

**E-MAILED**

15.5.08

## SUBMISSION 69.3

CHIEF MINISTER'S DEPARTMENT  
Chief Executive



The Secretary  
Joint Standing Committee on the  
National Capital and External Territories  
Parliament House  
Canberra ACT 2600

Dear Secretary

I am writing in response to a request from Senator Lundy at the hearing on 2 May 2008 seeking a copy the Territory's valuation of the roads and adjacent land transferred to the Commonwealth in return for which the Commonwealth would undertake a range of works.

Before agreeing to the transfers, the Territory was satisfied that the proposed works, together with maintenance and depreciation, gave the Territory fair value for the transfer.

The specified works to be undertaken comprised grade separation of Parkes Way and Kings Avenue, valued at \$26.6 million, and completing the duplication of Constitution Avenue, with associated works, to a value of \$32.2 million, as well as budgetary provision for maintenance and depreciation of the roads, bringing the total package to \$73.1 million.

The Chief Minister wrote to Minister Lloyd on 27 August 2007 agreement to the transfer on the basis proposed by the Commonwealth.

As you know, the Commonwealth has since substantially reduced the budget for these works, and the question of compensation has been raised. The Chief Minister has asked this Department to obtain updated formal valuations with a view to the Territory pursuing its legal entitlement to compensation.

In these circumstances, I do not believe it is in the Territory's interests to provide our preliminary assessments. I appreciate the Committee's interest in this issue as part of its inquiry into the role and responsibilities of the National Capital Authority. However, I hope that the Committee can also appreciate the Territory's position given that it is now considering a formal claim against the Commonwealth.

Yours sincerely

Andrew Cappie-Wood  
Chief Executive

15<sup>th</sup> May 2008