evaluation.
- The release program is intended to:
 - Increase supply and its flexibility to address consumer demand.
 - Help level the playing field in terms of licence costs for taxi operators.
 - Help broaden choices of which booking services taxis can affiliate.
 - Give new and motivated operators a chance to join the industry.
- Licence releases are being decided based on careful consideration of:
 - Consumer outcomes (such as pricing and service quality, including wait times);
 - Market demand; and
 - Market supply.
- The Government is taking a cautious approach to licence releases, as the effects of Reforms continue to work their way through the marketplace.
- Prior to each quarterly decision, key stakeholders are invited to provide input on consumer, community and industry factors.
- The program may release licences up to the regulated cap of 358 licences. Thirty (30) standard-taxi licences may still be released.
- The September quarter 2017 saw the release of five additional standard-taxi licences. No further licences are planned for release until 2018.

Recent market conditions

- On-demand transport industry conditions, at the beginning of the 2017-18 financial year:
 - Taxi and rideshare prices remain unchanged since Reform commencement.
 - Taxi-service wait-times continue to fluctuate along historical patterns, but also in reaction to secular, post-Reform adjustments to the industry.
 - Demand for standard taxis appears to have declined but risen to pre-Reform levels. Demand for WAT services had increased over the first six months of 2017.

- Overall indications point to a net increase in on-demand services. Around 70,000 riders actively use rideshare services.
- Taxi licences 'on the road' increased during 2017, from 308 to 323; the number of taxi drivers increased 20% since the Reforms commenced, to nearly 1,800.
- One tradeable ("Perpetual") taxi licence changed hands in 2017 for around \$180,000; lease rates for Perpetuals remained firm at around \$21,500 pa.
- Some stakeholders have reported challenges on taxi operator and driver viability, post-Reforms.
- A taxi fare review is underway, which is normally undertaken annually, and its results will inform the Evaluation on any potential fare deregulation.

The Airport and on-demand transportation

- During the 2016-17 financial year, the Directorate undertook and supported continuing discussions with Canberra Airport regarding several on-demand transport-related issues. These included:
 - The ongoing release of ACT taxi licences, and their specific impact on meeting Airport-passenger demands.
 - 15 taxi licences were issued during the 2016-17 financial year, and an additional 5 during September 2017.
 - The release program will resume consideration of taxi licence releases during 2018.
 - The impact of the introduction during 2016-17 of ACTION bus service directly serving the Airport, and its further promotion.
 - In March 2017, the Government commenced ACTION bus services to the Airport, with 32 buses per day to the Terminal.
 - More than 20,000 passengers have utilised this service since its introduction.
 - Information and potential Airport incentives to attract additional taxi, hire car and rideshare drivers to the Airport.
 - Daily communication of peak-hours flight arrival times to taxi booking services.
 - Means for potential improvement to concierge services.
 - Potential improvements in how disembarking passengers living with disabilities are picked up by on-demand transport vehicles.
- Through the On-Demand Transport Industry Evaluation the Directorate continued to encourage the Airport to provide data to assist in the accurate assessment of Reform impacts on the Airport passenger experience.

CHIEF MINISTER ANNUAL REPORT HEARINGS 2016-17

ISSUE: SMART PARKING TRIAL IN MANUKA

- The trial is evaluating Smart Parking's ability to reduce congestion, save driver travel time and increase churn for retailers.
- An estimated 40 per cent of ParkCBR app users state that Smart Parking has decreased their travel times to the Manuka shopping precinct (Piazza Survey February 2017).

Talking points

- Smart Parking trial was launched on 29 April 2016, within the Manuka shopping precinct, and includes 460 parking bay sensors, five LED parking availability street signs and the ParkCBR smart phone application (Android/Apple) providing real-time parking availability information in Manuka, Canberra.
- Smart Parking Limited (SPL) is the vendor contracted to provide the service. SPL built, own, operate and maintain the Manuka smart parking network, LED street signs and ParkCBR app as parking of a Software-As-A-Service contract with the ACT Government.
- Retail and the Manuka Business Association are strong supporters of the Trial due to its ability to help drivers find available parking in this high occupancy shopping precinct.
- Funded at \$341,403 (inc GST) for 12 months period, the Trial was extended beyond 30 April 2017 for two months to further evaluate the trial's ability to identify overstays and deliver efficiencies. Total project value at 30 June 2017 was \$365,344 (inc-GST)
- The Government is currently evaluating the trial and has engaged a consultant to report (by November 2017) on the performance of smart parking sensors, customer satisfaction with smart parking and the impact of the ParkCBR app, and real-time occupancy data's ability to improve efficiency of parking enforcement.

Key points and statistics

- ParkCBR App: 2422 downloads of the app, as at 30 June 2017.
- Reduced On-street Congestion: An estimated 40% of ParkCBR app users report that smart parking has reduced their travel times (Piazza Research February 2017).
 - representing reduced travel times for 320 drivers per day in Manuka
- Total Parking Stays: Of the 1.8 million parking stays from 29 June 2016 to 30 June 2017, the app suggested there were 264,773 potentially enforceable overstays.



- an overstay includes the overstay period plus the 10 minute grace period used by Access Canberra's Parking Operations enforcement wardens.
- Fair Access: Overstays prevent fair access to public parking that is crucial for increasing the number of customers able to drive to and shop at Manuka.

Background information

- Smart Parking is a key transport innovation that aims to help Canberra drivers move around this city more efficiently, reducing their travel times and improving user experience.
- The smart parking ParkCBR app provides drivers with parking availability information using a 'red, amber, green' traffic light system to help drivers pre-plan their trip with real time information (updated every minute) on where they are *most likely* to find an available space and help decrease congestion.
- Canberra has the highest car passenger kilometres per capita nationally and congestion is estimated to cost the Canberra economy \$200 million per year, equating to \$500 per person per annum in lost time. (Source: Bureau of Infrastructure, Transport and Regional Economics, 2015).
- The 12 month Smart Parking Trial is evaluating the impact of the following project elements in helping drivers find parking spots quicker and decrease congestion on-street in Manuka:
 - ParkCBR parking availability - updated every minute by data from 460 in-ground parking bay sensors;
 - five LED parking availability street signs in Manuka; and
 - 'Green/Red' overhead indicator lights in the Furneaux street, multi-storey Carpark.

CHIEF MINISTER ANNUAL REPORT HEARINGS 2016-17

ISSUE: RED TAPE REDUCTION LEGISLATION

Talking points

- As part of the 'Confident and Business Ready: Building on Our Strengths' strategy, the Government is committed to introducing at least one red tape reduction omnibus bill in the Legislative Assembly each year.
- The Red Tape Reduction Legislation Amendment Act 2017 was notified on 14 June 2017 and included amendments to address specific issues that have been identified as redundant or as an unnecessary administrative cost to business, citizens or government. The Act:
 - removed duplicative processes for ACT charities and incorporated associations that are already registered with the Australian Charities and Not-for-Profits Commission;
 - removed breed-specific provisions regarding greyhounds in public places;
 - removed duplicative processes for some businesses carrying out works in a waterway;
 - removed over-prescriptive legislation regarding firewood merchants;
 - removed prescribed training requirements for some security employee licence subclass applicants;
 - provided new enforcement options for the regulator concerning non-compliant licensed agents;
 - promoted energy sector competition with Energy Industry Levy changes; and
 - repealed redundant legislation that served no purpose in protecting or regulating the ACT community, including the *Public Bathing Act 1956*.

Key points and statistics

- The Red Tape Reduction Legislation Amendment Bills complement the Government's program of regulatory reforms currently being undertaken by directorates and agencies across government, and the smarter regulation regime.
- Reducing red tape is an ongoing process for this Government. In 2017-18, we are working with industry and small business to identify priorities for the next bill. We have already started consultation with the community sector on ways we can build on the changes in the 2017 Act to further streamline their interaction with government agencies and improve fundraising practices in the ACT.

**Background information**

- The Red Tape Reduction Legislation Amendment Act 2017 is the fourth annual red tape omnibus bill.

CHIEF MINISTER ANNUAL REPORT HEARINGS 2016-17

ISSUE: SMART CITY

Talking points

- CMTEDD led three main smart city activities in 2016-17: community engagement on a future Canberra; Coordinated proposals to the Australian Government's Smart City and Suburbs funding; and creating new smart city partnerships.

1. Community engagement

- The Policy and Cabinet Division led community engagement around a future "Smart City" Canberra in 2016-17 through market research, workshops and face to face discussions, with over 2500 insights captured. Key themes identified by the public related to access to internet data (e.g. CBRFree and NBN); transport reform and digital inclusion.

2. Australian Government Smart City and Suburbs

- CMTEDD, Policy and Cabinet Division coordinated project proposals to the Australian Government's Smart City & Suburbs Grant Program, which were submitted on 30 June 2017. The Government submitted two projects and supported a number of private-sector applications:
 - **Integrated Innovative Ticketing Project:** (TCCS would invest \$1,000,000, seeking \$1,000,000 from the Smart City program). This project proposes to integrate multiple transport modes and develop and implement integrated transport payment infrastructure tailored to citizen needs and preferences.
 - **SmartMove: a National Smart Parking App** (Joint project between Adelaide City Council \$2.7m, ACT Government \$250,000 (absorbed), and seeking \$2.035m from the Smart Cities and Suburbs program). This project would develop an integrated payment, parking wayfinding and data backend with a web and app interface, providing a better customer experience and aiming to reduce traffic congestion from people cruising for parking. It would build on the existing Manuka Smart Parking Trial (see separate brief).
 - The Government provided **letters of support** for private sector-led proposals from Ecospectral (to expand their smart building management system); ITP Renewables (to develop a device to allow shared solar power in apartment blocks); and the Canberra Business Chamber to support further research associated with the autonomous vehicles trial.

3. Partnerships

- **ACT/Adelaide Smart City Cooperation Agreement** – The ACT Government signed a Smart City Collaboration Agreement with Adelaide Lord Mayor Martin Haese in February 2017, under which both cities will work together to lead the nation in smart



city innovation. The first year work program is focussing on the joint Smart City and Suburbs bid; and shared data analytics on parking.

- **Global Smart City and Community Coalition (GSC3)** – CMTEDD became a member of the GSC3 in November 2017. The GSC3 is an international organisation designed to foster collaboration and sharing of best practice on smart city projects and strategy. We started discussion in 2016-17 with GSC3 about the best projects for collaboration, with some interest in Small Business Innovation Partnerships.
- **Australian Smart Communities Association (ASCA)** - The ACT Government became a member of ASCA in December 2016.

Key points and statistics

- Over 2500 insights on a future/smart Canberra through market research and community engagement in 2016-17.
- 3 national and international partnership agreements signed (Adelaide, ASCA, GSC3)
- Smart city projects underway across all Directorates, guided by the Chief Minister's Statement of Ambition and ACT Digital Strategy.

Background information

- CMTEDD has continued to coordinate smart city initiatives across government, based on the policy detailed in the Chief Minister's Statement of Ambition. The Chief Digital Officer has led implementation of the ACT Digital Strategy, which includes smart city elements.

CHIEF MINISTER ANNUAL REPORT HEARINGS 2016-17

ISSUE: GREYHOUND INDUSTRY TRANSITION

Talking points

- The ACT Government ceased grant funding for greyhound racing in the ACT on 30 June 2017, and has been working to facilitate a full industry transition to closure by 30 June 2018.
- Ms Mary Durkin was engaged as an independent consultant to provide the Government with advice on the issues involved in transitioning to end greyhound racing in the ACT and the most appropriate way to implement the transition.
- Ms Durkin consulted with the greyhound racing industry, as well as the animal welfare sector, and provided the Attorney-General with her report on 15 May 2017.
- The government agreed with Ms Durkin's recommendations.
- Legislation to end greyhound trialling and racing in the ACT, brought forward by the Attorney-General and the Minister for Transport and City Services, will be in place in time to facilitate an appropriate transition by 30 June 2018.
- Breeding and training practices in relation to greyhounds will also be carefully monitored over the next two years to identify the future of these practices in the ACT.
- The Attorney-General announced in July 2017 that the government would provide \$1.033 million in transition support for the small number of people, businesses and dogs that will be impacted by the end of greyhound racing in Canberra.
- The Greyhound Industry Transition Taskforce was established soon after the Government's announcement to assist the people and animals involved in the industry to transition out of it.
- The taskforce is chaired by Chief Minister, Treasury and Economic Development Directorate (CMTEDD) and has cross-directorate representation; including representatives from Transport Canberra and City Services (TCCS), Community Services Directorate (CSD), Justice and Community Safety Directorate (JACS) and Treasury.
- The Greyhound Industry Transition Taskforce have been in contact with the Canberra Greyhound Racing Club and other stakeholder groups in an attempt to reach the individuals who may be eligible for transition support.

- The Taskforce held a community information session in September 2017 that was attended by a range of stakeholders, and marked the beginning of engagement with those interested in greyhound industry transition.
- The Taskforce is holding one-to-one meetings with anyone who wishes to have private discussions regarding their individual circumstances to ensure their needs are addressed.
- People can contact the Taskforce by calling 62077525, emailing greyhoundtaskforce@act.gov.au or visiting the website at www.act.gov.au/greyhoundtaskforce.

Key points and statistics

- There are currently 70 Canberra residents who are active participants (ie owners, breeders and/or trainers) in greyhound racing in the ACT.
- Approximately 52 racing greyhounds are owned by ACT residents and based here.
- NSW owners and trainers represent a significant majority of participants in greyhound racing in the ACT (in 2016, approximately 71 dogs that raced were based in the ACT, while 1107 were from NSW).
- As of October 2017, there were 21 individuals registered to receive updates from the Taskforce and three expressions of interest in transition support.

Background information

- Parliamentary Agreement Commitment 13.1 is to end government funding for greyhound racing at the expiry of the current Memorandum of Understanding and take active steps to transition to end the operation of greyhound racing in the ACT.
- The 2016-17 Budget Review stated that: "The Government will cease grant funding for the greyhound industry in the ACT, effective from the expiry of the current Memorandum of Understanding on 30 June 2017. The grant funding of \$1.033 million in 2017-18 will be redirected to a transition program to assist workers to re-skill, as well as rehome and care for the greyhounds".

Canberra Greyhound Racing Club's (CGRC) position

- The CGRC has publicly indicated that it will fight the intended ban including through legal action and advised that it will not engage with the taskforce to transition industry participants or re-home animals. To date, there have been no legal challenges filed by CGRC with respect to the ban.

CHIEF MINISTER ANNUAL REPORT HEARINGS 2016-17

ISSUE: OFFICE OF THE CHIEF DIGITAL OFFICER – DIGITAL STRATEGY AND IMPLEMENTATION INITIATIVES

Talking points

- The ACT Public Service must harness the possibilities of an increasingly digital world.
- The Office of the Chief Digital Officer (OCDO) drives the ACT's digital agenda and leads the ACT government's strategic direction for digital transformation.
- The OCDO led the development of the roadmap for change, the ACT Government Digital Strategy (2016-2019), which was approved by Cabinet in July 2016 and is now being implemented.
- Open data is a core building block of the ACT Government Digital Strategy. This year the OCDO established a whole-of-government Data Management and Analytics capability, and proved the concept and the technology by analysing five complex 'wicked problems' using data from multiple directorates.
- The OCDO sets the strategic direction for digital transformation in the ACT government, which it achieves collaboratively through the Digital Services Governance Committee (DSGC) forum.
- Through the DSGC the OCDO operates the Digital Initiatives Program, which takes a whole of government approach to emerging digital issues and opportunities.
- The OCDO has continued to proactively raise awareness of Cyber Security issues across the Service through participation in national cyber forums and dissemination of information through the ACT Government senior executive cohort.
- The OCDO has continued championing of the adoption of Cloud technologies, including the use of the Digital Service Governance Committee to clarify issues raised.
- The OCDO coordinates a 'Digital Leadership Forum' for senior executives to learn digital transformation strategies from respected international leaders in this field.
- The OCDO has provided digital expertise through participation in a number of ICT procurement activities across the Service.
- The OCDO has harnessed digital expertise from across government to provide coordinated ICT advice into the ACT government budget deliberations for initiatives with a significant digital component.

Key points and statistics

- Under the Digital Initiatives Program the OCDO has increased the levels of digital transformation awareness across the Service through strong uptake of a new research and analyst program subscription (OVUM). It has also run projects to investigate the feasibility of a whole of government community facilities booking system, and to start mapping out a better coordinated, 'one government' web presence.
- Open Data is a core building block of the ACT Government Digital Strategy. To facilitate this the OCDO oversaw a significant redesign of the ACT Government's Open Data portal to incorporate updated functionality and give a more contemporary look, and established a Whole of Government Data Champions Group to identify high value data sets for publication and promote the value of open data across the Service.
- The OCDO coordinated the whole of government sponsorship of GovHack 2017, and the Chief Digital Officer (CDO) acted as ACT Government Official GovHack Ambassador.
- The OCDO has continued promotion of the ACT digital agenda through appearances at national and international fora.
- The OCDO has supported collaboration and communication across the Service through the development of a series of internal blogs to generate discussion on digital transformation topics

Background information

- The ACT Government Digital Strategy was developed with directorates through a comprehensive consultation program. After its publication a series of Implementation Workshops were used to identify each directorate's digital transformation goals.
- The work of the OCDO recognises that technology has become an integral part of our lives and our culture and that "fearlessly embracing revolutionary and innovative technology will allow us to grow and diversify our economy, connect our people, accelerate our learning, and nurture our culture and community".

CHIEF MINISTER ANNUAL REPORT HEARINGS 2016-17

ISSUE: ICONNECT PROGRAM

Talking points

- The ACT Digital Strategy 2016-19 sets a vision for a user experience that delivers digital services with identity and data enabled technology that are mobile first, user centred and vastly more efficient.
- In July 2017, the iConnect program realised this vision by making available the ACT Digital Account to directorates that will improve how the ACT Government delivers digital services.
- Through the ACT Digital Account citizens will be able to access a secure, single access entry point to government services and have the ability to digitally authenticate their identity, increasing the number of services able to be offered through the digital channel that, up until now, needed to be done in person.
- Work is now underway to release school enrolment services in partnership with Education, an online community panel in partnership with Communications and a diversity register in partnership with CSD, all utilising the ACT Digital Account.
- Over time, more and more services will be accessible via the ACT Digital Account to give citizens a quick, easy and seamless experience via their mobile device

Key points and statistics

- A majority of Canberrans (85%) would prefer 'one ACT Government online customer account to access everything across the ACT Government'.

Source: ACT Government, Access Canberra Customer Satisfaction Research, March 2017

Background information

- In the 2014-15 ACT Budget the ACT Government invested \$21m in the iConnect program over four years to establish the shared digital capabilities to enable Directorates to transform their delivery of ACT Government digital services to citizens and businesses.
- In 2017 the program established the ACT Digital Account to provide online identity which enables verification of a citizen's identity online. This is a shared technology platform that all Directorates can access enabling more services to be made available digitally rather than face to face.
- Working in conjunction with the relevant directorates, the current iConnect program of work is scheduled to deliver the following services by 30 June 2018:
 - Diversity Register, *in collaboration with the Community Services Directorate*
 - A Justice of the Peace Register, *in collaboration with Access Canberra*



- Student Administration System (serving over 500,000 p/a transactions) *in collaboration with the Education Directorate*
- A citizen centric service to manage rates and land tax transactions, *in collaboration with the ACT Revenue Office*
- The participative Democracy citizen engagement platform that utilises the digital identity to provide demographically representative views of citizens of the territory, *in collaboration with the Chief Minister, Treasury and Economic Development Directorate*
- An online enrolment for ACT public schools, simplifying and streamlining the enrolment process for new students, *in collaboration with the Education Directorate*
- A citizen centric service for refunds of rental bonds, *in collaboration with ACT Revenue Office*
- Throughout the early part of the program it became clear to the program board that the delivery of the identity platform is the critical deliverable of the iConnect Program and is therefore reflected in a new Accountability Indicator for 2017-18 under Output 1.4. This identity platform creates a mechanism to deliver identity-based services collaboratively with directorate digital service programs.
- The Accountability Indicators 1.1g for 2016-17 measured Directorate delivery of digital services to the community which did not align well to the iConnect remit to deliver the identity platform and was therefore discontinued.

CHIEF MINISTER ANNUAL REPORT HEARINGS 2016-17

ISSUE: WHOLE OF GOVERNMENT COMMUNITY ENGAGEMENT

Talking points

- We are delivering on our commitment in the 2016 election commitment to improve community engagement.
- We have sought advice from experts in deliberative democracy and community engagement.
- The experts, led by Dr Wendy Russell of Double Arrow consulting and including academics from the University of Canberra were asked to advise on best practice engagement for our unique city-state and how best to use deliberative democracy practices and principals.
- The advice paper will inform a Whole of Government framework and strategy, and advise on training and capability development for the ACT public service.
- That advice is now being presented to government for consideration.
- ACT Treasury is conducting the ACT Government's first citizens' jury as a trial of deliberative democracy processes to consider Compulsory Third Party Insurance.
- Community Services Directorate is also working with Carers' ACT in another deliberative process to develop a carers' strategy.
- This reform project is about practical engagement. We will be clear on what is up for debate so Canberrans are in no doubt what is open to change as a result of community feedback.
- CMTEDD is working on solutions to create an online research panel which will allow us to seek the views of a diverse range of Canberrans on a range of topics.
- CMTEDD Regulatory reform is also reviewing legislation which requires community engagement to ensure legislation meets modern engagement expectations.

Key points and statistics

- The Strategic Engagement team of 3.5 staff includes a SOG A Deputy Director, SOG B strategic engagement advisor (to be recruited), SOG C (Communications and Engagement) and ASO 6 (Digital Communications).
- It includes \$50k for a customer relationship management system which may be used to support the online panel.
- 56 Canberrans were randomly selected for the citizens' jury on CTP insurance.
- Forty five percent of the jury are women, 66 percent own their own homes and more than 10 per cent of the jurors are under 24. The jury also reflects a range of



road users with cyclists, pedestrians, public transport users and motorists all represented.

- More than 1,500 pieces of feedback were received from the community to inform the jury process.
- A phone survey of 500 people was conducted by Piazza Research also to inform the jury.
- South Australian company democracyCo has been contracted separately by ACT Treasury and CSD to deliver their deliberative processes.

Background information

- The Engagement Reform advice paper was procured from Double Arrow consulting which led a consortium including academics from the Centre for Deliberative Democracy and Global Governance from the University of Canberra.
- The Government has committed \$2.776 million to deliver on the 2016 election commitment to improve our community engagement practices.
- \$651,000 of this funding will be spent on WHOG Strategic engagement activities.
- The contract with Double Arrow Consulting is valued at \$99,171.

CHIEF MINISTER ANNUAL REPORT HEARINGS 2016-17

ISSUE: YOUR SAY

Talking points

- Your Say is the one place for the community to go to participate in digital consultation opportunities across government. It complements, but does not replace traditional face-to-face and other engagement activities including workshops, displays, forums and direct mail.
- It was launched in July 2016.
- The platform plays a key role in giving a greater diversity of Canberrans, those who are time poor unable to participate in more traditional consultation processes a say in government decision making.
- It is built on a platform called the Hive, with specialised online engagement tools to deliver simple, quick and highly engaging digital methods for project teams to use when designing and delivering community engagement projects, including open forums, discussion boards, quick polls, visualising and mapping tools.
- The annual service fee is \$122,000.
- Some of the most popular engagements in terms of the quantum of feedback have been:
 - Numberplate slogan
 - Tell us what you think about the new Our Canberra e-newsletter
 - Woden, Mawson, and Athlon Drive Master Plan draft variations
 - New Weston Creek dog park
 - ACT Events Policy Discussion Paper

Key points and statistics

- Since Your Say's launch in July 2016 (to 6 Oct 2017):
- More than 100 engagements have been featured on the website
- 59,678 unique visitors have visited the website
- There have been 85,971 sessions on the website
- Approximately 5,800 Canberrans have registered on Your Say since its launch.
- Demographics from these registrations indicate that 55% are female and 42% are male.
- The age demographics are:
 - 2%, 18 years and under
 - 10%, 19-24



- 24%, 25-34
- 21%, 35-44
- 18%, 45-54
- 15%, 55-64
- 10%, 65 and over

Background information

- Nil

CHIEF MINISTER ANNUAL REPORT HEARINGS 2016-17

ISSUE: WHOLE OF GOVERNMENT COMMUNICATIONS SERVICES

Talking points

Media Monitoring

- In May 2016 a new Whole of Government media monitoring service commenced with Isentia covering news relevant to the ACT Government across print, broadcast (TV and radio) and online.
- A daily alert of all ACT Government news coverage is issued each morning and updated three times throughout the day. Staff have access to a media portal as well as data and insight reporting.
- A procurement process is under way for the ongoing provision of the service to replace an expired contract (annual fee of \$201,326.66). Negotiations for a new contract are underway.

Whole of Government social media channels

- The CMTEDD Whole of Government Communications team is responsible for managing content across all ACT Government branded social accounts - Facebook, Twitter, LinkedIn and YouTube.
- The Facebook account has 12,566 followers. Average organic reach is approximately 6,000 per post. Total people reached in September 2017 was 161,500.
- 60% of ACTGov Facebook followers are women. 40% of these women are aged 25-44.
- The Twitter account has 10,200 followers, LinkedIn has 7,980 and YouTube has 552 subscribers and 173,000 total video views.
- The CMTEDD Whole of Government Communications team will lead a project to scale back, consolidate and improve social media profiles, presence and content across government. This will assist in growing audiences and simplifying how the community can follow and engage with the ACT Government through social media. A project plan and timeframe will be prepared by end of 2017, for delivery in 2018.

Creative services panel

- In June 2016 the Chief Minister approved for a tender process to be undertaken for a new creative services panel to be established.
- Also in June 2016, the Chief Minister approved for all purchasing of ACT Government advertising to move under the Commonwealth's Whole of Australian Government Master Media Arrangement (*see brief on 'Independent Review and Campaign Advertising'*).



- 106 suppliers tendered for the creative services panel across six service categories including advertising, marketing, communications and engagement, digital, graphic design and photography and video.
- Sixty providers were offered a deed. As of 1 October, 49 suppliers had signed onto the deed, of the 60 providers, 70% are SMEs, 72% are local companies.
- The final number of suppliers on the creative services panel is yet to be determined as negotiations are continuing with a number of tenderers.
- The aim of the panel is to achieve best value for money outcomes for the ACT Government, improve whole of government reporting and accountability requirements as well as make it easier for ACT Government employees to access quality creative services.

Master Media Arrangement

- The ACT Government joined the Commonwealth's Whole of Australian Government Master Media arrangement for which Dentsu Mitchell is the sole contracted provider.
- From 1 January 2017 all ACT Government advertising must be booked through this arrangement, including all campaign and non-campaign advertising across print, radio, television and digital media.
- By joining the arrangement, the ACT Government has enhanced its buying power and gained access to better whole of government reporting.
- The Australian Government is currently testing the market for this service. The current contract expires in June 2018.

Shootsta – online video editing service

- By 2020, video is expected to make up more than 80% of all consumer internet traffic. 8 billion videos are already watched on Facebook every day.
- A Facebook video, on average, receives 135% more organic reach than an image.
- With this in mind, the ACT Government is keen to ensure that video is central to its content distribution strategy.
- A one-year subscription to online video editing service, 'Shootsta' will provide more efficient and timely video editing service across the ACT Government.
- Eight directorates/business areas are contributing to the annual subscription cost of approximately \$120,000 per year.
- In less than three months, 25 videos have been created, edited and completed through the Shootsta platform.

Key points and statistics

Background information

Nil

CHIEF MINISTER ANNUAL REPORT HEARINGS 2016-17

ISSUE: OUR CANBERRA PRINT AND DIGITAL NEWSLETTERS

Talking points

Our Canberra

- 'Our Canberra', is the digital and print approach to how the ACT Government communicates directly with Canberrans on ACT Government initiatives and service information. It started in November 2015 and comprises a:
 - monthly regionalised print newsletter
 - monthly email newsletter, and
 - regular digital content (videos/ infographics/social media tiles etc) published online and daily through Whole of Government social media channels and websites.

Our Canberra print newsletter

- The first Our Canberra print edition was delivered to all Canberra households in November 2015.
- Print editions are regionalised for Woden/Weston Creek/Molonglo, Central Canberra, Tuggeranong, Belconnen and Gungahlin.
- They are distributed to approximately 181,000 Canberra households. It's distributed the first week of every month, except January and February when a combined edition is distributed the last week of January.
- The print newsletter is produced internally by existing communications staff with content sourced from directorates.
- All five print editions are reviewed by the Independent Reviewer of Campaign Advertising every month.
- In accordance with the *Government Agencies (Campaign Advertising) Act 2009*, delivery of the monthly print (and digital) newsletters suspended in the caretaker and post-election period of September, October and November 2016.

Our Canberra email newsletter

- To support the print edition of Our Canberra, a monthly digital email is issued the first week of the month to reinforce key stories from the print newsletter. The email is distributed to approximately 40,000 Access Canberra registered email addresses that have indicated they want to receive government information.

- Each featured story links to more information on a website.
- The community can subscribe to the email via Access Canberra.

Key points and statistics

- Our Canberra average total cost per month is \$47,984.88.
 - Monthly printing costs for 2017 are \$19,833.01 per month for all five editions. The newsletter is printed by local printer CanPrint.
 - Distribution is done by Australia Post. Costs vary slightly each month due to growth in Canberra's total dwellings. The average total distribution cost in 2017 is approximately \$28,151.87 per month.

Background information

- Research conducted in 2015 found that Canberrans like to receive information from government from a variety of channels, including through digital channels, social media and mainstream advertising channels.
- The highest total result was 21% choosing newsletters sent by mail, but 18% preferred to receive information on social media and 15% preferred TV advertising.
- Further choices included information on government websites, newspaper advertising and information via email.
- It is for this reason that the ACT Government continues to deliver information to the community through a mix of channels to ensure the highest reach throughout our diverse Canberra community.

CHIEF MINISTER ANNUAL REPORT HEARINGS 2016-17

ISSUE: CONSOLIDATION OF WEBSITES AND SOCIAL MEDIA ACCOUNTS

Talking points

- The ACT Government is working to further coordinate and streamline its range of websites to make information easier for Canberrans to access.
- Streamlining ACT Government websites and social media accounts is expected to lead to more targeted, easily accessible information for Canberrans, improving the user experience.
- This is in line with broader work across government to continuously review the way we communicate government information so we reach Canberrans in the way they expect to receive information.
- Recent research commissioned to examine a consolidated approach to the Information Architecture of ACT Government websites strongly recommends a reduced number of Directorate based websites in favour of topic/theme based websites.
- CMTEDD is working to consolidate and streamline directorate websites and social media platforms, including decommissioning/archiving of legacy channels.

Key points and statistics

- There are more than 140 public facing ACT Government websites (excluding 100+ Education based websites for schools).
- There are more than 50 social media channels across CMTEDD, including Facebook, Twitter, Instagram, YouTube, Vimeo and LinkedIn.
- The top 20 government sites we report on achieve approximately 90% of ACT Government website traffic, meaning there is reduced traffic to the remaining 120 websites, some of which may no longer be necessary.
- The reach and growth of the primary ACT Government social media channels has increased significantly in the past year (ACTGovernment Facebook by 260%+) – reducing the need for many smaller secondary channels.
- CMTEDD identified and then decommissioned ten websites this year that were no longer required, and is working to achieve further streamlining.

Background information

- CMTEDD decommissioned more than ten websites this year (including Economic Development, Canberra100, TimetoTalk, Capital Works, Shared Services, Asbestos Awareness, Registration, DigitalCanberra and BrandCanberra).
- The decommissioning of sites has reduced the variety of legacy website platforms requiring ongoing support.
- As a part of a redevelopment of the unified 'Single Public Face' (SPF) framework and design approach for ACT Government websites, Oakton Digital was commissioned to provide research-based recommendations to inform a Whole of Government consolidation approach. A topic/theme based approach is favoured to improve the community/user experience.
- The SPF contract (\$137,000) with Oakton combined two key streams: research to inform the initial development of a Whole of Government Information Architecture/navigation framework; and design/technical delivery.
- User research provides the basis for evidence based decision making to inform the streamlining process.
- The technical delivery involved finalising website designs and the development of a styleguide and a suite of unified website templates to implement a refreshed, consistent website approach across government. The work extends the implementation of the Branding and Design Guidelines.
- Following presentation of the research to the Strategic Board, a project plan and timeframe to streamline and consolidate websites across the ACT Government will be prepared before the end of 2017.
- The CMTEDD Whole of Government Communications team will lead a project to scale back, consolidate and improve social media profiles and presence across government. This will assist in growing audiences across all social channels and simplifying how the community can follow and engage with the ACT Government through social media. A project plan and timeframe will be prepared before the end of 2017, for delivery in 2018.

CHIEF MINISTER ANNUAL REPORT HEARINGS 2016-17

ISSUE: EMERGENCY COMMUNICATIONS

Talking points

- CMTEDD Communications is responsible for the establishment and coordination of a whole of government Public Information Coordination Centre (PICC) in the event of a major incident, utilising communications staff from across all directorates.
- In 2016-17 a number of issues have required a whole of government coordinated communications response, including:
 - communications support for a potential energy blackout and total fire ban days (February 2017) and
 - to support the switchboard incident at the Canberra Hospital (April 2017).
- Multiple training sessions were facilitated by CMTEDD Communications to ensure staff from across the ACT Government are adequately prepared to respond in the event of an emergency.
- CMTEDD Communications has also worked with JACS Security and Emergency Management Branch, ESA and ACT Policing and communications staff from across government to update the ACT Community Communications and Information Plan (CCIP) this year.
- The ACT Community Communications and Information Plan (CCIP) was developed in 2012 as a sub-plan for the ACT Emergency Plan (2010) and is the guiding document for the effective delivery of public information in the event of an emergency.
- The revised CCIP is currently being finalised.

Key points and statistics

- WHOG training opportunities have included:
 - Ongoing – PICC familiarization for all communications staff at ESA Fairbairn;
 - August 2016 – NSPIG Media Liaison Officer training on national security public communication;
 - September 2016 - CMTEDD and ACT policing staff also participated in a national whole of Australian government's NSPIG Public Information workshop, facilitated through the Commonwealth Attorney General's department designed to explore public information responsibilities in response to the threat of or an act of terrorism incident;
 - December 2016 - Communications staff from across directorates were been involved in an Incident Management Exercise at ESA Fairbairn alongside the

ACT Emergency Services Agency, Rural Fire Service and NSW Rural Fire Services.

- Counter Terrorism Media Liaison Officer training, delivered by the Commonwealth Attorney General's Department and the Australian Federal Police, May 2017.

Background information

- The ACT Community Communications and Information Plan (CCIP) was developed in 2012 as a sub-plan for the ACT Emergency Plan (2010).
- The CCIP is complemented by a range of agency specific emergency plans and is consistent with the National Security Public Information Guidelines (NSPIG) in respect of a national terrorist situation.

CHIEF MINISTER ANNUAL REPORT HEARINGS 2016-17

ISSUE: INDEPENDENT REVIEWER AND CAMPAIGN ADVERTISING

Talking points

Independent reviewer

- The *Government Agencies (Campaign Advertising) Act 2009* requires that an independent expert, the Campaign Advertising Reviewer, assess all ACT Government advertising and promotion campaigns with expenditure in excess of \$40,000 to ensure appropriate use of public funds.
- In 2016-17 the reviewer assessed 22 campaigns.
- All campaigns met the requirements of the Act and Campaign Advertising Guidelines.
- In a small number of cases amendments were suggested to the campaign material and these changes were made.
- The term of the Independent Reviewer expired in March 2017. On Thursday 16 February 2017, a motion was passed in the Assembly reappointing Professor Dennis Pearce AO as Campaign Advertising Reviewer and Mr Derek Volker AO as alternate reviewer for a further three year term.

Campaign advertising (Government Agencies) Act

- The Act and Guidelines were developed in 2009/10, are both currently being reviewed to:
 - be modernised, reflecting current communications methods and channels;
 - provide clarity on the role of the Independent Reviewer in assessing advertising campaigns by third party organisations, and;
 - provide clarity on how the Act intersects with the *Electoral Act 1992* and Caretaker Conventions.

Key points and statistics

- 22 campaigns reviewed in 2016-17
- campaigns over \$40,000 must be reviewed

Background information

- The ACT Government is responsible for ensuring its communications are objective, fair and accessible. All advertising and promotion campaigns should directly relate to the ACT



Government's responsibilities. They should not promote, advance or enhance a political party's reputation.

- The Campaign Advertising Guidelines provide guidance on the implementation of the *Government Agencies (Campaign Advertising) Act 2009*. They provide the basic principles that should be observed by all ACT Government Directorates, Agencies and Territory-owned Corporations in the planning, development and delivery of Government advertising and promotion, as stipulated by the Act.

CHIEF MINISTER ANNUAL REPORT HEARINGS 2016-17

ISSUE: POP-UP CABINET

Talking points

- ACT Government Cabinet members hosted two Pop-up Cabinets in 2017-17
- These events are an opportunity for Cabinet to meet with Canberrans in their local area to discuss the issues that matter most to them.
- A Woden Pop-up Cabinet was held on Thursday, 25 May 2017, a Tuggeranong Pop-up Cabinet was held on Tuesday, 30 May 2017.

Key points and statistics

- At Woden Pop-up Cabinet:
 - Minister Stephen- Smith attending the Woden NDS Disability Sector forum;
 - Chief Minister Andrew Barr and Deputy Chief Minister Yvette Berry visiting Malkara School and Melrose High School ;
 - Minister Rattenbury hosting a Facebook Live event in Woden Town Square;
 - Ministers visiting the new ACT Health and Access Canberra buildings in Woden;
 - a roundtable discussion on Woden Urban Renewal with Minister Gentleman and Minister Stephen-Smith
- At Tuggeranong Pop-up Cabinet:
 - Chief Minister Andrew Barr and Minister Fitzharris visiting Anketell Street as well as meeting students and staff at CIT Tuggeranong
 - Minister Gentleman and Minister Ramsay visiting the Tuggeranong Town Centre Ambulance Station
 - Minister Stephen-Smith visiting the Tuggeranong Child and Family Centre
 - Minister Berry and Minister Gentleman opening the renovated pavilion at Gowrie
 - Minister Berry and Minister Ramsay visiting classes at Erindale College.

Background information

- A Belconnen Pop-up Cabinet has been held in the 2017-18 financial year.
- A live online Cabinet, enabling members of the public to ask questions or seek information direct from Ministers, will be held before the end of this year. This event will be live-streamed on Facebook.

CHIEF MINISTER ANNUAL REPORT HEARINGS 2016-17

ISSUE: COMMUNITY SUPPORT FUND

Talking points

- The Community Support Fund is used to provide financial support to individuals and groups to meet emerging community needs, and fund initiatives that do not meet ACT Government grants program eligibility requirements. It is also used to make donations to charitable organisations on behalf of the ACT Government.
- The total funding available from the Community Support Fund for 2016-17 was \$177,000. Funding increases each year and for 2017-18 it is \$182,000.
- In 2016/17 the Community Support Fund provided donations, sponsorships and grants to the following organisations.

Key points and statistics

- In 2016/17 the Community Support Fund provided donations, sponsorships and grants to the following recipients:

Recipient	Project Purpose	Amount
ACT Chess Association	Donation	\$2,000
ACT Jewish Community	Donation to new community centre	\$5,000
ACT Property Group	Funding for rainbow flags in support of marriage equality (Feb 17)	\$1,464.76
ACT Property Group	Funding for rainbow flags in support of Spring Out (Nov)	\$704.55
ACT Sailing Incorporated	Sponsorship of the 2017 Chief Minister's Australia	\$1,000
AIDS Action Council of the ACT	Donation to AIDS Memorial Garden at the National	\$10,000
AIDS Action Council of the ACT	Donation to assist with promotion of 2016 Fair Day	\$5,000
Australian Muslim Voice	Donation to radio program during Ramadan	\$2,000
Australian Red Cross Society	Donation to 2017 Red Cross Calling Appeal	\$5,000
Australian Youth Climate Coalition	Donation to assist with costs to attend the 2017	\$2,500
Barnardos Australia	Sponsorship of the 2017 Mother of the Year Awards	\$3,200
Bourke Street Fund	Donation to the Bourke Street Fund	\$5,000
Canberra and Region Central Italy	Donation to the Central Italy Earthquake Appeal	\$10,000
Canberra and South East NSW House	Donation to 2017 2CC Radio Appeal for Ronald	\$5,000
Canberra Legacy	Sponsorship of the 2017 Legacy Concert	\$2,727
Canberra Pet Rescue	Donation	\$1,000
Cystic Fibrosis ACT	Donation to the 2016 Santa Speedo Shuffle	\$3,000
Cystic Fibrosis ACT	Donation to the 2017 Santa Speed Shuffle	\$3,000
Fearless Initiative	Donation to 2017 Fearless Comedy Gala	\$3,000

Executive Responsible: Anita Perkins, Executive Director, Communications

Ext: x50035

Give Me Five for Kids	Donation to the 2016 Give Me Five for Kids	\$3,500
Give Me Five for Kids	Donation to the 2017 Give Me Five for Kids	\$3,500
Gungahlin Jets Australian Football Club	Donation for repairs following vandalism	\$3,000
Hands Across Canberra	Donation	\$2,000
John James Memorial Foundation	Donation to John James Village to purchase linen	\$5,000
Leukaemia Foundation ACT	Donation	\$3,000
Love Your Sister	Donation to the Big Heart Project	\$10,000
National Heart Foundation of Australia	Donation to launch the 2016 Big Heart Appeal	\$5,000
Queanbeyan Art Society	Donation to 2016 Art Exhibition	\$500
Rotary Club of Canberra Burley Griffin	Donation to the Canberra Peace Bell	\$4,000
Royal National Capital Agricultural	Donation to 2017 Royal Canberra Poultry Show	\$1,500
Shared Services (Publishing Services)	Funding for rainbow flags in support of marriage	\$3,488
Society of St Vincent De Paul	Donation to the 2017 Winter Appeal	\$10,000
Special Children's Christmas Party	Sponsorship of the 2016 Special Children's Christmas	\$1,090.91
The Salvation Army, Australian Eastern	Donation to 2017 Canberra Red Shield Appeal	\$10,000
The Smith Family	Donation to the 2016 Smith Family Christmas Appeal	\$10,000
Tuggeranong Men's Shed	Donation	\$1,000
Tuggeranong Netball Association	Donation to TNA turns pink	\$4,000
Ulysses Club, Canberra Branch	Donation to assist with purchase of a new BBQ	\$5,000
UnitingCare Australia	Donation to 2016 UnitingCare Christmas Appeal	\$10,000
Vietnam Veterans Federation of	Funding	\$10,000
Volunteering and Contact ACT	Sponsorship of places at Volunteering in the Digital	\$1,600
We Ain't Boring	Donation to the 2017 Spare 10 Campaign	\$225
Weston Molonglo Football Club	Donation to Women's Premier League	\$1,000
Woden Valley Soccer Club	Donation	\$1,000
Ainslie Community Garden Association	Refund of donation from 2015-16 Community	-\$3,000

- **Background information**

- In relation to the support for Rainbow Flags. The motion which passed the Legislative Assembly on 10 August 2016 made specific reference to the ACT Government supporting local LGBTIQ communities throughout the plebiscite process, particularly during the SpringOUT festival.
- The Chief Minister supported a request from SpringOUT and Australians 4 Marriage Equality for the flags to fly in February 2017 (for marriage equality) and November 2017 (for SpringOut).
- The request is in line with the Community Support Fund guideline to provide sponsorship support for one-off or ongoing activities where the ACT Government can derive benefit to promote government initiatives or priorities.
- ACT Property Group charges government and non-government agencies cost recovery for staff to put the flags up and down. Hence direct payment was made to Property Group. Shared Services (Publishing Services) designed and organised printing of the flags.

CHIEF MINISTER ANNUAL REPORT HEARINGS 2016-17

ISSUE: COMMUNITY COUNCILS

Talking points

- Management of the community council funding agreements is undertaken by CMTEDD Communications and Engagement.
- Funding is delivered on an annual basis, with acquittal processes required including the submission of an audited financial statement.
- Community councils operate as apolitical organisations to provide a representative voice of the views, expectations and concerns of their local community.
- The ACT Government provides community councils with funding to:
 - support participation by the community in council activities
 - communicate the views, expectations and concerns of community members to the ACT Government
 - hold community meetings that are open to the public and publicly advertised
 - achieve broad and inclusive engagement by using a range of communication channels including social media, direct communications and broader community consultation activities in addition to the public meetings.
- The annual ACT Government grant is the community council's primary source of funding.
- To build capacity and assist community councils to reach a wider range of community views, CMTEDD Communications and Engagement delivered two workshops for council members in February 2017 on social media and engaging young people.
- Community Councils were also invited to attend an information session on Citizens Juries in May 2017 and a session on IAP2 community engagement in Canberra in October 2016.

Key points and statistics

- 7 community councils
- \$89,747 total annual funding
- \$12,821 grant to each council

Background information

- There are seven community councils – Gungahlin, North Canberra, Tuggeranong, Weston Creek, Woden Valley, Belconnen, and Inner South Canberra.



- A combined insurance policy covering public liability and volunteer insurance for all councils has been negotiated by CMTEDD Communications and Engagement. This combined policy has the effect of standardising insurance arrangements and lowering premiums for each of the councils.
- CMTEDD Communications and Engagement worked with Community Councils and the ACT Government Solicitor to update the 2016-17 deed, to ensure it was consistent with other ACT Government funding agreements while reflecting the unique nature of community councils.
- Key changes to the deed included:
 - requiring councils to provide further details of their expenditure as part of their acquittal process
 - the insurance provision in Schedule 1 was updated to reflect current arrangements
 - variations from standard clauses were moved out of the main body of the deed to Schedule 3 'Special Conditions'
 - language was simplified throughout the deed.

CHIEF MINISTER ANNUAL REPORT HEARINGS 2016-17

ISSUE: CEREMONIAL EVENTS

Talking points

- CMTEDD Communications delivers ceremonial events for the Chief Minister.
- In 2016-17 Communications worked with the National Arboretum and the Department of the Prime Minister and Cabinet to deliver three tree plantings:
 - From the Hashemite Kingdom of Jordan, their Majesties King Abdullah II ibn Al Hussein and Queen Rania Al Abdullah;
 - From the Republic of Nauru, His Excellency the Honourable Baron Divavesi Waqa and Madam Louise Waqa;
 - From the Democratic Socialist Republic of Sri Lanka, His Excellency Maitrhipala Sirisena
- Communications also assisted in the organisation of two visits to the Majura Solar Farm with the President of the Republic of Nauru and President of the Democratic Socialist Republic of Sri Lanka.
- The ACT Government supports the Federal Government in delivering these visits when they impact ACT Government or community assets. Positive media is often generated from these visits, particularly overseas.
- Communications also coordinated the awards ceremonies for the Chief Minister's Canberra Gold Awards. Canberra Citizen of the Year and ACT Scientist of the Year.
- Funding to support ceremonial events comes from the Civic Hospitality budget and the costs of tree plantings are absorbed by the National Arboretum Canberra.

Key points and statistics

Major civic functions	Cost	Cost compared to 15-16	Nominations compared to 15-16
2016 ACT Scientist of the Year – August 2016	\$965.91	Increase: \$288 – higher trophy and event costs	Decrease: 12 – 2016 16 – 2015
Australia Day luncheon – January 2017	\$6711.58	N/A	N/A

2017 Canberra Citizen of the Year and Canberra Gold Awards – March 2017	\$9610.21	Increase: \$1800 – higher costs for catering (more guests) and AV (hire of stage)	Citizen - Decrease: 11 – 2017 15 – 2016 Gold – Increase: 207 – 2017 118 – 2016
Community functions	Cost		
Barnardos Mother of the Year – April 2017	\$899.66	Increase: \$328 – due to venue hire charge at Legislative Assembly	N/A

Background information

- ACT Scientist of the Year – to address the decline in nominations, CMTEDD Communications worked more closely with research institutions, including ANU, UC and CSIRO ahead of the 2017 Awards.
- Canberra Citizen of the Year – to address the decline in nominations, CMTEDD Communications has developed a new nomination form and criteria and will work more closely with community organisations to generate nominations.

CHIEF MINISTER ANNUAL REPORT HEARINGS 2016-17

ISSUE: HONOURS AND AWARDS

Talking points

- CMTEDD Communications is involved in the administration of a number of awards. This includes:
 - Canberra Citizen of the Year – the 2017 Citizen of the Year is Ms Alex Sloan, recognised for her services to the community of the ACT.
 - Chief Minister’s Canberra Gold Awards, which is awarded to individuals and groups who have lived in Canberra for 50 years or more
 - ACT Scientist of the Year:
 - the second annual award in 2016 was awarded to Dr Ceridwen Fraser for her work in the field in Antarctica, researching how plants and animal diversity how major geological events have had an impact on plant and animal diversity.
 - In 2017 ACT Scientist of the Year Award is Dr Kai Xun Chan. . Dr Chan's research looks at the effect of drought conditions on plants, and the ability of some plants to sense drought stress.
 - There is \$30,000 in prize money from the CMTEDD Communications budget.
 - ACT Honour Walk – honouring individuals or groups who have helped to shape the city. No induction into the Honour Walk was held in 2016-17, the next additions will be made in 2018.
- Communications works with the National Australia Day Council on the ACT Australian of the Year Awards. The 2017 recipients were Alan Tongue, Heidi Prowse, Dick Telford and Stasia Dabrowski. The 2018 recipients will be announced on 6 November 2017.
- Protocol also provides support to Government House in the administration of local nominees in the Order of Australia and the Public Service Medal
- The costs of main ceremonies are funded from the Civic Hospitality Budget
- The Australian of the Year Awards ceremony is funded by the National Australia Day Council and managed by the ACT Government.

Key points and statistics

Major civic functions	Cost	Cost compared to 15-16	Nominations compared to 15-16
2016 ACT Scientist of the Year – August 2016	\$965.91	Increase: \$288 – higher trophy and event costs	Decrease: 12 – 2016 16 – 2015
2017 Canberra Citizen of the Year and Canberra Gold Awards – March 2017	\$9610.21	Increase: \$1800 – higher costs for catering (more guests) and AV (hire of stage)	Citizen - Decrease: 11 – 2017 15 – 2016 Gold – Increase: 207 – 2017 118 – 2016

Background information

- ACT Scientist of the Year – to address the decline in nominations, CMTEDD Communications worked more closely with research institutions, including ANU, UC and CSIRO ahead of the 2017 Awards
- Canberra Citizen of the Year – to address the decline in nominations, CMTEDD Communications has developed a new nomination form and criteria and will work more closely with community organisations to generate nominations

CHIEF MINISTER ANNUAL REPORT HEARINGS 2016-17

ISSUE: ACT EXECUTIVE STAFFING

Talking points

- As reported on page 244 the 30 June 2017 ministerial staff FTE is 46.3, which is a decrease of 1.4 from the 30 June 2016 figure of 47.7.
- The decrease is mainly due to an increase in the number of part-time positions.
- While not reported in the staffing table on page 244, the total FTE for the ACT Executive including the seven Ministers was 53.3.
- The overall 30 June 2017 outcome is in line with the Estimated Outcome of 54 included in the 2017-18 Budget Statement.

Key points and statistics

Classification	2016-17 FTE	2015-16 FTE
Executive Chief of Staff	0.8	1
Chief Adviser	1.4	-
Senior Advisor L2	7.7	8
Senior Advisor L1	12.6	14.7
Adviser L2	9.7	12
Adviser L1	14.1	12
Total Staff	46.3	47.7
Ministers	7	7
Total	53.3	54.7

Background information

- 2017-18 ACT Executive Budget staffing is 54 FTE.
- As at 4 October 2017 total FTE for the ACT Executive is 54.4, an increase of 1.1 on the 30 June figure. This is mainly due to an increase in hours in 2 part-time positions and an additional part-time position.

CHIEF MINISTER ANNUAL REPORT HEARINGS 2016-17

ISSUE: ACT EXECUTIVE TRAVEL

Talking points

- Official travel to further the interests of the ACT is a component of ministerial duties. The vast majority of official travel is domestic and predominantly relates to Council of Australian Government meeting requirements.
- There is some overseas travel undertaken by ministers and this is in accordance with the international engagement strategy, a public strategy I have released, that provides a clear commitment to building enduring international relationships for the economic, cultural and social benefit of the Territory.
- Detailed bi-annual reports on official travel undertaken by all Ministers in 2016-17 are available on the ACT Legislative Assembly website:

<http://www.parliament.act.gov.au/members/entitlement-reporting>

- The periods covered are July – December 2016 and January - June 2017.
- The reports on the website include: date of trip; destination; reason for travel; and total cost, broken down by airfares and travel allowance (this includes travel allowance paid; accommodation; taxi and parking costs).

Key points and statistics

	Total Cost	International trips	Domestic trips
2016-17	\$126,410	8	38
2015-16	\$140,017	8	35
Difference	-\$13,607	-	+3

- Total travel expenditure identified in the ACT Executive Financial Statements in the 2016-17 Annual Report was \$0.240m. This differs to the \$0.126m shown in the Ministerial Travel Reports, as the Financial Statements also include the cost of staff travel.
- Total travel expenditure identified in the Financial Statements in the 2015-16 Annual Report was \$0.353m.
- 2017-18 travel to the end of September 2017 has been 2 international trips and 14 domestic trips. The total cost is still being finalised.

Background information

- Nil.

CHIEF MINISTER ANNUAL REPORT HEARINGS 2016-17

ISSUE: ACT EXECUTIVE HOSPITALITY

Talking points

- The Chief Minister's Civic Hospitality Fund was established to arrange functions and events relating to the Chief Minister's role as Head of Government, such as major Territory functions or those involving inter-governmental hospitality.
- The level of expenditure for Civic Hospitality depends on official functions and duties throughout a financial year.
- The expenditure sits within Supplies and Services. The Civic Hospitality allocation is managed throughout the year depending on requirements and any overspend is managed within existing resources.
- In 2016-17 just under \$25,000 was spent on Civic Hospitality. This was less expenditure than previous years. In 2015-16 two major Centenary of Anzac commemorative functions were delivered which resulted in increased costs.

Key points and statistics

- Below is a summary of expenditure on major functions supported through the Civic Hospitality allocation. It does not include flag mastings, wreaths, stationary and other miscellaneous expenses.

Major civic functions	Cost	Cost compared to 15-16	Nominations compared to 15-16
2016 ACT Scientist of the Year – August 2016	\$965.91	Increase: \$288 – higher trophy and event costs	Decrease: 12 – 2016 16 – 2015
Australia Day luncheon – January 2017	\$6711.58	N/A	N/A
2017 Canberra Citizen of the Year and Canberra Gold Awards – March 2017	\$9610.21	Increase: \$1800 – higher costs for catering (more guests) and AV (hire of stage)	Citizen - Decrease: 11 – 2017 15 – 2016 Gold – Increase: 207 – 2017

			118 – 2016
Community functions	Cost		
Barnardos Mother of the Year – April 2017	\$899.66	Increase: \$328 – due to venue hire charge at Legislative Assembly	N/A
Other	Cost		
Gifts (HMAS Canberra, Singapore delegation, packaging)	\$358.72	Decrease: \$2330	N/A

Background information

- ACT Scientist of the Year – to address the decline in nominations, CMTEDD Communications worked more closely with research institutions, including ANU, UC and CSIRO ahead of the 2017 Awards.
- Canberra Citizen of the Year – to address the decline in nominations, CMTEDD Communications has developed a new nomination form and criteria and will work more closely with community organisations to generate nominations.

CHIEF MINISTER ANNUAL REPORT HEARINGS 2016-17

ISSUE: ACT EXECUTIVE: OPERATING RESULT

Talking points

- The operating result for 2016-17 is an operating surplus of \$0.091m.
- The increase of \$0.132m from the original budget deficit of \$0.041m was largely due to:
 - the impact of receiving a Treasurer’s Advance to fund staff terminations and the payout of accrued employee entitlements following the 2016 Election, much of which does not impact operating expenses;

partially offset by:

- the use of available cash prior to using appropriation to fund expenditure, therefore reducing the need to use appropriation and causing a decrease in the operating result.

Key points and statistics

- N/A

Background information

- N/A

CHIEF MINISTER ANNUAL REPORT HEARINGS 2016-17

ISSUE: ACT EXECUTIVE: PAYMENTS FOR EXPENSES ON BEHALF OF THE TERRITORY (EBT)

Talking points

- The total EBT in 2016-17 was \$10.478m.
- There was an increase of \$0.338m in the 2016-17 actual from the original budget of \$10.140m, mainly due to:
 - the receipt of Treasurer’s Advance (\$0.780m) to fund the payment of staff termination expenses following the 2016 election;partially offset by:
 - undrawn funds (\$0.442m) largely due to using the cash balance available at the beginning of the financial year before drawing appropriation, and the impact of the 2016 election on staffing levels during the election period.
- There was an increase of \$1.358m in the 2016-17 actual from the prior year result of \$9.120m largely due to:
 - the full year impact of the appointment of a Seventh Minister, Remuneration Tribunal outcomes and additional funding received for the payment of staff termination expenses following the 2016 Election;partially offset by:
 - the use of cash available at the beginning of the financial year before drawing appropriation.

Key points and statistics

- N/A

Background information

- Payment for Expenses on Behalf of the Territory (EBT) appropriation is revenue received from the ACT Government to fund the expenses incurred by the ACT Executive. The ACT Government pays EBT appropriation on a fortnightly basis, as required.

2016-17 ANNUAL REPORT HEARING
STANDING COMMITTEE ON ECONOMIC DEVELOPMENT AND TOURISM
MINISTER FOR ECONOMIC DEVELOPMENT
MINISTER FOR TOURISM AND MAJOR EVENTS

Monday, 6 November 2017

2:00pm – 4:30pm

Mr Michael Petterson (Chair)

Mrs Elizabeth Kikkert (Deputy-Chair)

Mr Chris Steel

Mr Andrew Wall

<u>No</u>	Title	Executive/Officer responding at Hearing
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Innovate Canberra

Output 9.2

1.	CBR Innovation Development Fund	Ian Cox Ext: 72004
2.	CBR Innovation Network	Ian Cox Ext: 72004
3.	Innovation Connect program	Ian Cox Ext: 72004
4.	CBRfree WiFi rollout	Ian Cox Ext: 72004
5.	Data61	Ian Cox Ext: 72004
6.	Small Business Innovation Partnerships program	Ian Cox Ext: 72004
7.	Trade Connect Program	Ian Cox Ext: 72004
8.	Trade Missions (and attachment)	Ian Cox Ext: 72004
9.	Investment Facilitation	Ian Cox Ext: 72004
10.	Brand Canberra	Ian Cox Ext: 72004
11.	Key Capability Sectors (and attachment)	Ian Cox Ext: 72004

12.	Defence Sector	Ian Cox Ext: 72004
13.	Space Industry	Ian Cox Ext: 72004
14.	Canberra Cyber Network	Ian Cox Ext: 72004
15.	Local Industry Advocate / Defence Industry Advocate	Ian Cox Ext: 72004
16.	ACT International Engagement Strategy	Ian Cox Ext: 72004
17.	Commissioner for International Engagement (and attachment)	Ian Cox Ext: 72004
18.	Autonomous Vehicle Trial	Ian Cox Ext: 72004
19.	Confident & Business Ready implementation	Ian Cox Ext: 72004
20.	Study Canberra	Ian Cox Ext: 72004
21.	ACT Vice Chancellors' Forum	Ian Cox Ext: 72004
22.	International Education Strategy	Ian Cox Ext: 72004
23.	Skilled Migration Program (and attachment)	Ian Cox Ext: 72004
24.	ScreenACT / Screen Production Fund	Ian Cox Ext: 72004
25.	Aquis Entertainment unsolicited bid	Ian Cox Ex: 72004
26.	Export Development programs	Ian Cox Ext: 72004

Visit Canberra

Output 9.3

1.	Aviation	Jonathan Kobus Ext: 53185
2.	Tourism 2020 Strategy	Jonathan Kobus Ext: 53185
3.	Major Event Fund	Jonathan Kobus Ext: 53185
4.	Canberra Convention Bureau and National Capital Educational Tourism Project	Jonathan Kobus Ext: 53185
5.	Destination Marketing	Jonathan Kobus Ext: 53185

Output 9.6

1.	Floriade 2016	Jo Verden Ext: 50554
2.	Enlighten 2017	Jo Verden Ext: 50554
3.	Floriade Fringe 2017	Jo Verden Ext: 50554
4.	Canberra Day 2017	Jo Verden Ext: 50554
5.	Rugby League World Cup 2017	Jo Verden Ext: 50554
6.	ACT Events Policy	Jo Verden Ext: 50554

ANNUAL REPORT HEARINGS 2016-17

ISSUE: CBR INNOVATION DEVELOPMENT FUND

Talking Points

- The CBR Innovation Development Fund (CBRIDF) is a flexible fund designed to support initiatives that develop capability and capacity across the innovation ecosystem.
- Projects supported focus on enhancing collaboration and broadening access for people and businesses to services and resources.
- Seventeen projects have been funded since the CBRIDF commenced in 2015-16, nine in 2016-17, with grants ranging from \$50,000 to \$200,000.
- Example of projects supported include:-
 - The Social Enterprise Hub, titled Mill House, which is a collaboration between the University of Canberra, the CBR Innovation Network and the ACT Government designed to accelerate the growth and impact of not-for-profit and for-profit social ventures.
 - Techbroker, which is an engagement platform for businesses and researchers to access ANU technical facilities and technology to help accelerate their ideas.
 - ACT Student Exchange (Ribit.Net), which has developed a platform for university students to connect and match with technology start-ups for internships and jobs.
 - MeriSTEM, which produced year 11 and 12 classroom materials for STEM education, subsequently deployed in 11 schools across the ACT, as well as in three other schools around Australia and in one school in Papua New Guinea.
 - The Sensors to Solutions project has held two stakeholder workshops with the second being a collaborative innovation lab to 'identify how geospatial data can help improve infrastructure and urban planning and decision making using Airbus's satellite infrastructure.

Key Points and Statistics



- The CBRIDF had an allocation of \$1.45 million in 2016-17, of which \$947,000 was available for competitive application. A total of nine projects were subsequently funded.
- The 2016-17 funding round of the CBRIDF received 29 applications seeking \$5.2 million in funding.
- A further three CBRIDF projects were allocated \$450,000 outside of the competitive process namely; ScreenACT (\$250,000) and CBR Innovation Network (\$200,000) for its two projects (the KILN Incubator and the Collaborative Innovation Lab).

Background Information

- The CBR Innovation Development Fund was announced in *Confident & Business Ready: Building on Our Strengths* to 'foster an integrated innovation ecosystem that supports the various stages of entrepreneurship and innovation and builds capacity and capability in the knowledge economy'. It is a key program response to the business development strategy's major policy pillar of accelerating innovation to create wealth and jobs.
- The successful 2016-17 projects were:
 - Canberra Innovation Vouchers Program (UC) (\$150,000);
 - Social Enterprise Hub (UC) (\$72,000);
 - Techbroker (ANU) (\$150,000);
 - From Sensors to Solutions (ANU) (\$200,000);
 - MDbox – a cloud-based repository and analysis toolkit for molecular; dynamics simulations (ANU) (\$100,000);
 - MeriSTEM – Modular educational resources in STEM (ANU) (\$50,000);
 - MSEC – Mount Stromlo Space and STEM Education Centre (CBRIN on behalf of Inspiring Australia) (\$50,000);
 - CollabIT (AIIA) (\$100,000); and
 - ACT Student Exchange (Data61) (\$75,000).

ANNUAL REPORT HEARINGS 2016-17

ISSUE: CBR INNOVATION NETWORK

Talking Points

- The CBR Innovation Network (CBRIN) is an initiative of the ACT Government that brings together CBRIN Foundation Members including the ANU, University of Canberra, UNSW Canberra, CSIRO, Data61 and CIT.
- CBRIN is also supported by a range of other private sector organisations known as 'gold' and 'silver' partners.
- It is a major plank in the ACT's ambition to be a knowledge economy and is a unique collaboration model in Australia in that the education and research institutions contribute to the cost of CBRIN and are responsible through its Board for its success.
- CBRIN delivers or facilitates a range of programs and services aimed at supporting and enabling entrepreneurs and high growth potential businesses in Canberra.
- Key programs include the Griffin Accelerator, the KILN Incubator, CBRIN Lean Business Model workshops, the Collaborative Innovation Lab, Entry29 co-working spaces and the STIR program for young creative industry entrepreneurs.
- The Government provided base funding of \$950,000 in 2016-17, out of a total CBRIN operating budget of \$2.732 million for the year.
- CBRIN Foundation Members contribute \$50,000 per annum to CBRIN.
- The Government also provided CBRIN with accommodation at Level 5, 1 Moore Street at peppercorn rental to 30 June 2019. The rental value is approximately \$627,000 in 2016-17.

Key Points and Statistics

- CBRIN has been successful in connecting key institutions and businesses in the economy to work together to support and enable entrepreneurs, high growth businesses and key sectors. Highlights include:
 - Over 23,000 people have visited the CBRIN space for events and workshops since 2014;
 - 237 events including workshops, Collab Labs, First Wednesday Connect networking and innovation showcases have been held at CBRIN or Foundation Member sites since July 2016;
 - CBRIN has 9,095 followers across its social platforms; and
 - The Entry29 co-working space which provides emerging entrepreneurs access to rentable desk space and a supporting network of mentors. It currently has 101 active financial members.



- Entry29 also won the contract to manage the Renewable Energy Innovation Hub and has established a co-working space at the University of Canberra which was launched by the Chief Minister in May 2017. Negotiations are currently underway to establish Entry29 space at the ANU, and the CIT is exploring setting up a space at CIT's Tuggeranong campus.

Background Information

- CBRIN was formally launched in November 2014 to play a key role in accelerating innovation and diversifying the Territory's economy, and is a key initiative of the Government's economic diversification strategy *Confident & Business Ready: Building on Our Strengths*.
- On 19 April 2017 the CBRIN Board appointed Mr Petr Adamek as Chief Executive Officer following the resignation of the original CEO Dr Sarah Pearson.
- CBRIN Gold Partners include King & Wood Mallesons, PricewaterhouseCoopers, Origin Energy and Optus. Gold Partners support CBRIN's goals through the provision of in-kind services. Silver Partners include Nexia Australia, Google, Green Inspiration and Ricoh.
- CBRIN is working with the partner higher education institutions to build entrepreneurship into their approach to teaching, research and commercialisation.

ANNUAL REPORT HEARINGS 2016-17

ISSUE: INNOVATION CONNECT PROGRAM

Talking Points

- Innovation Connect is an early stage commercialisation grant program that provides matched-funding of up to \$30,000 for entrepreneurs and start-ups to develop new products and services.
- A program survey of grant recipients initiated in August 2017 identified that the \$5.07 million of grants awarded since 2008 has leveraged a further \$9.97 million in Commonwealth grants and \$42.9 million in private investment.
- Proponents had also created 175 extra jobs in the ACT. The survey will be updated as additional grant recipients provide information.
- The 2017-18 Budget committed \$1.25 million to support innovation co-investment grant funding. Innovation Connect, the CBR Innovation Development Fund, the Screen Production Fund, Indigenous Business Support and the CollabIT ICT network initiative will be funded from this appropriation in 2017-18.

Key Points and Statistics

- The 2016-17 Budget allocation for Innovation Connect was \$500,000. \$208,207 of this was used to meet existing Innovation Connect commitments. \$291,793 was awarded to new projects in the 2016-17 period.
- Funding allocation is administered across financial years to manage the deeds of grant and their milestone commitments.
- In 2016-17 a total of 60 applications were received seeking funding support of over \$1.6 million. Nine applications were successful in receiving funding support against the accountability indicator target of 15. Funding was awarded within the allowable Budget envelope. The recipients were:
 - Arcturus Dynamics – \$30,000. Prototyping a scalable power system that utilises a hybrid micro fuel cell architecture and solid state hydrogen storage to enable greater energy density storage than currently available lithium-ion battery technology;
 - DIY Custom Kitchens - \$30,000. Develop software allowing users to draw up cabinetry and have it ordered and delivered;
 - Karma Letters Reimagined - \$30,000. Development of an online platform for the writing of open letters and gratitude;



- Little Projects - \$30,000. Prototype a children's' booster seat with adjustable foot and back support;
 - Perimeter Securities - \$30,000. Development of software for the Balance Mat to measure peoples' balance to prevent fall injuries;
 - Pixelated Induction - \$24,700. Prototype a wireless charging table that can charge a smartphone placed anywhere on the surface;
 - PV Lab Australia - \$27,093. Develop an online service or app to provide product quality reports on the most commonly used solar panel brands and models offered in consumer installations;
 - Mira Solar Concentrators - \$30,000. Develop modelling and initial engineering specifications for an in ground solar concentrator; and
 - Wildlife Drones - \$30,000. Produce a prototype of a robotic radio-tracking drone.
- Six of these projects were selected to undertake CBRIN's Market Ready Programme to enhance their business model and to support product development while undertaking their Innovation Connect project. The Market Ready Programme is an additional \$5,000 per project and is drawn from the larger grants budget.

Background Information

- Innovation Connect is a matched-funding early stage commercialisation program that provides grants of up to \$30,000 to assist start-ups and entrepreneurs to accelerate the development of innovative products and services.
- The program is available to Canberra-based businesses with an annual turn-over of less than \$2 million.
- To apply, proponents submit an Expression of Interest in the form of an online video pitch of the business concept which are assessed and ranked by Innovate Canberra and a pool of experienced independent commercialisation practitioners that support the program.
- Shortlisted projects progress to a formal application and presentation to an independent assessment panel that makes recommendations to Government.
- Since the program commenced in 2008, 478 applications have been received describing innovative and disruptive projects seeking over \$16 million in funding. Of these, 193 have been awarded funding of over \$5.07 million with recipients contributing at least this amount through the matched-funding requirement.
- In 2016-17 the Innovation Connect program included a 'Renewables Stream' funded from the Renewable Energy Innovation Fund from the Environment, Planning and Sustainable Development Directorate. This is a dedicated funding stream designed to support commercial opportunities within the renewable energy and cleantech sectors.
- Three for the 2017 projects received funding from this stream, being;
 - Arcturus Dynamics;



- PV Lab Australia, and
- Mira Solar Concentrators.

ANNUAL REPORT HEARINGS 2016-17

ISSUE: CBRFREE WIFI ROLLOUT

Talking Points

- CBRfree is now one of the largest free, public WiFi networks in Australia and also has the largest footprint outside the Central Business District compared to other Australian cities.
- During 2016-17 the rollout was extended to all of Canberra's town centres and a number of group centres such as Dickson, Manuka and Kingston.
- CBRfree infrastructure is also used to support the smart parking trial in Manuka.
- CBRfree is a major commitment to digital inclusion; not everyone in Canberra has access to high speed broadband at home or through a mobile plan, and free WiFi provides access to broadband internet to everyone with a WiFi enabled device.

Key Points and Statistics

- In 2016-17 there was between 45,000 and 52,000 unique users per month of CBRFree downloading approximately 5,000 gigabytes of data per month.
- Between February and April 2017 more than 50,000 unique users accessed the network per month. In a 24 hour period, users have up to 250 megabytes of data.
- Since 1 July 2017 the number of Wireless Access points increased from 263 to 375.

Background Information

- By addressing digital disadvantage, CBRfree supports the ACT Government's Digital Strategy which aims to provide cost effective digital services that are the preferred engagement channel by citizens.
- CBRfree was introduced to Canberra City in 2014 as part of the Digital Canberra Action Plan, and has grown to cover outdoor areas around all of Canberra's town centres. It is now one of the largest free, public WiFi networks in Australia, second only to Melbourne CBD.
- While Canberra was the third capital city in Australia to commit to a free, public WiFi network, such networks are now available in all capital cities in Australia, except Sydney. Adelaide, Melbourne and Canberra use TPG/iiNet/Internode as the service provider, while Hobart and Brisbane use Telstra and Darwin uses Easyweb Digital. Perth uses its own infrastructure and has not contracted a telecommunications provider.
- CBRfree WiFi is available in around the town and group centres of Dickson, Civic, Braddon, Belconnen, Tuggeranong, Woden, Manuka, Kingston, Weston Creek and Gungahlin. Full implementation of the rollout will not be possible until after the completion of the light rail works. Canberra Metro is required under its contract to deliver free, public WiFi to its



customers and discussion is underway with Canberra Metro on how its WiFi service might operate with CBRfree.

- Work on the CCTV trial has shown that it is technically feasible to deliver on the WiFi network. The next step is to test a field installation, and a site near the Tuggeranong Hyperdome has been chosen. Community consultation in preparation for the trial is currently being undertaken by JACS.
- CBRfree WiFi is supplied to the ACT Government under the WiFi Services Agreement with iiNet. \$1.288 million was re-profiled to 2017-18 as the last two completion milestones were expected to fall in this year.
- The full rollout in Gungahlin has been delayed by the light rail works and will not be completed until after the completion of the light rail construction. This will require a further re-profiling of around \$660,000 as the final installation payment is now expected to occur in 2018-19.

ANNUAL REPORT HEARINGS 2016-17

ISSUE: DATA61

Talking Points

- 2016-17 was the first year of a two year \$5 million funding agreement with Data61, which is Australia's largest research and innovation agency in the Information and Communications Technologies (ICT) sector.
- The agreement is aimed at building the cyber-security industry in Canberra and a range of smart city activities including: health and transport; support for a range of innovation ecosystem activities in the ACT including the Small Business Innovation Partnerships program (to which Data61 provides technical advice); and Canberra's information technology industry more broadly.
- The ACT Government's \$2.5 million per year commitment to Data61 is its major expenditure in support of innovation in the ICT key capability area identified in *Confident & Business Ready: Building on Our Strengths*. The ICT key capability area is one of the largest business employers in the ACT.

Key Points and Statistics

- Data61 employs over 100 staff and research students.
- Data61 contributes to Canberra being recognised as a leading centre of research in information technology, along with key strengths in cyber security, analytics and machine learning.

Background Information

- Data61 is the merger of NICTA and the former Digital Productivity Flagship of CSIRO. The ACT Government was a foundation member of NICTA in 2002, along with the governments of Victoria and New South Wales and a number of universities including the ANU.
- Subsequent to the ACT Government announcing its partnership with Data61, the governments of New South Wales, Victoria and Queensland have also signed agreements, and Data61 is discussing with the Western Australian government about an agreement.
- Data61 has met its commitments under the Agreement for 2016-17. These include growing the annual expenditure by Data61 in Canberra to at least \$19 million per year; establishing the CBR Cyber Security Network and delivering cyber-security expenditure in the ACT of \$1.25 million; and working with ACT Directorates on a range of 'smart city' projects in transport and health.
- A number of workshops on both Transport and Health with experts and management from these Directorates have also been held. Subsequently a number of projects have been approved by the Data61-ACT Government project committee and are underway (see health

projects below). A review of the ACT Government's Smart Parking trial is also underway. A workshop held with the Office of the Chief Surveyor is likely to lead to a new project.

Joint ACT Government Data61 projects

- **Customer-centric search of electronic health data using visual, interactive, and exploratory means**

Data61 is improving the readability of medical discharge summaries to empower customers, provide partial control and mastery over health and care, leading to patients making better health/care decisions and decreasing associated costs.

- **Enhanced Pathology Coding and Reporting Project**

Australian e-Health Research Centre is creating a prototype tool to improve patient record quality. The web based tool will enhance the quality of pathology data to support record search, analytics and reporting.

- **Analysis of Smart Parking Trial Data**

Data61 has confirmed the Smart Parking trial's data analysis of sensor based occupancy and overstay rates (since 29 April 2016) and conducted predictive data analysis to forecast future parking lot occupancy for development of the National Smart Parking app, *SmartMove*.

- **Workshop on overcoming Impediments to use of ACT Government LiDAR data**

Data61 and the Office of the Surveyor-General hosted a workshop to examine impediments by business to the use of the LiDAR data collected by the ACT. The LiDAR data provides elevation data at a density of 8 points a metre over urban ACT and 4 points a metre over the remainder of the ACT. Outcomes of the workshop include proposals for Data61 to assist in:

- making the 3D data of the ACT available via MAPi and possibly other web browser accessible platforms and the capacity to download the information in a range of formats as required by standard 3D mapping programs used by architects, planners and engineers; and
- building an application to demonstrate the value of the LiDAR information to Canberra ratepayers, for example a tool that will provide recommendations on solar panel sizing and location on Canberra rooftops.

ANNUAL REPORT HEARINGS 2016-17

ISSUE: SMALL BUSINESS INNOVATION PARTNERSHIPS PROGRAM

Talking Points

- The Small Business Innovation Partnerships (SBIP) Program is a local SME focused procurement approach that helps directorates tap into new ideas that would not be discoverable in a traditional procurement process.
- SBIP's aims of the program are to:
 - catalyse the uptake of innovative solutions by government;
 - promote regional economic diversification; and
 - create new intellectual property by ACT businesses.
- In the 18 months since the SBIP program's launch, 25 projects have been developed.
- Local Industry Advocate Ms Kate Lundy Chairs the SBIP Program Board. The Board helps shape projects and introduce SMEs and other capability to projects and issues identified by directorates.

Key Points and Statistics

- Six of the original SBIP projects were built on Digital Canberra Challenge (DCC) prototypes that were progressed to an operational stage with additional directorate funding. The other nineteen projects have emerged through engagement between directorates, SMEs and the SBIP team. CMTEDD and EPSDD have been the most active directorates so far.
- Projects that have emerged from engagement between directorates the SBIP team and SMEs include:
 - *Fire Management Unit Rostering* – 372digital is working with the ACT Parks and Conservation Service Fire Management Unit to develop a rostering management system;
 - *Sportsground booking system* – Roller Coaster Digital is working with Active Canberra to develop a citizen centric booking system to replace the current manual process; and
 - *Ecospectral Sensor Installation* – Ecospectral is working with Access Canberra to install sensor systems into the Cosmopolitan Building in Woden. The technology allows for prediction and cost optimisation of temperature, lighting and energy through motion monitoring.



Background Information

- The SBIP Program was officially launched on 29 April 2016. It is administered by Innovate Canberra in partnership with Procurement and Capital Works, Shared Services ICT and the Office of the Chief Digital Officer, and operates under the *Government Procurement Act 2001*.
- The SBIP program leverages ACT Government procurement to develop the capabilities of local small-medium enterprises, and at the same time providing innovative solutions to government problems.
- The SBIP program has three pathways:
 - Light-touch facilitation: A business offers a unique solution to the project owner. The SBIP team assists the development of a business case for a single select procurement, and also with any subsequent contractual arrangements.
 - Prototype Challenge: Businesses are invited to submit a bid to provide a solution against a problem statement and an indicative budget. This differs from a traditional tender in that the project owner does not attempt to define the solution through a statement of requirements, but rather defines the problem, leaving the solution open to innovation.
 - Market Sounding Brief: The SBIP team organises an engagement session with business and industry stakeholders in which the project owner describes the problem to be solved and a discussion on potential approaches or solutions follows. Businesses are invited to follow-up with one-on-one discussions with the project owner, particularly around potentially commercially sensitive solutions. The engagement sessions and one-on-ones are used to inform and shape the procurement that follows.
- The SBIP program does not contribute funding to projects. Instead ACT Government directorates bring funded project ideas into the program. This ensures directorates maintain ownership and responsibility for projects within their organisation, and also ensures the projects are well supported through to completion. The program is delivering on the objectives with program coordination resources of approximately one Full Time Equivalent (FTE) supplied by Innovate Canberra.
- The SBIP Advisory Board first met in June 2016. The SBIP Board is made up of nine members from ACT business, the innovation community and relevant ACT Government representatives. The Board provides advice on the merit of the business problem and the best approach to engage with industry.

ANNUAL REPORT HEARINGS 2016-17

ISSUE: TRADE CONNECT PROGRAM

Talking Points

- Trade Connect is a grant program that supports ACT businesses to develop export markets through targeted activities, like trade conferences, trade shows & engaging international exporting consultants.

In 2016-17 Trade Connect approved 51 applications from ACT businesses with approximately \$182,000 in committed funding, matched by applicants. Trade Connect grant recipients spanned a wide range of industry sectors - ICT/eGovernment, defence/security, education/research & development, agribusiness, health/sports science, and energy/environment.

Key Points and Statistics

- Annual target of grants delivered 30
- Number of applications approved 51 (exceeding target by 70 per cent)
- Amount of funding committed \$182,774
- Average amount of funding per grant \$3,584
 - (52 per cent below the maximum allowable funding of \$7,500 per grant)
- Export development activities supported:
 - trade shows/conferences 43 per cent
 - trade missions 34 per cent
 - international sales/ marketing research 21 per cent

Background Information

- Under the Trade Connect program which commenced in 2010-11, eligible companies may apply for assistance with reasonable costs directly associated with export market development activities such as market visits, developing marketing material, participation in trade shows, supporting incoming buyer visits, developing market research, as well as undergoing trade mentoring.
- Participating companies must have a current export development plan and demonstrate in the application how the market development activity will help the company achieve its export goals.



- Trade Connect funding is not provided in advance of approved activities taking place. To claim approved funding, successful applicants are required to provide a Funded Activity Report (acquittal) upon completion of the funded activity. The Funded Activity Report includes a Statement of Expenditure, supported by invoices and receipts.
- Travel and associated expenses, including accommodation, meals and local transport can be included as eligible expenses, however strict limits and conditions apply.
- The 2016-17 internal budget allocation for Trade Connect was \$200,000, with a projected target of 30 approved applications. Total expenditure for 2016-17 was \$182,000 awarded to 51 applications. While a greater number of applicants were supported than projected, the program was managed within its internal budget allocation.

Trade Connect Funding Recipients in 2016-17 (these are listed on page 90 of Volume 3)

- | | |
|-------------------------------|--------------------------|
| 1. Aid Practice | 19. Pine Fire Studio |
| 2. Ambe Engineering | 20. Questa Game |
| 3. Automed | 21. Quizling |
| 4. Cogito | 22. ScreenACT |
| 5. Declan Shrubbs | 23. ScreenCraft |
| 6. Dickson Central | 24. Shaw Vineyard Estate |
| 7. Ecospectral | 25. Shy Kids |
| 8. EpiAxis Therapeutics | 26. Siege Sloth Games |
| 9. Fillearth Pty Ltd | 27. Sietronics |
| 10. Hope Project | 28. SignOnSite Pty Ltd |
| 11. KreiWorks | 29. Skoolbo |
| 12. Link Web Services Pty Ltd | 30. SponServ |
| 13. Liquid Instruments | 31. Superlative Pictures |
| 14. Magenius Pty Ltd | 32. The Film Distillery |
| 15. Mineral Carbonation | 33. Ubatuba |
| 16. Nestani Films | 34. Whale Hammer Games |
| 17. NuCoria Pty Ltd | 35. Wild South |
| 18. OzGuild | |

Note: A business may receive more than one funding during the year.

ANNUAL REPORT HEARINGS 2016-17

ISSUE: TRADE MISSIONS

Talking Points

- Trade missions reinforce the ACT Government's commitment to foster international trade and investment links.
- In addition, mission activity encourages business, trade, tourism, sporting and cultural links with key markets.
- Trade missions have direct and indirect economic benefits that accrue in both short and long term time frames.
- The trade mission format is a way of 'soft landing' companies with export capabilities in new markets and also mixing these companies with more experienced exporters with more developed market strategies and experience.
- This mix of capabilities will see some companies achieve early success, while others will take longer or not progress their plans at all, based on the accelerated learning of a mission.
- Trade missions are also about branding the ACT – taking local business capability and innovation message to new markets, exposing local businesses to international networking opportunities, potential partners and investors, and setting up opportunities for local businesses to pursue further trade and export development links.
- The establishment of these international links, and economic benefit accrual, are goals of Canberra's *International Engagement Strategy* ("the Strategy"). The Strategy identifies six priority international markets: Singapore, New Zealand, China, the USA, Japan and Greater Asia.

Key Points and Statistics

- In 2016-17, the ACT Government delivered five trade delegations, covering five of the Strategy's identified priority international markets and enabling immediate, targeted engagement:
 - Wellington - July 2016: the mission focused on the signing of the Sister City agreement with the City of Wellington.
 - Wellington - November 2016: *Canberra Week in Wellington* was planned to showcase the economic, cultural and social relationship between the two cities. The week was cancelled due to a 7.8 magnitude earthquake.



- Wellington – March 2017: the mission to Wellington sought to continue to foster the strong partnership that has been established with Wellington City Council under the Sister City Agreement.
 - Singapore – April 2017: The focus of the Singapore missions, with Singapore being a priority international market under the Strategy, was on tourism, trade and entrepreneurship.
 - Singapore, Hong Kong and Japan – June 2017: the Singapore leg focused on investment promotion activity including debt investor meetings and promoting future land sale opportunities to Singapore investors.
- Further details and outcomes of individual missions are at Attachment A.

Background Information

- The July 2016 Wellington mission focused on the signing of the Sister City agreement with the City of Wellington. The program involved a range of events that demonstrated the ACT Government's commitment to its Sister City relationship
- Canberra Week in Wellington was scheduled to take place from 14 November 2016 to 20 November 2016. On 14 November 2016 a 7.8 magnitude earthquake struck off the east coast of New Zealand, causing blockades and closures within the city centre.
- The March 2017 Wellington delegation was a reinstatement of the original November 2016 Canberra Week in Wellington which was cancelled due to an earthquake. All activities and meetings undertaken were to further the Sister City relationship with Wellington.
- The significant event of the April 2017 visit to Singapore was the Investor Showcase, an event delivered in partnership with ANU Connect Ventures and the CBR Innovation Network. A total of 110 investors registered to participate at the Investor Showcase. The Canberra delegation included representatives from 15 Canberra companies supported by the higher education sector; as well as the CBR Innovation Network, Screen ACT, the Academy of Interactive Entertainment and the ACT Brumbies.
- The June 2017 trip to Singapore, Hong Kong, Shenzhen and Japan gave investors a greater understanding of Canberra, its economic strengths and the ACT Government's plans for growth through world class developments. Milestones included the signing of a Memorandum of Understanding with the Singapore Botanic Gardens, and debt investor meetings in both Hong Kong and Japan. The Chief Minister also met with the Mayor of Nara, Mr Gen Nakagawa.

ANNUAL REPORT HEARINGS 2016-17

ISSUE: TRADE MISSIONS

Attachment A

Wellington - July 2016

- Six ACT Government officials travelled in support of the mission including the Chief Minister and two staff from his office.
- Seven ACT businesses including the Canberra Business Chamber and the CBR Innovation Network participated in the mission.
- This mission was focused on the signing of a Sister City agreement with the City of Wellington.
- The program involved a range of events that demonstrated the ACT Government's commitment to its Sister City relationship with Wellington.
- The expenditure for this mission was approximately **\$26,404**.

Canberra Week in Wellington - November 2016

- Canberra Week in Wellington was an extensive program developed by the Commissioner for International Engagement to formally commence the Sister City agreement and promote the economic, cultural and social relationship between the two cities.
- Ten ACT Government officials travelled in support of the mission including the Chief Minister and two staff.
- Fourteen ACT businesses participated in the mission.
- Canberra Week in Wellington was scheduled to take place from 14 November 2016 to 20 November 2016. On 14 November 2016 a 7.8 magnitude earthquake struck off the east coast of New Zealand, causing blockades and closures within the city centre.
- A significant number of the delegation had arrived in Wellington prior to the earthquake.
- While the official program for Canberra Week in Wellington was postponed to March 2017, the Chief Minister continued to travel to Wellington to provide support and friendship to our Sister City which was very well received.
- The expenditure for this mission was approximately **\$332,000**.

Wellington - March 2017

- The March 2017 Wellington delegation was a reinstatement of the original November 2016 *Canberra Week in Wellington*.
- Six ACT Government officials travelled in support of the mission. There was no representation from the Chief Minister's office on this mission.

- Eleven ACT businesses participated in the mission.
- External stakeholders that participated in the delegation included the Woodlands and Wetlands Trust, Canberra Business Chamber, and ScreenACT.
- ActiveCanberra managed an aligned delegation of local peak sport bodies which included Capital Football, Athletics ACT and Little Athletics ACT, Basketball ACT, Capital Cycling, Brumbies Rugby, Sponserve and ANU Sport.
- Outcomes of the delegation included:
 - drafting of a Memorandum of Understanding between ScreenACT and Screen Wellington to be presented to the ACT Government and Wellington City Council for ratification;
 - initial contact between peak ACT sports bodies and their Wellington counterparts to connect and build relationships and to explore avenues for future exchanges; and
 - development of an action agenda to establish collaborative economic development activity between the two cities.
- The expenditure for this mission was approximately **\$30,225**.

Singapore - April 2017

- Seven ACT Government officials travelled in support of the mission including the Chief Minister and two staff.
- The delegation included representatives from 15 Canberra companies supported by the higher education sector through the participation of the Australian National University, the University of Canberra, the Canberra Institute of Technology and the University of NSW Canberra; as well as the CBR Innovation Network, ScreenACT, the Academy of Interactive Entertainment and the ACT Brumbies.
- Four Wellington start-up companies also participated in the event.
- A significant part of the program was the Investor Showcase, an event delivered in partnership with ANU Connect Ventures and the CBR Innovation Network.
- A total of 110 investors registered to participate at the Investor Showcase.
- Progress on establishing the ACT as a freight hub to export Canberra Region produce and more.
- Groundwork laid for future Memorandum of Understanding between National Arboretum Canberra and National Parks Board Singapore (signed in June 2017).
- Groundwork laid for future cooperation between ScreenACT and Screen Singapore, and Canberra company Skoolbo launched its new TV program Preschool Play in Singapore.
- The expenditure for this mission was approximately **\$69,430**.

Singapore, Hong Kong and Japan - June 2017

- The Singapore leg focused on investment promotion activity including debt investor meetings and promoting future land sale opportunities to Singapore investors.
- Engagements gave investors a greater understanding of Canberra, its economic strengths and the ACT Government's plans for growth through world class development projects.
- Support was provided for the ACT Brumbies exhibition match against the Asia Pacific Dragons and efforts to establish regular engagement with the Singapore rugby and business community.
- A Memorandum of Understanding was signed with the Singapore Botanic Gardens to encourage the exchange of academic information and encourage research and education collaboration.
- In Hong Kong, debt investor meetings were held.
- A tour of the West Kowloon Cultural District was conducted to gain an insight into major urban renewal approaches and how commercial relationships can support arts and cultural developments.
- The Commissioner for International Engagement travelled for a further two days to China.
- In Japan, the Chief Minister travelled to Nara and met the Mayor of Nara. The meeting enabled discussion about future actions and priorities for the Canberra Nara Sister City relationship and preliminary discussions on activities to celebrate the 25th Anniversary of the Sister City relationship in 2018.
- The Tokyo leg of the mission included further debt investor meetings.
- A meeting with Mitsubishi Corporation provided an opportunity to speak with senior representatives from Mitsubishi about the light rail project.
- The expenditure for this mission was approximately **\$93,369**.

ANNUAL REPORT HEARINGS 2016-17

ISSUE: INVESTMENT FACILITATION

Talking Points

- Investment attraction and facilitation supports the commitment to diversifying the economy, attract and retain talent and grow our key capability strengths.
- Trade missions promote the Territory's key capabilities and facilitate industry development to attract foreign investment.
- This is in line with commitments made in *Canberra's International Engagement Strategy* which market and promote opportunities for foreign investment.

Key Points and Statistics

- The accountability indicator for investment facilitation tracks investment leads and supported projects. The 2016-17 outcome was 34 supported investment leads against a target of 30. The majority of these leads were in renewable energy, cybersecurity and agricultural industries.
- The 2016-17 target for supported investment projects was two. Innovate Canberra is currently engaged with three investment projects which span the agricultural science and aviation sectors.

Background Information

- *Confident and Business Ready: Building on Our Strengths; Canberra's International Engagement Strategy; and Canberra: A statement of ambition* assert the importance of attracting private sector investment and talent for the diversification of the ACT economy.
- Innovate Canberra promotes Canberra's investment ready projects, facilitates investor enquiries, delivers targeted initiatives and highlights Canberra's key capabilities and economic strengths.
- Key capability sectors are: Defence; Cyber Security; Digital Solutions and e-Government; Space and Spatial Sciences; Higher Education; Health and Sports Science; Renewable Energy; Tourism Infrastructure; and Agriculture.
- Facilitated investment leads require development time, resources and due diligence. Business decision processes by an investor can take several years.
- Not all investment leads progress to a hard investment outcome. Through the facilitation and due diligence process an investment lead may close down.



Unsolicited bids

- Unsolicited Investment Proposals are administered by the Infrastructure Finance Branch in Treasury. This arrangement took effect from 1 July 2016. Innovate Canberra continues to support Infrastructure Finance for investment proposals that were received prior to July 2016, specifically:
 - Academy of Interactive Entertainment proposal; and
 - Aquis Entertainment proposal.

Facilitated leads

- Innovate Canberra facilitates leads through proactive approaches to companies, responses to investor requests, and responding to Austrade-vetted leads.
- An example of a supported lead arising from Austrade is US-company Driscoll's, which is seeking agri-business opportunities in the southern hemisphere. Driscoll's is in ongoing discussions with CSIRO and ANU regarding partnerships, and the ACT Government is actively supporting this promising opportunity.
- During 2016-17 Innovate Canberra worked with Bell Helicopters as it investigates an Australian-based training facility. Bell has training facilities in Singapore and is scoping opportunity for a training facility in Canberra.

Defence sector

- To support the ACT's defence industry and increase investment opportunities, Innovate Canberra has produced the *Canberra Region Defence Industry Capability Directory*; the *ACT Defence Industry Strategy, Established, Capable, Skilled: Growing the Defence Industry in the ACT*; and established the ACT Defence Industry Advisory Board (DIAB), for strategic advice arising from opportunities in the 2016 Defence White Paper.
- The *Defence Industry Capability Directory* and the establishment of DIAB are significant steps by the ACT Government to promote Canberra's strengths and opportunities for investment in the defence sector.

ANNUAL REPORT HEARINGS 2016-17

ISSUE: BRAND CANBERRA

Talking Points

- Brand Canberra (CBR) is the whole of city branding program that was launched in 2013.
- The Brand Canberra program aims to enhance brand development and awareness within Canberra, the Canberra Region, and within national and international markets to maximise economic and community benefits through a range of strategies to establish marketing, investments and partnerships for the Brand.
- The program is delivered under a partnership agreement with the Canberra Business Chamber with \$500,000 invested with the Canberra Business Chamber and \$200,000 managed by the ACT Government for investments in government-led activities.
- Total program funding in 2016-17 was \$700,000.

Key Points and Statistics

- The 2016-17 CBR Brand strategy focused on five key areas:
 - launch of a refreshed CBR digital platform;
 - launch of a CBR content marketing strategy;
 - extending the range of CBR branded assets;
 - growing brand awareness; and
- engaging businesses, social influencers and community organisations into the We Are CBR ambassador program.

Background Information

- The ACT Government, in cooperation with local industry and community groups, has created the foundation for a fully integrated city brand.
- The CBR brand provides a consistent, cohesive and creative approach to marketing the ACT both nationally and internationally as an inviting city, a connected community and a great place to live, work, play, study and do business.

Brand Canberra / Canberra Business Chamber partnership

- As part of the previous two-year 2015-17 agreement with the Canberra Business Chamber, a Brand Strategic Advisory Board was established. Through the advice and guidance of the Brand Strategic Advisory Board, the Brand Canberra Program Manager provides advice to the ACT Government on brand programs and initiatives.

Program highlights for 2016-17

- The *CBR 31 Days* campaign ran during March 2017. The online, branded calendar showcased the range of events, exhibitions and activities on in Canberra during March.
- Launch of a refreshed CBR digital platform—including a redevelopment of the Canberra.com.au website which went live on 16 January 2017.
- Launch of a CBR Brand Content Strategy to create a large suite of compelling content informing and showcasing the CBR story.
- Continued collaboration with a number of events to demonstrate the essence of the Brand including Prime Minister’s XI cricket fixture, Enlighten, Art Not Apart, Canberra Balloon Festival, SkyFire, National Folk Festival, National Multicultural Festival and Floriade.
- Continued collaboration with a number of regular sporting contracts such as the ACT Brumbies, the Canberra Raiders, the GWS Giants, the Giants Netball team and Suncorp Super Netball.
- Engaging CBR businesses, social influencers and community organisations through the We Are CBR community ambassador campaign.
- Delivery of a Brand Canberra Business Partnership plan, including a CBR Business Partnerships Guide. The Guide helps businesses understand the CBR brand, how they can engage with it and show their pride as a local Canberra business.
- Increased range of CBR promotional merchandise including: lapel pins, water bottles, caps, t-shirts, keep cups, beanies, umbrellas, We Are CBR stickers and widow decals.
- Continued collaboration and branding partnership with Study Canberra, increasing exposure within the education and student market locally, nationally and internationally.
- The Brand Strategic Advisory Board comprises:

Ms Tania Parkes (Chair), Tania Parkes Consulting;

Mr Nikos Kalogeropoulos, Chief Financial Officer, Molonglo Group

Mr Eoghan O’Byrne, General Manager, Canberra FM;

Ms Amanda Whitley, Editor, Her Canberra;

Mr Kevin Keith, State Manager, Consult Australia;

Ms Nipuni Wijewickrema, Manager GG’s Florist and 2014 Young Canberra Citizen of the Year;

Mr Anton Pemmer, Director and Export Development, Bottles of Australia;

Ms Dee Madigan, Executive Creative Director, Campaign Edge (Sydney based); and

Ms Kareena Arthy, Deputy Director General, Enterprise Canberra.

ANNUAL REPORT HEARINGS 2016-17

ISSUE: KEY CAPABILITY AREAS

Talking Points

- The Government's development of key capability areas was part of its election commitment to "provide funding to boost the capabilities in the Territory's key areas of strength (EC LAB 051b)." It was also described in *Confident & Business Ready: Building on Our Strengths*, which focused on developing the ACT's higher education and research sector.
- The Key Capability Areas are:
 - Cyber Security;
 - Space and Spatial Information;
 - ICT and e-Government;
 - Plant and Agricultural Sciences;
 - Sports Technology; and
 - Health Innovation.
- Funding in the 2016-17 Budget for Key Capability Area development was \$750,000. This was applied to two projects that supported UNSW Canberra and ANU's capability development in the space and spatial sector:
 - Development of a Space Mission Design Facility – UNSW Canberra; and
 - A Space Based Quantum Communications Project – ANU and UNSW Canberra.

Key Points and Statistics

- A full description of each of the Key Capability Areas is at [Attachment A](#).

Background Information

- In *Confident & Business Ready: Building on Our Strengths* the Government committed to an economic development focus in its relationship with the higher education and research sector.

ANNUAL REPORT HEARINGS 2016-17

KEY CAPABILITY SECTORS

ATTACHMENT A

The following is a more complete description of actions taken to implement the Key Capability Areas.

Space and Spatial

- Since 2015 the ACT Government has been a strong proponent for the development of the Australian space sector, identifying the local space industry as one of the key capability areas for economic development.
- In 2016-17 the ACT Government progressed a number of initiatives to assist with the development, promotion and collaboration of the local space industry including:
 - \$750,000 in Key Capability Area Development funding - comprising \$375,000 to support the development of a Space Mission Design Facility at UNSW Canberra; and \$375,000 to support the development of a Space Based Quantum Communications facility with UNSW Canberra and the ANU for global secure communications.
 - The establishment of the Canberra Region Space Sector Development Committee to promote growth in the local space industry.
 - The launch of the Canberra Region Space Industry Capability Directory and website. The Directory is a comprehensive reference of all local space industry participants, showcasing local capability to both domestic and international markets.
 - In August 2017 the ACT signed a Memorandum of Understanding (MoU) with the South Australian Government to foster collaboration in the development of the space industry. In September 2017, this MoU was expanded to include the Northern Territory Government.
 - In September 2017 the ACT Government and Canberra region space industry partners participated in the world's largest space conference, the International Astronautical Congress (IAC) under a "Team Canberra" approach. This approach was an important response underpinning the Government's commitment to develop and advocate for the growth of the sector in the Canberra Region.
 - ACT Defence Industry Advocate Kate Lundy also works to support the ACT's space sector credentials and to maximise the crossover of defence and space sector capabilities in the Canberra region.

- The importance of the development of the sector is now being recognised officially by the Commonwealth Government with the September 2017 announcement of a national space agency.

Cyber Security

- In August 2016 the ACT Government established the Canberra Cyber Network (comprising ANU, UNSW Canberra, UC, Data61, CIT and CBRIN) as a precursor to the development of a Canberra node of AustCyber (formerly the Australian Cyber Security Growth Network) to develop Canberra's cyber security capabilities and help implement new technologies across the sector.
- A Memorandum of Understanding (MoU) governed the work of the Network and committed members of the Network to work collaboratively to grow Canberra's Cyber Security industry. This included developing a work program for the Canberra node that built on the \$2.5 million being paid to Data61 for cyber security industry development over two years from the 2015-16 financial year.
- In December 2016 Federal Industry Minister Greg Hunt announced the appointment of Mr Craig Davies, formerly CFO of Atlassian, as the CEO of AustCyber which became operational from 1 January 2017.
- The Canberra Node of AustCyber was announced in April 2017 and the activities and functions of the Cyber Network were absorbed into the AustCyber Canberra Node.
- While it is outside the annual report period, the newly established industry-led advisory group that oversees the Canberra Node held its inaugural meeting on 5 October 2017.

Sports Technology, Health Innovation and UC Innovation Precinct

- The ACT Government has supported the University of Canberra's Campus Master Plan to expand its role in Australia's higher education sector while at the same time promoting the ACT as a destination of choice for academic research and development.
- The Investment Attraction Framework that was tabled at the April 2017 Vice-Chancellors' Forum also identified the ACT's health sector as a potential growth opportunity by establishing a living lab for healthy and active living.
- In July 2016 the ACT Government agreed to contribute partial funding towards the cost of engaging a consultancy (Strategic Project Partners) to conduct a feasibility study to provide an objective and robust assessment of the practicality of establishing a data-driven Sport and Active Lifestyle Innovation (SALI) Hub that develops knowledge and education programs to improve the physical activity levels of Australians.

- The following funding was also provided to the University of Canberra in 2016-17 from the CBR Innovation Development Fund:
 - \$150,000 for the development of the CBR SportsTek Lab that will, in collaboration with the CBR Innovation Network and the Australian Institute of Sport (AIS), operate as a functioning sports technology innovation facility where entrepreneurs can engage with researchers in a creative space developing breakthrough ideas; and
 - \$150,000 for the Big Data Health Innovation program to develop a prototype Open Data Commons platform allowing the collection and integration of multiple types of individual and publicly available health-related data using ‘big data-driven’ approaches for improved population health.
- The innovation precinct will be based on the University of Canberra’s key strengths in health, sports, arts & design and its proximity to the AIS. The result will be the creation of a vibrant mixed use district where companies, government and not-for-profits work alongside researchers and students in an environment which promotes innovation and entrepreneurship.

National Agriculture and Environmental Sciences Precinct

- The ACT Government provided funding in 2014 for the development of a National Agriculture and Environmental Sciences Precinct (NAESP) planning strategy. In *Confident & Business Ready: Building on Our Strengths* the ACT Government re-committed to working with ANU and CSIRO to develop the precinct.
- The business case for the development of a NAESP was funded by Innovate Canberra in 2013. This work provided the basis for the business case that CSIRO subsequently used to secure its \$200 million capital works redevelopment at Black Mountain and commitments by the ANU to the NAESP partly funded by a grant of \$18 million from the Australian Government's Science and Industry Endowment Fund.
- The Institute for Alternative Futures (IAF) identifies the establishment of the NAESP as a “high reward” activity, with the challenge being to fully scope compelling propositions.
- The ACT Government is committed to working with ANU, CSIRO, and other partners – and fostering collaboration across them – in order to realise the full potential of the NAESP. It evaluated a number of proposals in 2016-17 aimed at realising the precinct’s full potential, and intends to revisit them in the 2017-18 financial year.



ICT and e-government

- The ACT is home to 13,500 private sector jobs in information technology, second only to health as a sector of private sector employment in the ACT, and characterised by high salaries. Canberra's superior research assets in information technology, and its cluster of dynamic, internationally successful IT businesses make it well positioned to attract and grow high level jobs in IT.
- The ACT Government's on-going support for Data61 primarily targets two outcomes: the development of a strong cyber security presence in Canberra and the development of smart city initiatives, including an e-government focus.
- The ACT Government's \$2.5 million per year, two-year funding agreement with Data61 requires Data61 to spend \$19 million in the ACT annually.
- The Data61 work program has led to several joint appointments and senior staff secondments at Australian National University, engagement with the University of Canberra eHealth Living Lab, management of the eGovernment Technology Cluster (eGov Cluster) and the Digital Canberra Challenge, and catalysing digital projects with Commonwealth Government agencies and ACT Government directorates such as the development of a new whole-of-government digital information assets management platform.
- The current funding agreement with Data61 expires at the end of the 2017-18 financial year. The ACT Government is exploring new mechanisms that may continue its relationship with Data61 while improving engagement with the ICT sector more broadly.

ANNUAL REPORT HEARINGS 2016-17

ISSUE: DEFENCE SECTOR

Talking Points

- The ACT has a capable and established defence industry sector. A recent KPMG report found that Defence expenditure contributes approximately \$4.3 billion per annum to Canberra's economy and creates approximately 25,300 jobs.
- The Commonwealth Government has committed to a \$200 billion investment in enhanced defence capability over the next decade.
- The ACT is well-positioned to benefit from this spending, particularly the \$27 billion earmarked for spending in the intelligence, surveillance and reconnaissance, space, electronic warfare and cyber security – areas in which Canberra has significant advantages.
- For every additional \$1 billion of defence expenditure, the ACT and region GSP would increase by \$1.3 billion, and 8,000 jobs would be created (Source: KPMG).
- The ACT Government has taken action to enhance its defence industry capabilities and position its businesses to best engage with defence procurement activities through:
 - the appointment of a Defence Industry Advocate;
 - the establishment of the ACT Defence Industry Advisory Board (DIAB);
 - the release of the *Canberra Region Defence Industry Capability Directory*; and
 - the release of *Established, Capable, Skilled*, the ACT's Defence Industry Strategy.

Key Points and Statistics

- Canberra's unique advantages for the defence industry include the strength of its research sector, its highly-educated workforce, its proximity to Defence and key decision-makers, and its strong innovation ecosystem.
- Efforts have also been focused on closely related fields, including the space and cyber security industries.
- Eleven of the top 40 contractors in the Australian defence industry have their headquarters in Canberra. This includes two Canberra born and bred companies - Aspen Medical and CEA Technologies.

Background Information

- The ACT Government has invested in efforts to support and further develop this industry, including:
 - the appointment of Kate Lundy as the ACT's first **Defence Industry Advocate**. In this role, Ms Lundy has met with numerous local businesses to learn their capabilities, and has advocated for local businesses to key decision-makers in defence and prime contractors;
 - the release of the **Canberra Region Defence Industry Capability Directory** in March 2017. The Directory includes over 100 entities promoting and showcasing the Canberra region's capabilities and expertise;
 - the establishment of the **ACT Defence Industry Advisory Board (DIAB)** with a mandate to support efforts to build on the ACT's competitive strengths (key capability areas) and to identify new opportunities to maximise economic development and business outcomes across the ACT's priority defence domains including defence services, cyber security, and space technologies.
- As one of its first tasks, DIAB oversaw development of the ACT Defence Strategy. This document outlines how the Government will maximise the ACT's strengths and capacity to support Defence while building a significant and globally competitive industry with flow-on economic benefits for the Canberra region.
- Canberra company CEA Technologies is the poster-child for Australian defence industry. CEA Technologies employs approximately 400 people and produces advanced radars used by Australia's current and future frigate. This company is innovative, and consistently on the cutting edge of radar technology. This was demonstrated earlier this month through the announcement CEA had been awarded a \$148million contract to produce new air search radars for the Anzac-class vessels currently in service (source: Defence Connect).

ANNUAL REPORT HEARINGS 2016-17

ISSUE: SPACE INDUSTRY

Talking Points

- The ACT is home to a critical mass of space industry participants, including government agencies, multinational corporations, small and medium-sized enterprises and world-class higher education and research institutions.
- The importance of the development of the sector is now only being recognised by the Commonwealth Government with the announcement of a national space agency in September 2017.
- In 2016-17, the ACT Government undertook a number of initiatives to support industry development:
 - The appointment of Ms Kate Lundy as the ACT's Defence Industry Advocate with a clear remit to support the development of the space industry in the Canberra region.
 - A total of \$750,000 in Key Capability Area Development funding to support the development of a Space Mission Design Facility at UNSW Canberra (\$375,000); and to support the development of a Space Based Quantum Communications with UNSW Canberra and the ANU for global secure communications (\$375,000).
 - The establishment of the Canberra Region Space Sector Development Committee to promote growth in the local space industry.
 - The establishment of a high-level Defence Industry Advisory Board comprising aerospace and space sector industry representatives to ensure our defence activities are targeted to areas that will result in the maximum benefit to Canberra's economy.
 - The launch of the Canberra Region Space Industry Capability Directory and website. The Directory is a comprehensive reference of all local space industry participants, showcasing local capability to both domestic and international markets.
 - Establishment of an MOU with South Australia and Northern Territory Governments to foster collaboration.



- In September 2017 the ACT Government and Canberra region space industry partners participated in the world's largest space conference, the International Astronautical Congress (IAC) under a "Team Canberra" approach.

Key Points and Statistics

- According to the Space Industry Association of Australia, the Australian space industry contributes around \$3 to \$4 billion annually to the economy.
- In the 2016-17 Budget, the Government announced funding of \$750,000 to support the development of key capability areas. Projects funded in 2016-17 include: UNSW Canberra - Space Mission Design Facility (\$375,000) and UNSW Canberra and ANU - Space Based Quantum Communications (\$375,000).

Background Information

- ACT's space industry participants place the ACT at the forefront of Australia's space industry development, with a specific focus in space systems, space enabled communications, earth observation and positional navigation and timing, spatial technology, support services and education and training.
- In 2016-17, the release of the Defence White Paper, the Space Industry Association of Australia White Paper 'Advancing Australia in Space' and the 2026 Spatial Industry Transformation and Growth Agenda Action Plan has given new impetus to the development of a national space industry;
- The Defence White Paper commits the Commonwealth Government to increasing defence expenditure including \$200 billion in capital expenditure over the next 10 years. Of this approximately \$17 billion is for areas such as intelligence, surveillance and reconnaissance, space, electronic warfare and cyber security. These are areas in which Canberra has significant strengths and is likely to provide lucrative opportunities for Canberra region defence and space participants.

ANNUAL REPORT HEARINGS 2016-17

ISSUE: THE CANBERRA CYBER NETWORK

Talking Points

- In August 2016 the Canberra Cyber Network, comprising ANU, UNSW Canberra, UC, Data61, CIT and CBR Innovation Network, was established with the support of the ACT Government as a vehicle to bid for a Canberra Node of the Australian Cyber Security Growth Network. The MOU signed by the parties committed them to work collaboratively to grow Canberra's cyber sector.
- In December 2016 Mr Craig Davies was appointed as national CEO of the network and began to establish nodes of the growth network. In April 2017, at the launch of the Network's Sector Competitiveness Plan, Canberra was announced as the second node of the Network. At this time, the Canberra Cyber Network was incorporated into the Canberra Node.
- In July 2017 the network changes its name to AusCyber. The work of the Canberra node is overseen by an Industry Advisory Board co-chaired by Tony Marceddo, formerly of Northrop Grumman M5 Network Security, and Matthew Wilson of Pen10.

Key Points and Statistics

- The Industry Advisory Board of the Canberra Node of AusCyber comprises:
 - Co-Chairs:
 - Matt Wilson (Penten)
 - Tony Marceddo (formerly of Northrop Grumman M5 Network Security)
 - Members:
 - Professor Scott Tyo (UNSW Canberra School of Engineering and IT)
 - Dr Vikram Sharma (QuintessenceLabs)
 - Brigadier (Ret'd) Alison Creagh CSC (Defence Industry Advisory Board)
 - Professor Alistair Rendell (ANU Research School of Computer Science)
 - Tony Henshaw (Defence Industry Advisory Board)
 - Ms Jayne Miller (CIT)
 - University of Canberra Rep (TBA)
 - Mike Bareja (AustCyber)

Background Information

- The cyber security sector is one of the Key Capabilities set out in *Confident & Business Ready: Building on Our Strengths (C&BR)*.
- In December 2015, as part of its *National Innovation and Science Agenda*, the Australian Government pledged \$30 million to establish an industry lead Cyber Security Industry Growth Centre. This Growth Centre was the first initiative under the Commonwealth's Cyber Security Strategy.
- The Defence White Paper committed to spending approximately \$195 billion in capital expenditure over the period 2016-17 to 2025-26. Nine per cent of this expenditure has been committed to Intelligence, Surveillance and Reconnaissance, Space, Electronic Warfare and Cyber Security – all areas in which Canberra has significant strengths.
- In April 2016, Prime Minister Malcolm Turnbull released *Australia's Cyber Security Strategy: Enabling Innovation, Growth & Prosperity*. The strategy included \$230 million in new spending to bolster Australia's cyber defence capability, including the recruitment of more than 100 new cyber specialists as well as 800 new jobs in Defence. It also outlines ongoing investment in programs that will build a highly-skilled cyber security workforce, starting with the creation of academic centres of cyber excellence.

ANNUAL REPORT HEARINGS 2016-17

ISSUE: LOCAL INDUSTRY ADVOCATE / DEFENCE INDUSTRY ADVOCATE

Talking Points

- As part of its economic strategy, *Confident & Business Ready: Building on Our Strengths*, the ACT Government appointed a Local Industry Advocate to ensure competitive local businesses are given every opportunity for government contracts.
- To date, the advocacy model has been highly successful in creating opportunities for local businesses to win government work through advocacy, reducing red tape, promoting and developing local industry participation procurement policies and pathways; and building local capability to support the growth of ACT's economic activity.
- Following the success of the local industry advocacy model, the Advocate's role was extended in September 2016 to also include the position of ACT Defence Industry Advocate to assist in maximising the economic development opportunities presented by the Commonwealth Government's Defence White Paper commitment to a \$200 billion investment in defence capability over the next decade.
- The Local Industry Advocate/Defence Industry Advocate meets with a range of businesses, government officials and organisations on a regular basis.
- The Advocate is now working at all levels to grow Canberra's defence industries in areas such as professional services, cyber security and space and spatial technologies.
- The Advocate's industry knowledge and contact networks have been instrumental in establishing stronger relationships with key Defence stakeholders and representing the ACT's interests at various events and meetings.
- The Defence Industry Advocate has worked closely with the ACT Government to map the Canberra Region's defence capabilities and competitive advantages. From the mapping exercise, the Canberra Region Defence Industry Capability Directory was developed.

Key Points and Statistics

- The Local Industry Advocate/Defence Industry Advocate's role is to ensure competitive local businesses are given every opportunity for government contracts.



- Growing the defence industry in the Canberra region will help diversify our local economy.
- In January 2017 the ACT Government introduced the Canberra Region Local Industry Participation Policy (LIPP) to ensure competitive local businesses are given every opportunity to bid for government contracts.

Background Information

- In 2016-17, the total expenditure on the LIA/DIA function was \$146,893.62 (\$145,226.76 on salary including super and \$1,666.86 for LIA/DIA related expenses including travel and conferences).
- The Local Industry Advocate's role is to:
 - collaborate with local industry to identify improvements to government procurement processes;
 - broker links between local businesses and larger entities to optimise the benefits to local industry and the Government;
 - work exclusively in the interests of the ACT business community to ensure work that can and should be done by local businesses stays in the ACT, building capability and economic activity in our city;
 - consult with local industry and other stakeholders to prepare for a Local Industry Participation Policy; and
 - support the ACT Government's Small Business Innovation Partnerships Program.
- The Defence Industry Advocate duties include:
 - representing the ACT at the State and Territories Defence Industry Advocates consultation meetings with the Department of Defence;
 - promoting Canberra's defence industry capabilities at defence events and conferences such as LandForces 2017, the Annual Defence + Industry Conference and the Avalon Defence Airshow;
 - promoting Canberra Region defence industry capabilities through publications such as the Canberra Region Defence Industry Capability Directory; and
 - working with the ACT Defence Industry Advisory Board to advise the government on strategic defence opportunities and finalising the Canberra Region Defence Industry Strategy.
- A recent KPMG report found that Defence expenditure contributes approximately \$4.3 billion per annum to Canberra's economy and creates approximately 25,300 jobs.
- The ACT is well-positioned to benefit from this spending, particularly the \$27 billion earmarked for spending in the intelligence, surveillance and reconnaissance, space, electronic warfare and cyber security – areas in which Canberra has significant advantages.
- For every additional \$1 billion of defence expenditure, the ACT and region GSP would increase by \$1.3 billion, and 8,000 jobs would be created (Source: KPMG).

ANNUAL REPORT HEARINGS 2016-17

ISSUE: ACT INTERNATIONAL ENGAGEMENT STRATEGY

Talking Points

- The ACT Government's International Engagement Strategy is a plan build enduring international relationships for the economic, cultural and social benefit of the ACT.
- The Commissioner for International Engagement provides a central point within Government to manage the International Engagement Strategy, and provide a clear access point for external stakeholders such as the business community and our regional partner organisations.
- 2016-17 included a targeted program of activities to deepen our international connections:
 - four out of the five countries listed as priority international markets were reached through trade mission activity;
 - seven out of the fifteen priority cities listed – as well as two Sister Cities – Wellington and Nara – had contact or delegation visits;
 - CIA and delegation contact with Shenzhen which Canberra has an MOU for economic cooperation; and
 - trade delegations included contact with relevant organisations in key markets across all seven Key Capability Areas.

Key Points and Statistics

- Based on the level of alignment with the ACT's key capability areas, economic indicators and strategic importance of the relationship to the ACT, the strategy identifies five international priority markets for immediate targeted engagements. These markets are:
 - Singapore;
 - China (Shenzhen, Guangzhou);
 - United States of America (San Francisco, Washington DC);
 - New Zealand (Wellington); and
 - Japan (Tokyo).

Background Information

- *Confident and Business Ready: Building on Our Strengths* includes a commitment to “develop an International City Strategy to guide and support direct engagement efforts with international cities with aligned interests and opportunities.”
- On 5 September 2016, the Chief Minister launched ACT’s International Engagement Strategy.
- The Strategy comprises three broad sections; a vision, identification of key capability areas and competitive advantages; and identification of target markets and cities.
- To support the Strategy, a commitment was made to use a whole-of-government approach to drive economic development and diversification through a number of sectors that we have both critical mass and competitive advantage. These include our higher education, research and training sector, tourism, defence and cyber security, renewable energy, ICT and digital Government, space and spatial technologies, and health and sports science.
- Coinciding with the launch of the Strategy, securing direct international flights has contributed significantly to the capacity for Canberra businesses to advance opportunities in the international market place. The ACT Government continues to work closely with the Canberra Airport, as well as local and regional industry groups to advance the opportunities that freight presents for our region.
- An important and effective bridging initiative to connect internationally are trade and investment delegations. The Government, with industry partners, has delivered several trade missions designed to create tangible opportunities for Canberra businesses.
- The 2016-17 trade mission program was created and delivered to fulfil the commitments articulated in the Strategy.

ANNUAL REPORT HEARINGS 2016-17

ISSUE: COMMISSIONER FOR INTERNATIONAL ENGAGEMENT

Talking Points

- I established the position of Commissioner for International Engagement (CIE) to enable the clear ambition my Government has to connect Canberra and the region with places, markets and sectors where we have a shared interest.
- The Commissioner for International Engagement and I released Canberra's International Engagement Strategy (IES) on 8 September 2016.
- The Office of International Engagement (OIE) is the central point of contact for foreign officials and the ACT Government in relation to international activity and engagement.
- The Office of International Engagement is tasked with coordinating ACT Government activities internationally including organising delegations and activating our Sister City Agreements (SCA) and other international agreements.
- Costs for the Office of International Engagement for the 2016-17 financial year are at Attachment A.

Key Points and Statistics

- The Office of International Engagement is run by the Commissioner for International Engagement.
- Since its establishment the Office of International Engagement has:
 - become the central point of contact within the ACT Government for all foreign officials;
 - developed and released Canberra's International Engagement Strategy;
 - coordinated Canberra Week in Wellington;
 - coordinated the Wellington Mission in March 2017; and coordinated the Singapore, Hong Kong and Japan Mission in June 2017.
- The IES outlines key capability areas for development, prioritises strategic relationships with other cities and countries, and outlines actions for progressing Canberra towards an international city.
- The Office of International Engagement works with all ACT Government Directorates, Federal Departments, Consulates, Embassies, industry and institutions. The Office of International Engagement is developing programs and strategies in line with the CBR Brand to grow Canberra's international reputation.
- The Commissioner for International Engagement leads international strategy development and program design to support the ACT Government's objectives.



- The CIE is focused on shaping Canberra's international potential for the best outcomes for our citizens, our institutions and our businesses.

Background Information

- The Office of International Engagement supports and delivers on priorities outlined in *Confident & Business Ready: Building on Our Strengths*. In particular the Office of International Engagement has a clear focus on developing strategies and programs that support promotion of Canberra's key capabilities to the international market place.
- The Commissioner for International Engagement provides leadership in supporting our existing sister city relationships with Beijing (China), Nara (Japan) and Wellington (New Zealand). The Commissioner also supports the Memorandum of Understanding we have with the Chinese city of Shenzhen, and our Friendship city relationships with Dili (Timor Leste), and Hangzhou (China).
- The Commissioner for International Engagement also plays a critical role in growing the ACT Government's relationship with Singapore to ensure economic, education and cultural opportunities are maximised from the establishment of direct aviation services to Canberra.
- The Office of International Engagement, led by the Commissioner for International Engagement, will drive the ACT Government's engagement in a variety of ways and manage specific programs including:
 - defining and implementing a targeted program of ACT Government, Ministerial and industry trade missions to priority markets;
 - creating an inbound mission facilitation program that qualifies enquiries, proactively targets inbound opportunities and manages program development and delivery for inbound delegation visits;
 - building relationships and liaising with Canberra's diplomatic community particularly in relation to city to city engagement;
 - recommendations for ACT representation (either at an official level or through the Canberra business and research community) at international conferences and trade shows relevant to Canberra's key sectors;
 - leading engagement with the Australian Government including Austrade and the Department of Foreign Affairs and Trade network to promote ACT opportunities and leverage the incentives and support that are available;
 - working with the Canberra Business Chamber to connect with International Business Councils and Chambers of Commerce to utilise their networks and market knowledge;
 - ensuring that, at their core, all formal government-to-government arrangements support the growth and economic diversification of the ACT economy and align with the strategic intent of this strategy; and
 - ensuring future city to city relationships align with ACT Government priorities, share a common economic vision and can be proactively resourced and managed to realise economic and cultural benefits for the city.
- The Commissioner was appointed by Executive appointment taking effect 1 August 2016.
- The Auditor-General released her report on the appointment on 30 November 2016.

ANNUAL REPORT HEARINGS 2016-17

COMMISSIONER FOR INTERNATIONAL ENGAGEMENT

ATTACHMENT A

Costs for the Office of International Engagement for the 2016-17 financial year are as follows:

Staffing and discretionary on costs	\$388,889
Non-discretionary costs	\$89,390
Travel 2016-17 Financial Year	\$23,204
Total 2016-17 Financial Year	\$501,483

Breakdown of Travel 2016-17 Financial Year:

Travel Undertaken by the Commissioner for International Engagement				
2016-17				
Domestic	Flights	Accommodation	Other	Total
Sep 2016 – Sydney	267.53	0.00	0.00	267.53
Nov 2016 – Brisbane	425.85	229.00	274.77	929.62
Mar 2017 – Sydney	0.00	0.00	91.23	91.23
Apr 2017 – Sydney	454.03	0.00	30.00	484.03
Apr 2017 – Sydney	140.14	0.00	108.58	248.72
Apr 2017 – Sydney	276.37	0.00	125.18	401.55
May 2017 – Melbourne	0.00	0.00	0.00	0.00
Total				2422.68
International	Flights	Accommodation	Other	Total
Oct 2016 – Wellington	1897.48	1857.02	0.00	3754.50
Nov 2016 – Wellington	464.94	741.70	266.92	1473.56
Nov 2016 – Wellington	1181.72	751.23	160.92	2093.87
Dec 2016 – Singapore	2411.74	429.58	437.77	3279.09
Feb 2017 – Singapore	3846.61	585.75	432.41	4864.77
Mar 2017 – Wellington	822.44	636.97	0.00	1459.41
Apr 2017 – Singapore	200.00	2100.00	212.55	2512.55
May 2017 – Wellington	822.44	396.14	125.53	1344.11
Total				20781.86
Total for 2016-17				23204.54

Travel 2017-18 Financial Year to 30 September 2017: \$28,260.46

International	Flights	Accommodation	Other	Total
Jun 2017 – Singapore	1427.85	2517.60	237.01	4182.46
Jul 2017 – Hong Kong	1899.00	924.35	0.00	2823.35
Jul 2017 – China	18.44	313.69	3199.62	3531.75
Jul 2017 – Japan	6559.77	2359.42	291.09	9210.28
Aug 2017 – India	6324.43	1853.76	334.43	8512.62
Total				28260.46

ANNUAL REPORT HEARINGS 2016-17

ISSUE: AUTONOMOUS VEHICLE TRIAL

Talking Points

- In the 2016 Parliamentary Agreement between ACT Labor and the ACT Greens¹, the ACT Government has committed to conducting a strategic assessment of innovative transport options for Canberra, including autonomous and semi-autonomous vehicle trials.
- To provide governance over the trials, an ACT Automated Vehicle Trial Committee - (Advisory Board) was established, co-chaired by Local Industry Advocate Kate Lundy and Canberra Business Chamber Chair Glenn Keys. The Committee had its first meeting on 16 May 2017.
- On 19 May 2017 the Chief Minister announced that the ACT Government will support a unique research partnership over two years with world-leading Canberra company Seeing Machines to drive the improvement of safety in vehicles of the future and inform future road safety strategy.
- Canberrans will be early adopters of this technology and the government is investing in our strengths as a smart city - our centres of excellence and our home-grown businesses - to do this work.
- A draft deed of grant has been prepared and detailed project planning with Seeing Machines and the two universities is underway.

Key Points and Statistics

- \$1.35 million over two years was allocated in the 2017-18 Budget to support the trial.
- There have been four meetings of ACT Automated Vehicle Trial Committee.

Background Information

- The budget funding of \$1.35 million over 2017-18 to 2018-19 will also support research undertaken by the Australian National University and University of Canberra. UC has significant expertise in social research and how automated vehicles can be used in our community, particularly to assist those who don't drive. ANU has world renowned expertise in data analytics and computer vision.

¹ http://www.cmd.act.gov.au/__data/assets/pdf_file/0005/1013792/Parliamentary-Agreement-for-the-9th-Legislative-Assembly.pdf



- Assessment of the impact of automated vehicle technology is a complex field where there is much for legislators and planners to understand how this technology can provide better transport options in the future.
- The ACT Government is liaising with the National Transport Commission about the definition of “proper control” of the vehicle. “Hands free” operation of the automated vehicle is necessary for an effective trial of Seeing Machines’ equipment, however current regulation is not clear about whether “hands free” operation meets legal and insurance requirements. In addition to redefining “proper control”, the introduction of automated vehicles have potential implications for government regulation and policy in a range of areas from intermodal transport, parking, congestion and urban planning and development. The trial is helping build a knowledge base around these issues within the ACT Government.

ANNUAL REPORT HEARINGS 2016-17

ISSUE: CONFIDENT & BUSINESS READY IMPLEMENTATION

Talking Points

- The Government's strategy, *Confident and Business Ready: Building on Our Strengths*, builds on our achievements over the last six years to diversify Canberra's economy.
- It focuses on accelerating innovation to create wealth and jobs, promoting higher education and research strengths, investing in our key growth areas and creating the right business environment.

Key Points and Statistics

- In 2016-17 the ACT Government continued to implement the 13 priority areas identified in *Confident and Business Ready: Building on Our Strengths*.

Creating the right business environment

- Access Canberra continues to make improvements in the delivery of regulatory services in the ACT and the Government continues to ensure regulatory processes and outcomes are appropriate, efficient and effective.
- In the 18 months since the Small Business Innovation Partnerships (SBIP) program was launched, 25 projects have been pursued by directorates.

Accelerating innovation to create wealth and jobs

- In 2016-17 the ACT Government continued its strong support for the CBR Innovation Network.
- The ACT Vice-Chancellors' Forum has considered how universities and the ACT Government could work together to attract investment into areas of strength including cyber security, space industry, agriculture and environmental sciences and healthy and active living.
- The Government provided \$750,000 from the Key Capabilities Fund to support a space mission design facility at UNSW Canberra and for the development of a quantum cryptography joint project between UNSW Canberra and ANU.
- On 10 March 2017 the Minister for Higher Education, Training and Research formally welcomed new interstate and international students to Canberra at the Minister's Student Welcome. The also Government announced funding of \$3 million over four years from 2017-18 to 2020-21 to continue Study Canberra.

Supporting business investment in future growth areas

- In 2016-17, Trade Connect approved 51 applications from ACT businesses with approximately \$182,000 in committed funding.
- \$128,000 has been invested in a new funding agreement with the Canberra Business Chamber focusing on growing the value of exports to the ACT economy. This program of work included the provision of training and information seminars for Canberra businesses on trade mission activity and export readiness, and to support the ACT Government's delivery of its trade mission program to China, Singapore and New Zealand.
- In 2016-17 the Chief Minister led international delegations supported by the Commissioner for International Engagement to Wellington in July 2015, November 2016 and March 2017, Singapore in April 2017, and Singapore, Hong Kong, China and Japan in June 2017.
- Direct international services from Singapore to Canberra/Wellington commenced from Singapore on 20 September 2016. Qatar Airways also announced that it will begin a daily service to Canberra from Doha via Sydney from February 2018.

Background Information

- There are 13 priority action identified in *Confident and Business Ready: Building on our Strengths*:-
 - Through Access Canberra, improve the flow of services and information between government and the community.
 - Appoint a Local Industry Advocate and implement a local industry participation policy.
 - Establish a Small Business Innovation Partnership Program.
 - Continue to improve taxes for ACT businesses, including raising the payroll tax threshold.
 - In partnership with our universities, promote Canberra as Australia's higher education capital.
 - Support development of Key Capability Areas, such as the Space Innovation Cluster, Sports Technology Cluster and Health Innovation Cluster.
 - Partner with the CBR Innovation Network to boost entrepreneurial capability and connect our research base to commercial opportunities.
 - Accelerate development of the ACT's renewable energy industry.
 - Grow Canberra's visitor economy through support for special events and working with industry and regional partners to promote Canberra in key markets.
 - Increase the number of international and interstate students who choose Canberra as their education destination.
 - Through Invest Canberra, engage national and multinational companies to encourage reinvestment in Canberra.
 - Develop an international city strategy to support direct engagement efforts with aligned international cities.
 - Partner with industry to further develop the Canberra Brand.

ANNUAL REPORT HEARINGS 2016-17

ISSUE: STUDY CANBERRA

Talking Points

- Study Canberra was established to support national and international student recruitment, in partnership with Canberra's tertiary education providers and schools, with \$2 million over four years from 2013-14 to 2016-17.
- It is overseen by the ACT Vice-Chancellors' Forum, chaired by the Chief Minister and Minister for Higher Education, Training and Research
- Over 2016-17 Study Canberra implemented a range of initiatives to enhance the student experience, ensure coordinated and consistent marketing, and promote Canberra as an education destination of choice.
- Highlights included employing 19 Student Ambassadors, from diverse backgrounds, fields of study, and all major institutions (ANU, UC, ACU, CIT, UNSW, and ACT Schools).
 - The Ambassadors provide information to new students at events such as O-Weeks, a welcome desk at Canberra Airport, Tertiary Open Day, and Canberra Careers Xpo.
- Another example is the development of joint scholarships programs with ANU, UC and UNSW Canberra.
 - The scholarships provide up to \$10,000 for up to 10 students to assist with living costs and are a key promotional tool for attracting the best and brightest students. Focus areas have included students studying ICT (UC), and international students from India (UNSW, ANU) and Indonesia (ANU).
- In June 2017, the Government announced funding of \$3 million over four years from 2017-18 to 2020-21 to continue Study Canberra, given its core role in implementing the ACT International Education Strategy, *Canberra – Australia's Education Capital*.

Key Points and Statistics

- International education is Canberra's largest export (\$579m in 2016, up 19 per cent).
- International and interstate students' value-add at least \$879 million to Canberra's economy each year and create approximately 6,100 FTE jobs (Deloitte, 2015).
- Canberra educates around 44,000 higher education students and over 20,000 vocational education students each year, including more than 14,400 international students (up around 14 per cent in 2016), and a similar number from interstate.



Background Information

- Scholarships - the cost to Study Canberra for each program (ie with ANU, UC and UNSW) is \$50,000 each per financial year, for a total of \$150 000.
- Institutions provide matching funding, so the pool in each case is \$100 000, providing up to ten students up to 10,000 per year (or \$5000 per year for up to 20 students for ANU).
- The cost of the student ambassadors program is modest - around \$20 000 per year in wages.
- The Student Ambassadors tell their Canberra story and promote the many great aspects of living and studying in the ACT, and assist newly arrived students with information, referrals and advice.
- One in six of our residents either work or study in tertiary education - the highest level of any major Australian city. We are a knowledge economy.

ANNUAL REPORT HEARINGS 2016-17

ISSUE: ACT VICE CHANCELLORS' FORUM

Talking Points

- The ACT Vice Chancellors' Forum is the key mechanism to collaborate with the higher education, training and research sector to achieve economic development and diversification of the economy, and to build Canberra's reputation as a centre for high quality education, research, innovation and employment outcomes.
- Key activities for 2016-17 include:
 - oversight of the development and the September 2016 launch of the ACT International Education Strategy *Canberra, Australia's Education Capital*; and
 - examining a government / sector approach to investment facilitation to support campus growth and development in key sectors

Key Points and Statistics

- The ACT Vice-Chancellors' Forum is co-chaired by the Chief Minister and Minister for Higher Education, Training and Research.
- The Forum is a key mechanism for the government and universities to collaborate in the development of the higher education and research sector.
- The Forum oversees the implementation of the International Education Strategy *Canberra, Australia's Education Capital* and the Study Canberra work plan.
- The Forum met twice in 2016-17 (July 2016 and April 2017).
- There are no direct costs associated with the Forum – secretariat support is provided by Innovate Canberra.

Background Information

- The ACT Vice Chancellors' Forum first met in June 2013 and, as agreed in April 2017, convenes twice per annum (previously on an as needs basis).
- The role of the Forum includes to:
 - develop strategy on higher education matters in the ACT;
 - provide guidance on the implementation of the Study Canberra initiative;
 - provide high-level coordinated leadership to market Canberra as an international study destination;
 - enable consistent and effective marketing and promotion of the benefits of studying in Canberra;
 - contribute to developing a knowledge-economy in the ACT, where creativity and innovation form the basis for future growth and development; and
 - influence national higher education policy.

- Forum members include:
 - Andrew Barr MLA, ACT Chief Minister (Chair);
 - Meegan Fitzharris MLA, Minister for Higher Education, Research and Training (co-Chair);
 - Professor Brian Schmidt, Vice-Chancellor, Australian National University;
 - Professor Deep Saini, Vice-Chancellor, University of Canberra;
 - Professor Greg Craven, Vice-Chancellor, Australian Catholic University;
 - Professor Michael Frater, Rector, University of NSW Canberra;
 - Professor Andrew Vann, Vice-Chancellor, Charles Sturt University (joined following the July 2016 meeting); and
 - Leanne Cover, CEO, Canberra Institute of Technology.
- The Education Directorate, while not a member of the Forum is represented by Deputy Director-General Meg Brighton.
- A working group to progress issues and activities endorsed by the Forum was established in 2015 and first met in November 2015.
- A 2014 Deloitte Access Economics report found the sector contributed \$2.7 billion per annum to Canberra's economy and created approximately 16,000 FTE jobs. This includes the international education sector which adds \$879 million to Canberra's economy and creates around 6,100 FTE jobs.
- *Canberra: A Statement of Ambition* recognised the need to attract and retain talented people and to open and diversify Canberra's economy.
- *Canberra: Australia's Education Capital* seeks to build on Canberra's reputation as a centre for high quality education, world class research collaboration, innovation, employment outcomes, liveability and a great student experience to significantly increase the sector's contribution to Canberra's economy.
- The Forum will next meet on 7 December 2017 and will discuss issues including:
 - the recent Australian Human Rights Commission report *Change the Course: National Report on Sexual Assault and Sexual Harassment at Australian Universities*;
 - updating understanding of the contribution of the higher education and research sector to the ACT;
 - a shared view of government / sector investments in the ACT innovation ecosystem;
 - issues around student employment and internships; and
 - implementation of the ACT International Education Strategy.

ANNUAL REPORT HEARINGS 2016-17

ISSUE: INTERNATIONAL EDUCATION STRATEGY

Talking Points

- In 2013, Deloitte first identified international education as one of five future 'super growth' sectors for Australia. Following this, the Commonwealth launched the National Strategy for International Education in April 2016, and all State/Territory jurisdictions have since followed suit, with significant resourcing commitments.
- International education is Canberra's largest export at \$579 million in 2016, up 19 per cent on 2015. The ACT International Education Strategy – *Canberra: Australia's Education Capital* - was launched by the Chief Minister and Minister for Higher Education, Training and Research on 2 September 2016.
- Through a partnership approach with providers, the Strategy seeks to build on Canberra's reputation as a centre for high quality education, world class research collaboration, innovation, employment outcomes, liveability and a great student experience to significantly increase the sector's contribution to Canberra's economy.
- The Strategy recognises that thriving and porous campuses also create opportunities for commercialisation, business creation, talent attraction and retention.
- There are a number of specific actions under five broad themes:
 - Market and promote Canberra as a destination for high quality education;
 - Enhance the student experience;
 - Grow international engagement;
 - Strengthen partnerships and collaboration; and
 - Support reforms to enable growth.
- Activities of Study Canberra in 2016-17 aligned with the Strategy include:
 - Administering joint scholarships programs with ANU, UC and UNSW;
 - A fee waiver in public schools for children of international research students;
 - Deploying welcome messaging and staffing a desk at Canberra Airport;
 - Managing the Study Canberra website and social media channels;
 - Hosting several inbound education agent visits and presenting on Canberra;
 - Employing Student Ambassadors and staffing information desks at various student events (eg Careers Expo, Tertiary Open Day and Orientation Weeks);



- Holding an official Minister's Student Welcome event for 250+ people;
 - Producing a 2017 'Insiders Guide to Canberra' with settling in information;
 - Undertaking a comprehensive 'student experience' survey of 2600 students;
 - Supporting the Council for International Students Australia conference in Canberra in July 2017;
 - Supporting offshore trade missions (Canberra Week in Wellington 2016 with several academic research seminars, and the Chief Minister's visit to Singapore in April 2017 with an alumni function);
 - Exhibiting at the Australian International Education Conference, monitoring developments, competitor activities, and networking with the sector;
 - Attending Commonwealth-State and Territory working groups with Austrade and the Department of Education to collaborate on and coordinate the implementation of respective strategies; and
 - Producing a quarterly newsletter to inform stakeholders and the community.
- In the 2017-18 Budget the Government committed \$3 million over four years to continue the successful Study Canberra program, and implement parts of the Strategy, particularly destination marketing and student experience initiatives.
 - Workshops have been held with institutions to discuss priorities, with more planned. Some of the potential forward initiatives include: a coordinated approach to internships and work integrated learning; student awards; partnership projects fund; collaboration with Visit Canberra and Chinese students; engaging alumni and the Canberra region, and equipping institutions with Canberra collateral / as brand ambassadors, for their own market visits.

Key Points and Statistics

- In economic terms alone, education and research institutions value add at least \$2.7 billion to Canberra's economy and support 16,000 FTE jobs (Deloitte, 2015).
- International and interstate students are an important part of this, value adding at least \$879 million and supporting over 6,000 jobs in 2015 (Deloitte).
- Canberra educates around 44,000 higher education students and over 20,000 vocational education students each year, including more than 14,400 international students (up around 14 per cent in 2016), and a similar number from interstate.

Background Information

- One in six of our residents either work or study in tertiary education - the highest level of any major Australian city. We are a knowledge economy.
- International students bring diverse perspectives, build cultural awareness and understanding, drive visitation, develop people to people links, build business, trade and



investment links, and after graduation (as alumni) act as advocates, innovators, and exemplars, and raise the profile of Canberra around the world.

- The Strategy spans higher education, vocational education and training (VET), English Training, and ACT Government schools.
- The actions comprise a mix of existing and new initiatives which will be evaluated against a range of qualitative and quantitative measures.

ANNUAL REPORT HEARINGS 2016-17

ISSUE: SKILLED MIGRATION PROGRAM

Talking Points

- The ACT Skilled Migration Program operates within the policy/visa program framework set by the Australian Government. It has function in two primary visa streams:
 - Skilled Independent (Nominated) Stream; and
 - Employer Sponsored Stream.
- The Territory Migration Agreement (between CMTEDD and the Department of Immigration and Border Protection) provides the ACT with a channel to address skills shortages through the (Nominated) **Skilled Independent Stream** of the Australian Migration Program.
 - Under the terms of the Territory Migration Agreement, the 2016-17 ACT quota for Skilled Independent Nominations is set at 750 nominations and cannot be exceeded. In 2016-17, the ACT nominated **746** Skilled Independent Stream migrants.
 - This stream targets independent skilled migrants who respond through an Occupation in Demand List that is defined by local labour market analysis and demand forecasting.
 - Over the last three years, the program has re-focused its skill attraction activities to eligible (foreign nationality) Canberra temporary residents and graduates working in skilled occupations; or their immediate family living overseas who are able to demonstrate good employment prospects.
- The ACT Government operates as a **Regional Certifying Body** providing advice to the Department of Immigration and Border Protection **Employer Sponsored Stream** applications. It validates specific migration requirements, including genuine need, labour market and employment conditions.
 - The ACT supported **347** employer nominations in 2016-17, for employers who were unable to fill a skilled vacancy from the local labour market and nominated overseas skilled workers for permanent residency. This is an internal target not defined by the Territory Agreement. It is demand driven and the target can be exceeded.



Key Points and Statistics

- The ACT nominated **746** skilled migrants, with occupations in demand, to migrate to Australia and live in Canberra through the skilled independent stream.
- **60 per cent** of skilled independent applications were from temporary residents or international students living in Canberra.
- The (Nominated) Skilled Independent Stream was closed to overseas applicants in September 2016 due to high demand, as the quota for overseas applicants had been met. The program remained open to Canberra residents.
- **355** Canberra residents were granted an ACT nominated visa to continue living in Canberra. A further **135** overseas migrants arrived permanently in Canberra (noting their visa may have been granted at any time within the last five years).
- **347** skilled workers were nominated for permanent residence by their ACT employer through the employer sponsored stream.

Background Information

- The Territory Migration agreement enables the ACT to attract and retain appropriate and sustainable levels of skilled migrants to positively impact Canberra economically and socially, and to support future strategic industry growth, through the following visa pathways:
 - **Skilled independent migration:** As well as bringing essential skills in demand into the Territory, there is a potential economic benefit of **\$105** million in settlement assets being brought into the ACT (as declared by the applicants). A surge in applications, when the ACT Occupation List was updated on 1 September 2016, led to the closure of the Skilled Independent program to overseas applicants on 13 September 2016, bearing in mind the program's cap feature. The program remained open to Canberra residents /graduate students; and their immediate family members living overseas.
 - **Employer nomination:** As a Commonwealth approved Regional Certifying Body, the ACT Government provides advice to the Department of Immigration and Border Protection about employer nominations validating specific migration requirements, including genuine need, labour market and employment conditions. The ACT supported **347** employer nominations, for employers who were unable to fill a skilled vacancy from the local labour market and nominated overseas skilled workers for permanent residency. This generated a potential economic benefit of **\$22** million in salary. The nominal target was **330**, however this is an internal target not defined by the Territory Agreement. It is demand driven and the target can be exceeded.
 - **Business Migration:** The ACT nominated the business migration visas of **six** successful overseas business people to invest **\$10.8 million** to establish/purchase a business in Canberra or engage in investment activity that is of economic benefit to the Territory.

Attachment A**2016-17 STATISTICS – ACT MIGRATION PROGRAM****SKILLED INDEPENDENT STREAM**

Total independent nominations approved: **746**

Refusals/Withdrawn: **178**

Potential economic benefit (Potential settlement assets): **\$105 million***

**Potential economic benefit relates to the assets declared by applicant as available to support their settlement in Canberra. This can include cash, property, and investments. The 2016-17 figure is significantly less than is previous years due to the high proportion of Canberra residents declaring less assets as they are already settled in Canberra.*

EMPLOYER NOMINATION STREAM

Total applications supported: **347**

Refusals/Withdrawn: **66**

Potential economic benefit (Total salary nominated): **\$22 million***

**Potential economic benefit relates directly to the salary nominated to be paid by the employer to the nominee.*

BUSINESS MIGRATION STREAM

Total business nominations approved: **6** (4 x subclass 188 provisional; 2 x subclass 132 permanent)

Refusals / Withdrawn: **1**

Potential economic benefit (188/132 business/personal investment): **\$10.8 Million***

**Potential economic benefit relates to the qualifying business investment in ACT plus declared personal investment of residential property as well as other settlement expenses.*

DIBP VISA GRANT DECISIONS

Total ACT nominated skilled 190 visas granted: **621**

- Visas granted to overseas applicants: **266**
- Visas granted to Canberra residents: **355**

SETTLEMENT INFORMATION*

ACT nominated skilled migrants who permanently arrived, or were already living in Canberra: **490**:

- Overseas skilled migrants: **135***
- Canberra residents: **355**

Overseas skilled migrants who were met on arrival in Canberra: **82 (or 60 per cent)**

ACT nominated migrants who did not meet their two year obligation to live in Canberra: **29** (approx. 6 per cent).

**ACT nominated migrants have up to 5 years to arrive permanently in Canberra once their 190 visa is granted.*

TOTAL ACT PROGRAM SUMMARY:

Total applications processed: **1344**

- Total applications approved: **1099**
- Total applications refused/withdrawn: **245**

Total potential economic benefit: **\$138 million**

Additional information

Skilled Independent Migration

Top occupations:

1. Accountants; 21 per cent
2. ICT: 11 per cent
3. HR Advisers: 9 per cent
4. Engineers: 5. per cent
5. Registered nurses: 4 per cent
6. Hr Advisers: 9 per cent

Top countries:

1. India: 23 per cent
2. China: 22 per cent
3. Pakistan: 10 per cent
4. Philippines: 6.3 per cent
5. Malaysia: 4 per cent

Employer sponsored

Top occupations:

1. Child care room leaders: 20.8 per cent
2. Cooks: 18 per cent
3. Registered Nurse: 8 per cent
4. Retail Manager: 8 per cent
5. Café / Restaurants: 7.8 per cent
6. Academics; 7.4 per cent

Top countries:

1. India: 25 per cent
2. Philippines: 9 per cent
3. China: 8 per cent
4. Pakistan: 5 per cent
5. United Kingdom: 5 per cent

ACT OCCUPATION LIST

- The ACT Skilled Migration Program has a targeted approach to attracting and nominating skilled migrants to the Territory in response to evidence-based forecasting of occupations in demand. The ACT Occupation List identifies occupations in demand for migration purposes. Migrants with occupations on the list are eligible to apply for ACT nomination of a skilled visa to migrate to Australia and live and work in Canberra. While critical skills shortages in the ACT have eased, parts of the overall ACT labour market still experience pockets of skills shortages in areas such as community service/allied health (e.g. childcare and counselling), nursing/medical, engineering, surveying and the automotive industry.

FOCUS ON CANBERRA RESIDENCE

After 3 months residence in Canberra, the following applicants are eligible to apply for ACT nomination:

- Temporary residence visa with work rights: 457; diplomats; working holiday; provisional spouse; occupational Training and research – must be working in a skilled occupation; and
- Visitor visas holders (no work rights) – must have a genuine skilled job offer.

After 12 months ACT residence, the following applicants are eligible to apply for ACT nomination:

- International students (or their dependents). Canberra graduates must be working in a skilled occupation. Interstate graduates must have worked 6 months in their nominated occupation for an ACT employer before application.

PhD graduates from an ACT institution.

- Canberra residents are eligible to apply on PhD completion. For interstate/overseas applicants, the PhD must be granted with the last 2 years.

Immediate family members of Canberra residents

- Overseas close family members are also eligible to apply for ACT nomination, even if their nominated occupation is closed. They must meet the nomination criteria and demonstrate sufficient employment opportunities in their nominated occupation.

CLOSURE OF THE ACT MIGRATION PROGRAM TO OVERSEAS APPLICANTS

- The ACT Migration Program has closed early to overseas applicants on two instances in the last two years due to the high numbers of applications lodged.
- The 1 September 2016 update to the ACT Occupation List led to a flood of overseas applications. The Program was closed to overseas applicants 13 days later, after nearly 400 applications were received. The 2016-17 Program remained open to Canberra temporary residents/students wanting to stay permanently in Canberra.
- Under the terms of the Territory Migration Agreement with the Australian Government, the



2017-18 ACT target for subclass 190 nominations is set at 750. This target cannot be exceeded.

- On 5 July 2017 the 2017/18 ACT Occupation list was published on www.canberrayourfuture.com.au and the Program was reopened to overseas applicants.
- As a result, there was another surge from overseas applicants with over 350 applications lodged in the six weeks from the Program reopening on 5 July 2017.
- The ACT Migration Program closed to overseas applicants on 23 August 2017. However, overseas applicants can still apply if they have close ties (family or job offer) in Canberra or have completed a PhD at an ACT university. This action does not affect Canberra-based applicants as they are still able to apply for ACT nomination if they meet the nomination criteria.
- Once the 750 target is met, we are unable to process any more applications. By closing to overseas applicants, Skills Canberra can ensure that Canberra residents are given priority by reserving at least 60 per cent of the Program target for Canberra-based temporary residents/international students.
- Advance notice of the closure is not given, as previous experience has shown that this would result in a further surge in applications.
- The Program can be reopened at any time if it is deemed there is capacity within the ACT target to accept overseas applications.

ANNUAL REPORT HEARINGS 2016-17

ISSUE: SCREENACT / SCREEN PRODUCTION FUND

Talking Points

- Support for ScreenACT is part of the Government's 2016 Election commitment. Funding of \$350,000 per annum is provided over three years.
- From 1 July 2017 ScreenACT has rebranded to 'Screen Canberra' in order to present a clearer organisational brand to the marketplace, and align with the Government's growth strategies.
- ACT film practitioners continue to punch above their weight, with projects from two female ACT filmmakers (out of five projects Australia wide) selected by Screen Australia to develop them into TV series during 2017-18 under the *Gender Matters: Brilliant Careers and Brilliant Stories* program.
- For the Screen Production funded projects:
 - the feature film *Joe Cinque's Consolation* was in the top ten highest grossing Australian films at the box office in 2016.
 - *Rip Tide* had its premiere at the Sydney International Film Festival in June 2017 and commenced screening nationally in September 2017 in around 80 theatres.
 - Season 2 of the television series *The Code* aired on ABC in September 2016.
- The Screen Production Fund's 'attachment' program provides opportunity for local film practitioners to build skills through placements on funded premium productions like *The Code* series 1 and *Secret City*. During 2016-17, several attachments (placements) were engaged in major Australian productions including *Janet King*, *Cleverman*, *Dance Academy*, *Ali's Wedding*, *Hacksaw Ridge* and *Aquaman*.

Key Points and Statistics

- Screen Canberra is a long standing initiative to support the development of the screen sector in Canberra.
- Screen Canberra participated in trade missions to Wellington and Singapore, and is now exploring collaboration on international co-production opportunities that could link the three locations.



- The Screen Production Fund is a separate program that provides co-investment funds to film projects. The Fund has had intermittent appropriation since 2012, reflecting the irregular nature of investment ready and qualifying film projects. The Screen Production Fund process and guidelines will be used to assess future opportunities however funding is likely to be derived from general business and industry development appropriation (see below).

Background Information

Program Budget

- ScreenACT 2016-17 – \$250,000, 2017-18 – \$350,000
- Screen Production Fund 2016-17 – There was no new appropriation provided to screen based investment projects in 2016-17. The Fund however remained operational using \$350,000 that was rolled over from the 2015-16 budget allocation. In 2017-18 there is also no new appropriation. For this year, requests for funding are considered on a ‘as needs’ basis and funded from Divisional economic development funding.
- **(Note Cabinet In Confidence:** A Concept Brief has been presented in the 2018-19 Budget process for specific appropriation).

Program Objectives

- ScreenACT is the ACT Office of Film, Television and Digital Media. It delivers commercially-focused screen industry development services and activities.
- The Screen Production Fund supports significant screen projects in the ACT, grow our creative skills base and stimulate cultural and economic development.

Program Performance - ScreenACT

- ScreenACT is delivered by the ACT Screen Industry Association on behalf of the Government under an outsourced arrangement. Its activities focus on three main areas: marketing and promotion, industry development and professional development – ScreenACT continues to consistently deliver against its KPIs.
- On the professional development front, two female ACT filmmakers were selected for Screen Australia’s *Gender Matters: Brilliant Careers and Brilliant Stories* funding program. Ms Clare Young and Ms Vanessa Gazy will work with the producer of *Offspring*, Ms Imogen Banks, to develop new television projects with a view to getting them into production.
- Aligned to the Government’s broader strategy of developing economic relationships with Wellington and Singapore, ScreenACT participated in trade missions to the two destinations and is now pursuing a collaborative partnership that would facilitate international co-production opportunities that could link the three locations.

Program Performance –Screen Production Fund

- , In 2016-17 the Screen Production Fund supported projects, the feature film *Rip Tide* and the documentary *Oyster* went into production with the funding carried forward from the previous period. Following its premieres at Melbourne and Toronto International Film Festivals, the feature film *Joe Cinque’s Consolation* went on to reach the top ten highest



grossing Australian films at the box office in 2016. (Source: *Motion Pictures Distributors of Association of Australia*)

- *Rip Tide* premiered at Sydney International Film Festival to audience acclaim. The film has subsequently sold onto over 80 theatrical screens nationally which is quite significant for an Australian production.
- Canberra continues to attract international quality screen productions, with a number of television drama, low budget *feature* films and documentary producers approaching the fund in this financial year.

ANNUAL REPORT HEARINGS 2016-17

ISSUE: AQUIS ENTERTAINMENT UNSOLICITED BID


Talking Points

- Aquis Entertainment has proposed a \$307 million redevelopment of Casino Canberra, involving overhauling and up-scaling the casino, new high-end restaurants, bars, retail boutiques and entertainment options, and two new luxury hotels.
- The Government has not made any final decisions or formally committed to any aspect of the proposed development.
- Despite reports in the media that the development has been approved, several processes are still to be worked through in consultation with Aquis Entertainment which is still to respond on various matters.
- Prior to making a final decision to initiate or effect legislation to authorise gaming machines, the Government will analyse the costs and benefits to the community including minimising harm from problem gambling, taxation and community contribution levels.
- Until such time as a final decision is made the process remains commercial in confidence.

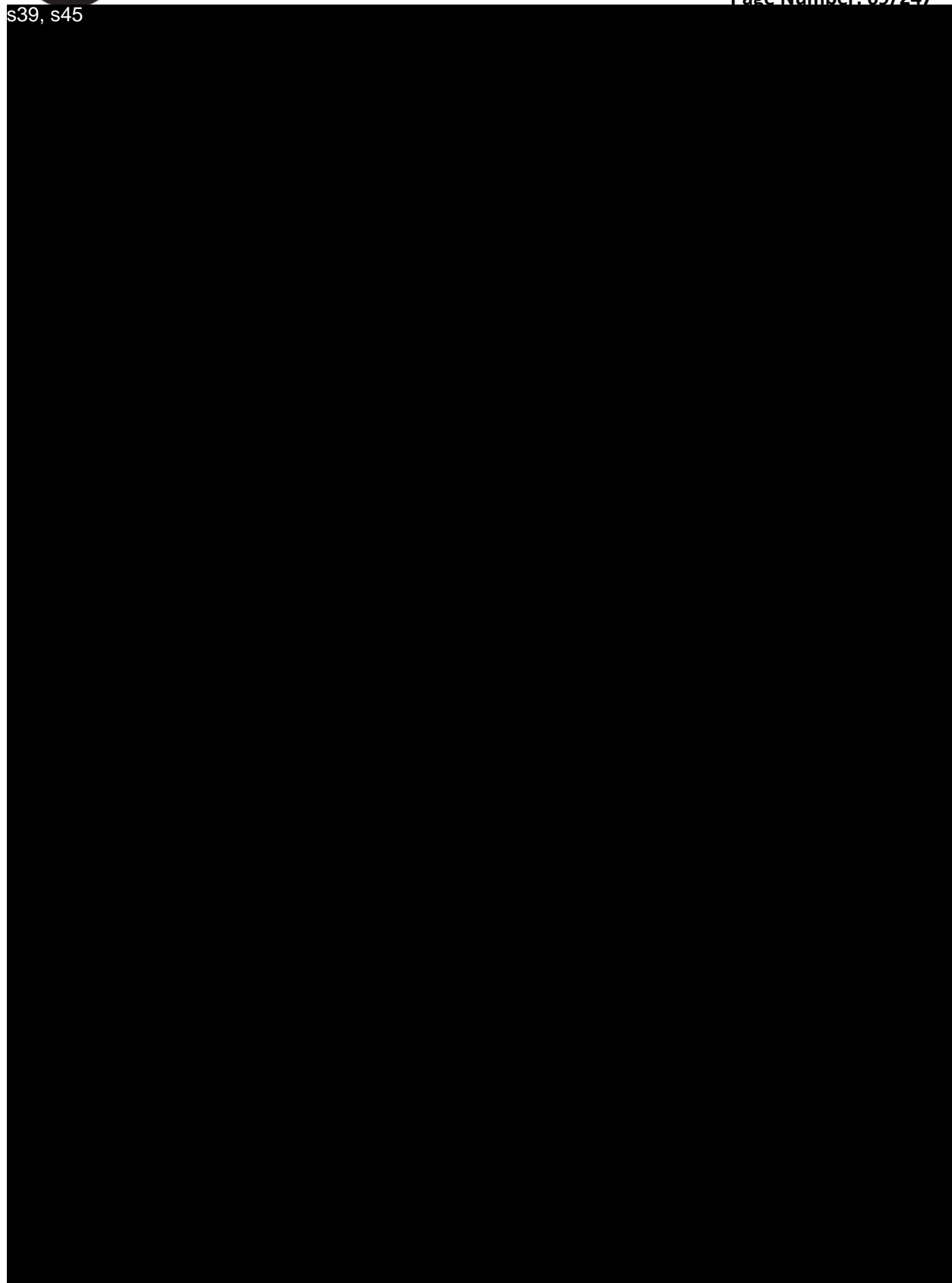
Key Points and Statistics

- The proposal is being facilitated under the Investment Proposal Guidelines process for unsolicited bids from private sector proponents.
- In addition to economic benefits such as additional jobs, tax revenue, investment and visitation, the project will support international flights, urban renewal, City to the Lake and future light rail extension.

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ANNUAL REPORT HEARINGS 2016-17

ISSUE:EXPORT DEVELOPMENT PROGRAMS

Talking Points

- Export Development programs in 2016-17 focused on building the capability and capacity of ACT exporting businesses and recognising the outstanding achievement of ACT exporting companies.
- In 2016-17 the ACT Government invested in the following export development programs:
 - \$182,000 was invested in the delivery of the Trade Connect program to support export activities by emerging exporters;
 - \$7,700 was invested in a screen industry-led trade mission 'The American Film Market (AFM)' held in Santa Monica in Los Angeles, USA from 2 – 9 November, 2016.; and
 - \$135,000 was invested in the delivery of the ACT Chief Minister's Export Awards.
- In addition \$26,400 was invested in the delivery of the ANU International Business Plan Competition and the Exporters Scholarship program.

Key Points and Statistics

- Trade Connect applications approved totalled 51, exceeding target by 70 per cent.
- Export Awards applications totalled 54, an increase of 6 per cent.
- New companies applying for the Export Award grew by 13.
- Six ACT creative production companies joined the screen industry-led trade mission to the USA.
- The number of exporting companies involved in the ANU International Business Plan Competition and the Exporters Scholarship program (IBPC) grew by 40 per cent.
- Five full-time jobs were created by the IBPC program with ACT exporting companies.

Background Information

- The ACT continues to grow its export base which is part of the Government's strategy to diversify the ACT economy.



- The Programs provide excellent opportunities for ACT businesses to build their international presence, reference their businesses to market capability nationally and internationally and access highly skilled employees.
- The Programs provide an opportunity for business to highlight their achievements, to strategically review their business operations and export strategies, target key market opportunities through quality research and internships and access new markets.

Trade Connect

- Trade Connect is a grant program that supports ACT businesses to develop export markets through targeted and approved activities.
 - Trade Connect grant recipients spanned a wide range of industry sectors - ICT/eGovernment, defence/security, education/research & development, agribusiness, health/sports science, and energy/environment.
 - Export development activities supported included:
 - > trade shows/conferences 43 per cent
 - > trade missions 34 per cent
 - > sales/ marketing meetings 21 per cent

Trade Missions

- The Canberra Business Chamber worked in partnership with the ACT Government to coordinate two industry-led trade missions to priority markets:
 - Wellington, New Zealand – July 2016, supporting the Chief Minister’s delegation; and
 - Singapore – April 2017 supporting ACT Government and industry commitments to establish business links with Singapore.
- The partnership was supported and enhanced by alignment with existing programs including the ACT Chief Minister’s Export Awards and the Trade Connect grant program.

ANU International Business Plan Competition and the Exporters Scholarship program

- The ACT Government in partnership with the Australian National University (ANU) developed the International Business Plan Competition (IBPC) and the Exporters Scholarship program to provide assistance to ACT exporters to build their capabilities and capacity in entering international markets. In 2016-17:
 - 10 exporting companies participated in the IBPC;
 - 125 ANU students made up the competition teams; and
 - 5 full-time positions have been created with ACT exporting businesses through the ANU Scholarship program.

Export Awards

The 2016 Export Awards ceremony was held on 20 October 2016. The eleven national category winners were:

- | | |
|--|---|
| ○ 2016 ACT Exporter of the Year: Wildbear Entertainment; | ○ Business Services: Cogito Group |
| ○ Agribusiness: Kokonut Pacific Pty Ltd | ○ Creative Industries: Wildbear Entertainment |
| ○ Education & Training: iSimulate | ○ Health & Biotechnology: Aspen Medical |



- Digital Technologies: Seeing Machines
- Manufacturing: Red Robot Pty Ltd
- Small Business: IE Asia Pacific Pty Ltd
- E-Commerce: GymAware
- Regional Exporter: Shaw Vineyard Estate
- The 2017 Export Awards ceremony was held on 27 September 2017. The eleven national category winners were:
 - 2017 ACT Exporter of the Year: Aspen Medical;
 - Agribusiness: Automed;
 - Business Services: Cogito Group;
 - Creative Industries: Full Point Films;
 - Education & Training: iSimulate Pty Ltd;
 - Health & Biotechnology: Aspen Medical;
 - Environmental Solutions: IPT Renewables;
 - Digital Technologies: Seeing Machines;
 - Small Business: IE Asia Pacific Pty Ltd;
 - E-Commerce: Today's Plan; and
 - Regional Exporter: Telsoft.

ANNUAL REPORT HEARINGS 2016-17

ISSUE: AVIATION

Talking Points

- The ACT Government's airline strategy and aviation partnerships are opening access and making it easier for visitors to travel to Canberra from around Australia and internationally.
- Singapore Airlines' decision to fly to Canberra four days per week has been a game changer for Canberra and encouraged investment from other airlines.
- Canberra's global connection will expand in 2018 when flights to Doha via Sydney commence on 13 February. This service represents an opportunity to grow awareness of Canberra and the region to a number of connecting destinations throughout Europe and the United Kingdom.
- In all, Qatar Airways will connect Canberra to 150 destinations around the world.
- The Government committed, in the 2016-17 Budget, \$7.3 million over four years to support aviation partnerships and for the expansion of the *One Good Thing After Another* marketing platform. This is enabling investment in a range of marketing activities to raise awareness of Canberra in key international markets and drive visitation.
- Access to Canberra has been further enhanced with low cost carrier Tigerair Australia's entry into the market. Tigerair operates eight services between Melbourne and Canberra and three services between Brisbane and Canberra per week.
- Tigerair now provides approximately 4000 seats weekly through Canberra and over 200,000 seats annually. This provides unprecedented access for domestic leisure visitors to Canberra.

Background Information

- On 21 September 2016, Singapore Airlines commenced direct air services between Singapore, Canberra and Wellington with four services per week. The route is referred to as "Capital Express".
- Qatar Airways will commence daily services connecting Canberra to Doha on 13 February 2018. The service will stop in Sydney in both directions operating Doha-Sydney-Canberra and Canberra-Sydney-Doha.
- Qatar Airways will operate a 358 seater Boeing 777-300. The transit time in Sydney in both directions is approximately one hour.
- On 8 December 2016, Tigerair Australia commenced low cost daily services between Melbourne and Canberra. On 15 September 2017 an additional weekly service was added on Fridays between the two cities.

- On 14 September 2017, Tigerair commenced low cost services between Brisbane and Canberra three times per week. Services operate on Tuesdays, Thursdays and Sundays.
- On 20 April 2017, Virgin Australia announced new twice-weekly direct services between Perth and Canberra during Federal Parliamentary sitting sessions. In the sitting weeks, from October to December 2017, services will operate on Thursdays and Sundays.
- Qatar Airways has released tickets through their distribution channels, sending a message to travellers they are 'on sale'. The commencement of services is subject to final regulatory approval by the Australian Government.
- Qatar Airways recently commenced recruitment activities in Canberra for airport operational and sales staff, based in Canberra.
- Singapore Airlines indicated early in 2017 that Canberra Airport's high arrival and departure taxes are a barrier to expansion of the "Capital Express" service. Canberra Airport has since revised the commercial contract terms to assist Singapore Airlines with their high cost of sale.
- Research commissioned by VisitCanberra and undertaken by Independent Economics (December 2013) shows that daily services between Singapore and Canberra will generate \$88 million per annum in Gross Regional Product (GRP) for the Canberra catchment and an additional 690 full time jobs.

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- To further support the commencement of direct international flights, a dedicated International Aviation Group (IAG) has been established within the Economic Development Directorate to help co-ordinate additional opportunities that the flights will generate for the broader ACT economy.
- The IAG focus will be on growth opportunities including a regional freight plan, activities that support investment in the ACT and strengthening cultural ties and business-to-business relationships between the ACT, Singapore and New Zealand.

ANNUAL REPORT HEARINGS 2016-17

ISSUE: TOURISM 2020 STRATEGY

Talking Points

- Tourism is a key economic driver for the Territory.
- Tourism's total contribution to Australian Capital Territory Gross State Product (GSP) for 2015-16 was estimated to be around \$2.06 billion employing approximately 16,000 people.
- The ACT 2020 Tourism Strategy, launched in December 2013, aims to grow the value of overnight visitor expenditure in the ACT to \$2.5 billion by 2020 and with new tourism operators entering the market, new hotels, bars and restaurants opening, and the growth in international and domestic aviation services.
- The ACT is currently on track to achieve this target with the value of domestic and international combined overnight visitor expenditure (year ending June 2017) is \$2.16 billion. This represents 86 per cent of the \$2.5 billion target.
- Canberra has already achieved its 2020 accommodation target (with an additional 930 rooms since the 2013 launch).

Key Points and Statistics

- In Tourism Research Australia's (TRA) National and International Visitor Surveys, for the year ending June 2017, the ACT statistics shows that Canberra welcomed a record 2.9 million overnight visitors.
- Of these 2.65 million were domestic overnight visitors over the period (a growth of 5.2 per cent on the previous year), and 221,479 were international visitors (a growth of 9.1 per cent), making year ending June 2017 the most successful year ever for overnight visitation in the ACT.
- These visitors spent a combined total of \$2.16 billion, a record breaking figure for expenditure in the ACT, which represents 86 per cent of our Tourism 2020 target of \$2.5 billion.
- With overnight visitation to the ACT at an all-time high and forecast trends indicate that growth will continue in line with demand, the government will welcome international hotel group investment in the ACT to meet demand and there is interest from several major hotel groups.
- The securing of direct international services from Singapore and New Zealand, as well as the upcoming flights by Qatar Airways and increased domestic flights, will go a long way to helping the ACT secure the goal of \$2.5 billion by 2020.

Background Information

- The strategy aligns with the intent of the national 2020 framework which aims to double overnight visitor expenditure from \$70 billion in 2010 to \$140 billion in 2020.



- The 2020 Tourism Strategy was informed by a detailed consumer demand research project in domestic and international markets that assessed the latent demand potential for the Canberra region's tourism products and experiences.
- Through BDA Marketing Planning (a key provider of input for the national Tourism 2020 strategy), VisitCanberra commissioned targeted consumer demand research focusing on Australia, Singapore, New Zealand and China. The results assisted defining the 2020 targets for the ACT. The research undertaken was consistent with the approach used for the establishment of the national 2020 target.

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ANNUAL REPORT HEARINGS 2016-17

ISSUE: MAJOR EVENT FUND

Talking Points

- Since the Special Event Fund (SEF) opened in 2011, \$5.890 million in funding has been approved to support events being held in Canberra, with 21 completed exhibitions and events, attracting over 2.956 million attendees and delivering approximately \$636 million in economic return to the ACT.
- Exhibitions at the NGA have been the major contributor to this success. The ACT Government has provided \$3.5 million in funding to bring major exhibitions to the NGA. Major exhibitions at the NGA has generated \$334.6 million in economic return to the Territory.
- The Centenary of Anzac was a highlight of recently funded events. A 12 month program of activity contributed an estimated \$133 million to the ACT economy.
- With around 55 per cent of attendees to the special events so far coming from interstate or overseas, the events are a critical component of the ACT's tourism strategy.
- The SEF ceased on 30 June 2017 and has been replaced by the new Major Event Fund (MEF) from 2017-18, which will see \$1.0 million each year for three years being allocated to attracting major events and major shows to the Territory.
- The 2025 Major Events Strategy was launched on 11 September 2017 and provides a blueprint for the for the future that:
 - outlines the plan for making Canberra an event-friendly destination,
 - defines major events by distinguishing between regular anchor events (e.g. Floriade and Enlighten) and one-off feature events (e.g. ICC Cricket World Cup and AFC Asian Cup),
 - looks at practical ways to support event organisers; and
 - identifies how events will be consistently reviewed and their success measured.
- There is strong demand for the Major Event Fund and several applications for major events are currently being assessed.

Background Information

- The ACT Government and the National Gallery of Australia (NGA) recently signed an MOU to enable the parties to collaborate effectively to host several major events and exhibitions to enhance the Territory's event calendar and to position the Territory as a progressive, modern, dynamic, globally relevant and internationally connected region.
- The NGA aims to deliver-
 - five major blockbuster exhibitions (at least one per financial year)

- Contribute content to Territory run events such as Floriade and the Enlighten Festival.
- The Major Event Fund is a contestable, co-operative fund aimed at major attractions, cultural institutions, event organisations, event promoters, businesses, companies or associations who seek to proactively acquire, create or develop tourism events that have the capacity to drive significant interstate and/or international visitation to the ACT.
- The cooperative nature of the Major Event Fund requires supplementary financial investment from event partners to fund the necessary acquisition, creation, development and operational delivery of proposed events. Funding is not to be available to underwrite events.

Table 1. Summary of results for completed exhibitions and events since the SEF opened in 2011

Exhibition	Proponent	Year	Investment	Attendance	Interstate	Economic Benefit
<i>Masterpieces *</i>	NGA	2009	\$500,000	476,000	80 per cent	\$94 million
<i>Renaissance</i>	NGA	2011	\$525,000	212,920	80 per cent	\$75 million
<i>Toulouse-Lautrec</i>	NGA	2012	\$525,000	170,201	80 per cent	\$37 million
<i>Gold and the Incas</i>	NGA	2013	\$300,000	160,647	68 per cent	\$34 million
<i>Turner from the Tate</i>	NGA	2013	\$500,000	153,627	70 per cent	\$34 million
<i>Mapping our World</i>	NLA	2013	\$150,000	118,264	48 per cent	\$24 million
<i>Handwritten</i>	NLA	2011	\$200,000	73,000	49 per cent	\$19 million
<i>Elvis @21</i>	NPG	2013	\$140,000	20,422	55 per cent	\$3.9 million
<i>James Turrell</i>	NGA	2014	\$500,000	74,412	70 per cent	\$10 million
<i>Night Noodle Markets 2015</i>	Fairfax Events	2015	\$200,000	156,510	7 per cent	\$1.1 million
<i>ICC Cricket World Cup</i>	ACT Gov	2015	\$100,000	25,347	Unknown	\$25 million
<i>AFC Asian Cup</i>	ACT Gov	2015	\$100,000	82,452	Unknown	\$14.4 million
<i>Encounters</i>	NMA	2015	\$200,000	98,392	64 per cent	\$19.5 million
<i>Tom Roberts</i>	NGA	2015	\$200,000	131,878	54 per cent	\$22 million
<i>Centenary of ANZAC</i>	AWM	2016	\$450,000	335,775	23 per cent	\$133 million
<i>Celestial Empire</i>	NLA	2015	\$200,000	80,000	43 per cent	\$26.4 million
<i>World Cup Masters</i>	Hockey Australia	2016	\$50,000	1,396	Unknown	\$1.9 million
<i>Night Noodle Markets 2016</i>	Fairfax Events	2016	\$200,000	109,699	40 per cent	\$6.1 million
<i>Versailles: Treasures from the Palace</i>	NGA	2016	\$500,000	176,270	50 per cent	\$29.4 million
<i>A History of the World in 100 Objects</i>	NLA	2016	\$200,000	178,220	63 per cent	\$19.4 million
<i>Night Noodle Markets 2017</i>	Fairfax Events	2017	\$150,000	121,296	14 per cent	\$7.2 million
TOTALS			\$5.890 million	2,956,728		\$636 million

* Supported prior to formal establishment of the Special Event Fund

**Event participation only - not including spectator attendance

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ANNUAL REPORT HEARINGS 2016-17

ISSUE: CANBERRA CONVENTION BUREAU AND NATIONAL CAPITAL EDUCATION TOURISM PROJECT

Talking Points

- The Canberra Convention Bureau (CCB) is funded by the ACT Government to grow the value that business events provide to the ACT economy. It works to promote Canberra as a business events destination, secure business events for Canberra and works with event and convention organisers to make their event in Canberra a positive and unique experience.
- Funding of has been provided to the NCETP since 2006 to help promote Canberra to schools across the nation. The NCETP works with Canberra's National Attractions to develop programs and promote reasons to visit linked to civics and citizenship.
- In 2016/17 The ACT Government provided \$1 million in funding to the CCB and \$300,000 in funding to the NCETP

Key Points and Statistics

- 834,000 domestic overnight visitors came to Canberra for business purposes in the year ending June 2017, an increase of 1.7 per cent on the previous year. Business nights decreased (15.4 per cent) compared with June 2016. (Year ending September 2017 Business figures will be released on 20 December, 2017.)
- The bulk of business visitation is attributed to government/business travel.
- 28,423 international overnight visitors came to Canberra for business purposes for the year ending June 2017, an increase of 2.8 per cent on the previous year. Business nights increased by 136.3 per cent to 426,433 nights, for the period.
- 162,042 primary and secondary students visited the national capital in 2015-16.
- A research report ('Size and Effect of School Excursions to the National Capital') conducted by the University of Canberra in 2011 has shown the impact of school excursions is \$100 million annually.
- The CCB is a not for profit incorporated association funded by ACT Government and industry partners. The CCB reports to a Board. The NCETP operates as a joint venture between the ACT Government and the National Capital Attractions Association. An advisory board oversees the NCETP operations.
- ** CCB and NCETP are not directly referenced in the Annual Report however their activities support economic growth of their respective sectors (business events and educational tourism).

ANNUAL REPORT HEARINGS 2016-17

ISSUE: DESTINATION MARKETING

Talking Points

- The content referenced in output 9.3 for VisitCanberra is largely underpinned by an extensive marketing program delivered under the One Good Thing After Another (OGTAA) platform that launched in February 2016. This marketing platform is utilised to promote the destination to leisure tourists both domestically and internationally. The strategy has a simple premise: no other destination offers the diversity of tourism experiences so close together.
- The Government committed, in the 2016-17 Budget, \$7.3 million over four years to support aviation partnerships and for the expansion of the OGTAA marketing platform.
- Destination marketing activities are sustained throughout the year, via an always on approach. Activity and messaging is updated seasonally in line with the key pillars: arts and culture, food and wine, events, outdoors and nature and family fun.
- Paid advertising activity appeared throughout Australia on a variety of tourism sites and social media channels, within targeted cinema locations and across outdoor billboards.
- In conjunction, public relations activities included: media promotion to domestic and international travel and trade outlets, content production such as brochures/visitor guides/blogs/electronic direct mail and hosting journalists.

Key Points and Statistics

- The Visitcanberra.com.au website is the key digital entry point for leisure visitors seeking information about Canberra and the site receives significant traffic with over 1.54 million visits during 2016-17, averaging over 128,000 visits per month. The result is exceeded the annual report KPI measure of 1.3 million visits by 17 per cent.
- All social media channels experienced an increase in traffic and engagement in 2016-17: Facebook fans 78,945 (up 20 per cent), Instagram 39,379 followers (up 40 per cent) and Twitter 20,000 followers (up 54 per cent). On average 71 per cent of VisitCanberra social media followers are located outside of Canberra.
- A variety of cooperative campaigns have been implemented, including with aviation partners (TigerAir, Virgin, and Singapore Airlines) and content marketing activities with various national publishers (such as *TimeOut* magazine).

Background Information

- The current Destination Marketing Strategy 2015-20 provides a framework that informs and supports VisitCanberra's integrated marketing approach.
- Current and key activity includes:



- Ongoing implementation of domestic media campaigns, including regional TV across NSW, Search Engine Marketing, social media campaigns and native content partnerships with *Junkee* and *Time Out*.
- Ongoing development and monitoring of international co-operative media campaigns, with Singapore Airlines, in key target markets internationally.
- Ongoing implementation of cooperative sport-marketing partnerships including the recent Netball Test, Australian Rugby Union Test, and the upcoming Rugby League World Cup events.
- Media familiarisation visits to Canberra over Spring have included one with Tigerair Australia (Brisbane based media), Lonely Planet India bloggers, and a Malaysian film crew.
 - Preparation for the upcoming travel publisher major announcement (i.e. October Project), which is under strict confidentiality.
- A significant piece of research was commissioned in June 2017 (with Snapcracker Research Ltd) to identify the key domestic visitor groups coming to Canberra and to understand their motivations for doing so. Results will identify key audiences for marketing and partnership initiatives, and also aid content development and media targeting. The report of the research is expected to be available in early 2018.

ANNUAL REPORT HEARINGS 2016-17

ISSUE: FLORIADE 2016

Talking Points

- In its 29th year, Floriade 2016 was held from 17 September to 16 October 2016 and Floriade NightFest from 28 September to 2 October 2016.
- 394,046 people attended the event over 30 days.
- Event attendance was significantly impacted by weather with severe storms, resulting in the closure of Commonwealth Park and cancellation of NightFest for two nights.
- Attendance for the Sunday of the Queen's Birthday long weekend of 43,963 was the highest daily attendance figure recorded since the introduction of turnstiles in 1999.
- 90,365 interstate and international visitors came to Canberra specifically to attend Floriade and/or extended their stay due to the event.
- 16,904 tickets were sold to NightFest (compared with 37,263 in 2015). However, average attendance per night of 5,600 was on par with previous years.

Key Points and Statistics

- The budget to deliver Floriade 2016 was \$3.70 million and the budget for NightFest 2016 was \$0.577 million.
- The economic impact of Floriade 2016 was \$39.0 million in direct expenditure to the ACT, down by 17 per cent on 2015 (\$46.9 million).
- Only thirty per cent of event attendees gave a positive satisfaction rating. Lower satisfaction levels than previous years were attributed to the perception that the number and quality of the floral displays was lower and a view there was a lack of new content.

Background Information

- In addition to annual event evaluation research, the ACT Government commissioned visitor experience research to consider potential refresh opportunities in preparation for Floriade's 30th anniversary event in 2017. The overarching strategic recommendations included:
 - Floriade 30th event should proceed with a theme which incorporates all tourism pillars.
 - The event should showcase both the local/regional area and include influences from around Australia to drive engagement from locals looking for something new and fresh.
 - Consideration for a launch and closing ceremonies to Floriade, to mark the start and finish of the event.
 - Ensure people have opportunities to interact with all elements of the festival in a multi-sensory way, without the need to commit too much time on any single activation.
 - Provide lots of opportunities for attendees to interact and participate – this will drive immersion in the event. Provide ample opportunities for people to take something home

(cut flowers, a gardening idea, or something else they have made). Interactive sessions (e.g. cooking demos), need to be short – only 45-minutes max.

- Ensure the event fills the space available in Commonwealth Park, and leverages the lake, large trees, walkways and bridges (e.g. sculptures and floating sculptures or flower displays).
- Look for ways to make tents/marquees more accessible and engaging – open them up and encourage creativity around design.
- When developing the event program, aim to include a small number of big events to punctuate the festival, and ensure each receives appropriate promotion.
- During daylight savings, extend the opening hours of Floriade by at least two hours (particularly Thursday to Sunday) and incorporate pillar-based activations.
- Changes were implemented for the 2017 including:
 - New opening and closing hours so visitors could enjoy the flowers in the twilight evening hours of spring, or as a local, explore Floriade after work. Every day across the 30 day event the opening hours were 10am – 7pm (previously 9am – 5pm).
 - Hosted an opening concert, Presented by Singapore Airlines which featured the David Bowie tribute band, Ziggy Band and the Canberra Symphony Orchestra. The inaugural opening concert was a ticketed event (\$30pp) which provided visitors a first look at Floriade on Friday 15 September.
 - NightFest ran across two weekends on 22-24 September and 29 September-1 October.
 - To make way for more gardens, traditional Floriade site set up was rearranged to promote greater opportunities and distribution throughout the park.
 - Rather than in one area, traders/vendors were positioned in small clusters around the park, often positioned close to areas of relevance to their product or service for sale.
 - Due to the redesigned garden areas Matilda’s Farmyard was not presented in 2017. Rather kids’ activities were dotted around Floriade, encouraging kids to explore the park, play, learn and engage at all times.
 - Regatta Point car park was opened up to alleviate parking pressure due to the loss of some parking at Acton Park, due to the West Basin renewal project. Other parking in the city and Parliamentary Triangle and the free Floriade Shuttle sponsored by The Canberra Centre was promoted and communicated extensively.
- Australia Fair Ground Concert Organ background information:
 - In 2017 the Australia Fair Ground Concert Organ did not feature at the event. The owner and operator Mr Rick Alabaster submitted an application through the standardised Trader EOI process, however was unsuccessful.
 - The assessment panel considered that the application did not address the criteria strongly in comparison with other applications. In particular, Mr Alabaster did not specifically address the criteria instead submitting a brief history of the organ and its previous attendance at Floriade together with a list of products for sale.
 - Mr Alabaster has a long history with Floriade and is considered one of the more difficult traders to manage having an expectation to be treated differently and resistant to following directions from site managers whilst at the event.



- Mr Alabaster has paid the site fees in previous years and even though the organ does not need any infrastructure he does operate commercially through the selling of CDs and other products, and is therefore treated the same as other Traders at the event.
- In the past years, Mr Alabaster has not attended Floriade despite being invited to attend, and has turned up two weeks late with no correspondence from him to event organisers.
- In 2016, Mr Alabaster was invited to Floriade, but failed to attend until the middle of the first week. When he did attend, he had not paid his site fee and was refused entry until payment was made.

ANNUAL REPORT HEARINGS 2016-17

ISSUE: ENLIGHTEN 2017

Talking Points

- Enlighten was held from Friday 3 March to Sunday 12 March 2017.
- The 2017 event saw 285,714 visitors attend the event over ten nights, an 8 per cent increase on 2016 attendance of 263,383.
- The number of unique visitors from the ACT and Queanbeyan accounted for 84 per cent and 16 per cent being interstate and/or international visitors.
- As well as creating a vibrant backdrop for the lead up to Canberra Day celebrations, the event generated a \$3.16 million economic impact for the ACT, which was a 63 per cent increase on 2016 results. This result can be attributed to overall increase in visitor numbers, as well as an increase in interstate and international overnight visitors to the event.
- The ACT Government again partnered with 12 cultural institutions and national attractions to provide free and ticketed events.
- The Enlighten program offered 15 ticketed events and 37 free experiences, ranging from family friendly events, to music, film, tours, dining experiences, late night openings and blockbuster exhibitions.
- The Enlighten Night Noodle markets returned, opening each night of the event and providing week-night entertainment.
- High level planning is underway for Enlighten 2018.
- A five year strategy for Enlighten is currently being developed and will inform how the event is to grow and expand into the future.

BACKGROUND INFORMATION

- Enlighten hosted an array of spectacular performances and featured *Pedaleando Hacia El Cielo*, a premiere performance presented by ActewAGL, hailing from Belgium. This performance featured 17 artists on bicycles suspended in the air, creating a musical-visual theatre with a mixture of music, dance and film. It was an Australian first and appeared in Canberra before being presented in Adelaide.
- On the Enlighten Main Stage, in the Parliamentary Triangle, free entertainment included performances by Australian bands and artists *Maddy Jane and the Janes*, *The General Assembly*, *Cleopold*, *Tigertown* and *Bustamento*. Local duo the *Ansah Brothers* also performed.
- Stunning architectural projections again transformed the buildings of the Parliamentary Triangle, bringing vibrant colour, movement and celebration.

- Results from the Enlighten 2017 Event Evaluation Report commissioned by EventsACT and prepared by The Nielson Company indicated that:
 - the event attracted a gross attendance of 286,000, which included attendances at ticketed events and crowd numbers at Enlighten’s free outdoor entertainment precincts;
 - 87 per cent of event attendees were satisfied with the event, with architectural projections and food and beverage offerings rating positively;
 - 86 per cent of interstate and overseas visitors indicated they would return to Canberra on the back of their most recent experience; and
 - 75 per cent of locals indicated that Enlighten makes them proud to be from Canberra, while 90 per cent agreed that Enlighten creates a buzz in the city.
 - High level planning is underway for Enlighten 2018, which includes plans to see Enlighten expanded beyond the Parliamentary Triangle and extended over three weeks in March.
-

ANNUAL REPORT HEARINGS 2016-17

ISSUE: FLORIADE FRINGE 2017

Talking Points

- The Floriade Fringe (a 2016 election commitment) was held from 19 to 21 October 2017 in Haig Park, Braddon and was introduced specifically for 2017 as a means of suitably marking Floriade's 30th anniversary.
- The one-off event was presented by The Village Festival of New Performance (The Village), a travelling arts festival that consists of multi-venues creating an alternative carnival-like atmosphere.
- Described by The Village Festival, the Floriade Fringe is a cutting edge, eclectic, experimental and accessible festival showcasing Canberra's arts community.
- The program for Floriade Fringe was co-curated by local producers Chenoeh Miller and Gavin Findlay.
- The Floriade Fringe was a celebration of Canberra's arts community with more than 60 per cent of the artists involved either living or practicing in the ACT.
- The Floriade Fringe featured a combination of creative talent from Canberra and around Australia. The program offered music, theatre, dance, film, circus, sculpture, story-telling, puppetry, live art and installations.
- Attendance and feedback to be added to updated brief after event – once received from the Event Organisers (we're chasing up)

Key Points

- The Floriade Fringe was a celebration of Canberra's arts community with more than 60 per cent of the artists involved either living or practicing in the ACT.
- The establishment of the Floriade Fringe intends to build on Floriade's long standing success by creating a distinct and edgy event offering that appeals to a new (younger) audience.
- The Floriade Fringe coincided with Floriade's 30th anniversary.

Background Information

- Floriade Fringe was delivered under an outsourced model.
- The budget to deliver the Floriade Fringe was \$250,000.
- In June 2017 proposals were sought from experienced event managers and event management groups. Proposals included suggestions on the theming/curation, size and scope of the event, resourcing and logistics, desired program content (including ticketed and non-ticketed performances), marketing and communications.
- Seven proposals were received and assessed with The Village Festival of New Performance (The Village) being appointed as the successful event provider, based on their understanding and appreciation of the task, the strength of the creative proposal, operational capacity and commitment to environment and sustainability.



- The Village featured in Canberra's Centenary program in 2013 which was staged in Glebe Park. The Village is also a regular feature at the annual Falls Festival.
- It was initially intended that the Floriade Fringe would be staged in the West Basin on Lake Burley Griffin in the first stage parks and boardwalk, however as this site was still under construction, the inaugural Floriade Fringe was held in Haig Park, Braddon.

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ANNUAL REPORT HEARINGS 2016-17

ISSUE: CANBERRA DAY 2017

Talking Points

- Canberra Day activities took place from 2pm to 7pm on Monday 13 March 2017 at Stage 88, Commonwealth Park. Headlining the day was The Hoodoo Gurus, supported by local bands the Strong Elephants and Teen Jesus and Jean Teasers.
- The event also featured children's performances, including popular ABC show Shaun the Sheep and the Dreamworks Trolls.
- Canberra Day activities attracted an audience of 30,000 to the event.
- The Canberra Balloon Spectacular was held on the lawns of Old Parliament House. Over 40 balloons participated in the event, including two sponsored special shapes The Smurf and a giant Hummingbird. Heavy rain was experienced for much of the event with only two mornings being flyable for balloons.
- Symphony in the Park was held at Stage 88 in Commonwealth Park. It featured the best of ABBA, performed by the Canberra Symphony Orchestra and ABBA tribute band BABBA. An audience of approximately 14,000 turned out to enjoy the evening.
- In 2018, Canberra Day activities will be held across the Canberra Day long weekend from 10 to 12 March.
- Weekend highlights will included the final weekend of Enlighten, the Canberra Balloon Spectacular, Symphony in the Park and Canberra Day 2018.
- Canberra Day activities in 2018 will be part of the Enlighten program.

Key Points and Statistics

- Canberra Day activities in 2017 were held across the Canberra Day long weekend from 11 to 13 March.
- Weekend highlights included the final weekend of Enlighten, the Canberra Balloon Spectacular, Symphony in the Park and Canberra Day 2017.
- Symphony in the Park attracted an audience of approximately 14,000 to the event.
- Canberra Day activities attracted an audience of 30,000.
- Enlighten 2017 was held during the same period and was attended by 286,000 people.

Background Information

- Canberra Day public holiday is held annually on the second Monday in March.
- The public holiday celebrates the official naming of Canberra.
- Canberra Day celebrations were traditionally held as part of a week-long festival (Canberra Festival).
- The Canberra Festival was last held in 2012, ceasing to make way for Centenary celebrations.

- The Centenary celebrations paved the way to establish and refine the positioning of the traditional autumn event program.
- Enlighten has now emerged as the major arts and cultural event for Canberra.
- The budget to deliver Canberra Day 2017 activities was \$0.212 million.

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ANNUAL REPORT HEARINGS 2016-17

ISSUE: RUGBY LEAGUE WORLD CUP 2017

Talking Points

- On 30 October 2015, the ACT Government lodged an Expression of Interest to bid for matches as part of the Rugby League World Cup 2017.
- On 29 February 2016, a Host City submission was formally lodged by the ACT Government to the Rugby League World Cup 2017 Organising Committee.
- Following a comprehensive bid evaluation phase, the ACT's submission was successful and Canberra Stadium was announced as a host venue for three men's pool matches as part of the tournament:
 - Sunday 29 October 2017 – France v Lebanon
 - Friday 3 November 2017 – Australia v France
 - Friday 10 November 2017 – Fiji v Italy
- <<will need to add something in here about the attendance, the success of these events and cover any issues just before the hearings given they will have happened by then>>
- Participation in this international sporting tournament reinforces Canberra's reputation as a world-class events and tourism destination.

BACKGROUND INFORMATION

- A total of 14 international teams will compete in the Rugby League World Cup 2017.
- The tournament will comprise 28 matches, held over a period of five weeks from October to December 2017. Matches will be held in Australia, New Zealand and Papua New Guinea.
- The ACT Government's cash investment is capped at \$1 million and has been provided to the Organising Committee to manage operating costs in the Territory. It will be supplemented by in-kind assistance, to successfully deliver matches and fully leverage Canberra's involvement in the tournament. This includes in-kind support from Enterprise Canberra to the value of \$200,000.
- The ACT Government committed to the tournament by signing a Heads of Agreement (Host City) and a Heads of Agreement (Stadium Use), both of which have now be finalised as long form agreement.
- On signing the Heads of Agreements, the Organising Committee received a first instalment of 10 per cent (\$100,000). The second instalment of 60 per cent (\$600,000) coincided with the signing of the long form agreements, with the final instalment (\$300,000) paid on 20 June.

ANNUAL REPORT HEARINGS 2016-17

ISSUE: ACT Events Policy

Talking Points

- The ACT Government is committed to building and nurturing Canberra's events. An overarching *ACT Events Policy*, is being developed, acknowledging events' capacity to deliver a range of social, community and cultural benefits for the Canberra region.
- In August 2016, an *ACT Events Policy Discussion Paper* was released for public consultation. Over 1,100 responses were received which shows the importance the Canberra community places on our events. A large number of the comments were extensive and are being currently being analysed.
- A final policy will be considered by Government in coming months.
- A range of other initiatives that will sit under the overall policy have already been completed or are underway. The 2025 Major Events Strategy which recognises the importance of major events to the visitor economy and in making our city a great place to live, work and visit, was released on 11 September 2017.
- A draft Community Events Strategy is also being developed and is expected to be released shortly.
- The capacity for events to deliver interstate and international visitation is also a link to the ACT's 2020 Tourism Strategy, which aims to grow the value of overnight visitor expenditure in the Territory to \$2.5 billion by 2020.

Key Points

- The *ACT Events Policy Discussion Paper* sought views on a set of guiding principles along with a series of proposed supporting actions.
- Responses have been received from the community and are currently being considered.

Background Information

- Guiding principles being consulted on include:
 - supporting events that grow the ACT economy;
 - supporting events that deliver strong social and community benefits – including social cohesion, growing community pride and local participation;
 - supporting events that enhance local, national and international recognition of Canberra’s vibrancy, liveability and sense of place,
 - strengthening Canberra’s position as an ‘event friendly city’.
 - The *ACT Events Policy* is being developed as a whole-of-government initiative, coordinated by Enterprise Canberra.
 - Currently the value of overnight visitor expenditure in the ACT is \$2.16 billion, which represents 86 per cent of the \$2.5 billion target.
-