



Australian Government
Department of Transport and Regional Services



File Reference: 05267 - 2005

Senator Michael Forshaw
 Chair
 Finance and Public Administration References Committee
 Parliament House
 CANBERRA ACT 2600

Dear Senator Forshaw

At the hearings of the Finance and Public Administration References Committee on Friday 12 August 2005 in Canberra, Departmental witnesses were asked a series of questions regarding the Cove Caravan Park project under *Regional Partnerships*.

At the Committee's request, the Department also provided a copy of the Funding Agreement between the Commonwealth, as represented by the Department of Transport and Regional Services, and the Trustee for the Van Herk Family Trust.

It has subsequently come to my attention that the Schedule to this funding agreement incorrectly represents the financial contributions being made by partners to this project including the applicant and the Western Australian State Government.

Furthermore, in my evidence to the Committee on 12 August I advised that the Van Herk Family Trust contributed \$800,000 in cash, the Western Australian Department of Local Government and Regional Development contributed \$106,000 and the Western Australian Tourism Commission provided \$100,000 in cash.

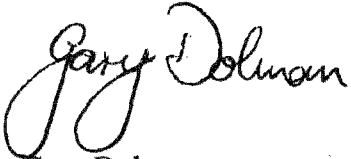
I would like correct the record and advise the Committee that the actual contributions for this project are as follows:

<u>Cash</u>	<u>GST Exclusive</u>
Van Herk Nominees Pty Ltd	\$971,754
Department of Local Government & Regional Development (WA)	\$34,246
<i>Regional Partnerships</i>	\$250,000
<u>In-Kind</u>	
Van Herk Nominees Pty Ltd	\$115,000
Ashmere Electrical Co.	\$12,000

Therefore, the government contribution to this project through *Regional Partnerships* represents 18% of the total project costs and 20% of the total cash contributions to the project, as indicated by the Department in evidence at the hearings.

The Department wishes to apologise for this inaccuracy in information and any inconvenience it may have caused the Committee. In addition, the Department will endeavour to provide a copy of the varied funding agreement to the Committee as soon as possible.

Yours sincerely



Gary Dolman
Acting Executive Director
Regional Services

9 September 2005



Australian Government
Department of Transport and Regional Services

File Reference: 04923-2005

Senator Michael Forshaw
Chair
Senate Finance and Public Administration Reference Committee
Parliament House
CANBERRA ACT 2600

Dear Senator Forshaw

Subject: QUESTIONS ON NOTICE - SENATOR MURRAY

I refer to the letter from your Committee Secretary of 8 August 2005 providing questions on notice from Senator Murray relating to the current Inquiry into Regional Partnerships and Sustainable Regions.

The Department has considered the questions asked by Senator Murray and is able to provide the Committee with the attached responses to these questions.

Please contact the Department should you have any additional questions on these matters.

Yours sincerely

9/9/05

Gary Dolman
Acting Executive Director
Regional Services

TRANSPORT AND REGIONAL SERVICES

Senate Finance and Public Administration Reference Committee

ANSWERS TO QUESTIONS ON NOTICE

Senate Inquiry into Regional Partnerships and Sustainable Regions

Topic: ACC Staffing and Operating Costs

Hansard Page: n/a

Senator Murray asked the Department of Transport and Regional Services on 8 August 2005

- (1) What has the average annual staff turnover among ACC executive officers been over the last five years? What has the average annual turnover among other paid ACC staff been over the same period?
- (2) Please list the 10 ACCs that have had the highest executive officer turnover and the 10 ACCs that have had the lowest executive officer turnover throughout that period.
- (3) Please also list the 10 ACCs that have had the highest and the 10 ACCs that have had the lowest turnover among other paid staff over the last five years.
- (4) Do ACCs in rural and remote regions have higher staff turnover than ACCs in other regions?
- (5) Has DOTARS experienced any difficulty attracting and retaining ACC executive officers in any particular regions? If so, what are the regions and what are the reasons for the difficulty?
- (6) Is DOTARS aware of any ACCs that have had difficulty attracting and retaining paid staff? If so, please list the ACCs.
- (7) Evidence to the Committee's inquiry indicates that operating costs for ACCs vary across regions. For example, operating in the Pilbara region incurs high accommodation and energy costs. Does DOTARS have the flexibility to ensure that each ACC's operational funding is appropriate and competitive for the region? If not, why not?
- (8) Does DOTARS have the flexibility to ensure ACC staff wages and conditions are appropriate and competitive for the region? If not, why not?
- (9) Has DOTARS received any requests from ACCs for increased funding, related to the costs of operating in particular regions? If so:
 - a) Which ACCs have made such requests?
 - b) What were the details of the request?
 - c) What was DOTARS' response, and why?

Answer:

- (1)-(5) DOTARS does not employ ACC staff. ACC executive officers and other paid staff are employed individually by each ACC. Therefore, the Department does not have access to the information and records necessary to provide answers to these questions.
- (6) DOTARS is aware that a small number of ACCs in remote areas of Australia have experienced difficulties in attracting and retaining staff.
- (7) Yes.
ACCs negotiate an annual budget with the Department based on the operational requirements of their specific circumstances and their region.
The Department also has flexibility in providing funding through its ability to approve one-off requests for additional funding made by ACCs where they are required to meet unavoidable costs that were not anticipated in budget negotiations.
However, as funding for ACCs' operating is allocated from the *Regional Partnerships* program administered funding, any increases in ACC funding will impact on the level of funding available for community projects under the program.
- (8) As executive officers and staff are employed directly by ACCs it is the responsibility of each individual ACC to determine suitable remuneration packages for its staff within their annual budgets.
- (9) Yes. ACCs negotiate an annual budget with the Department based on their annual business plans and the specific circumstances in their region. A number of the 56 ACCs bid for an increase in operational funding each financial year. The Department made decisions regarding the operational funding bids for each ACC based on the merits of each case. In 2004-05 the Department provided ACCs with a 22% increase in funding that covered previous years where CPI increases were not paid and expected CPI increases through until 2005-06.