



DEBATES

OF THE

LEGISLATIVE ASSEMBLY

FOR THE

AUSTRALIAN CAPITAL TERRITORY

HANSARD

14 October 1993

Thursday, 14 October 1993

Paper	3461
Stamp Duties and Taxes (Amendment) Bill (No 3) 1993.....	3461
Noise Control (Amendment) Bill 1993	3462
Supreme Court (Amendment) Bill (No 2) 1993	3463
Business franchise fees	3465
Distinguished visitors	3488
Questions without notice:	
Government Service - excess staff	3488
Public transport costs	3489
Government Service - voluntary separation scheme	3490
Universities - staff dismissals	3491
Government Service - voluntary separation scheme	3492
Industrial relations system	3492
Motor vehicle testing stations	3494
Youth centres	3495
Government Service - voluntary separation scheme	3496
Teacher numbers	3497
YMCA Regional Youth Parliament	3498
Paper	3499
Government Service - voluntary separation scheme (Matter of public importance)	3500
Public Service - progress towards separation	3515
Paper	3524
Business development - government policies	3524
Totalcare Industries Ltd - statement of corporate intent	3530
Bushfire (Amendment) Bill 1993	3532
Adjournment:	
Ms Virginia Nicholls	3533
West Belconnen Leagues Club.....	3534
Answers to questions:	
Community Services Award (Question No 858)	3537
Tennent Creek dam (Question No 966)	3538
ACTEW - appointments (Question No 974)	3539
Wright Corporate Group companies (Question No 982)	3540
Wright Corporate Group companies (Question No 986).....	3542
Chief Minister portfolio - advertising (Question No 990)	3544
Treasury portfolio - advertising (Question No 991)	3545
Arts portfolio - advertising (Question No 998)	3547
Environment, Land and Planning portfolio - advertising (Question No 999)	3548
Housing and Community Services portfolio - advertising (Question No 1001)	3550
Appendix 1: Tourism Commission - advisory board	3553
Appendix 2: Band festival	3555
Appendix 3: Supply and Tender Agency	3556
Appendix 4: Air traffic control	3557

Thursday, 14 October 1993

MADAM SPEAKER (Ms McRae) took the chair at 10.30 am and read the prayer.

PAPER

MS FOLLETT: Madam Speaker, I ask for leave to present a petition which does not conform with standing orders as it does not address the Assembly nor contain a request.

Leave granted.

MS FOLLETT: I present an out-of-order petition from 250 residents opposing any cuts in the education budget.

STAMP DUTIES AND TAXES (AMENDMENT) BILL (NO. 3) 1993

MS FOLLETT (Chief Minister and Treasurer) (10.31): I present the Stamp Duties and Taxes (Amendment) Bill (No. 3) 1993.

Title read by Clerk.

MS FOLLETT: Madam Speaker, I move:

That this Bill be agreed to in principle.

This Bill introduces amendments to the Stamp Duties and Taxes Act 1987 to provide for the imposition of duty at concessional rates for asset transfers in domestic situations and for employment organisations complying with changes to Commonwealth legislation. The Bill also introduces anti-avoidance measures in relation to stamp duty on insurance premiums.

Madam Speaker, currently the Act imposes concessional duty on property settlements in accordance with an order of a court under the Family Law Act 1975 or the Married Persons Property Act 1986. Property settlements ordered by the Supreme Court in the dissolution of de facto relationships are, however, fully liable to stamp duty. With the increasing number and community acceptance of de facto relationships, this situation is now considered inequitable. This Bill therefore proposes to provide stamp duty relief for the transfer of property by former de facto couples under a court ordered settlement. In the 1992-93 budget papers changes to the Act were foreshadowed to allow a spouse to transfer property into joint names without attracting ad valorem duty. This Bill will give effect to that announcement by providing stamp duty relief for the transfer of the family home and replace the administrative arrangement that has been in place since the 1992-93 budget. This concession will apply to both married and de facto relationships.

14 October 1993

Madam Speaker, as part of the Federal Government's micro-economic reform package it passed the Industrial Relations Amendment Act 1990, which raised the minimum membership level for federally registered unions and employer organisations. This Bill will provide stamp duty relief for organisations that are amalgamating in order to comply with these changed membership requirements. Transfers of motor vehicles, marketable securities and real property will be subject to concessional duty under these provisions. This initiative will enhance the Commonwealth Government's labour market reforms, give legislative effect to a commitment I gave to the Prime Minister to support such reforms, and bring the ACT into line with New South Wales, Victoria and South Australia. The provision of these additional concessions for the transfer of assets in domestic relationships and between employment organisations is expected to have minimal negative effect on revenues.

Amendments have also been introduced to improve the collection of stamp duty on insurance premiums. Persons providing insurance cover in the ACT will now be required to register with the Commissioner for ACT Revenue, and face greater penalties for non-compliance. Previously such persons were not required to register with the commissioner and were therefore not compelled to lodge a return or to pay the tax. To complement this initiative, persons who insure with unregistered insurers will themselves be liable for stamp duty. This Bill also proposes extending the stamp duty net to include duty on insurance premiums paid outside Australia in respect of a risk located in the ACT. This will correct a weakness in the legislation by dutying not only those premiums received in Australia, as is currently the situation, but also those premiums received outside Australia by overseas insurers. These amendments will provide a more equitable distribution of stamp duty obligations, and ensure that the commissioner is able to effectively assess and collect stamp duty liabilities. I present an explanatory memorandum to the Bill.

Debate (on motion by **Mr Humphries**) adjourned.

NOISE CONTROL (AMENDMENT) BILL 1993

MR WOOD (Minister for Education and Training, Minister for the Arts and Minister for the Environment, Land and Planning) (10.36): Madam Speaker, I present the Noise Control (Amendment) Bill 1993.

Title read by Clerk.

MR WOOD: I move:

That this Bill be agreed to in principle.

The Noise Control Act was enacted in 1988 in order to control excessive noise from residential and non-residential premises. The Act prescribes maximum permissible noise levels for a wide range of noise generating equipment and activities. We are not at this stage going to include the Opposition in that. There are certain activities or noise sources which are covered under other legislation - for example, noise from motor vehicles travelling on a public street, which is covered by the Motor Traffic Act 1936.

The Noise Control Act provides for the issuing of noise direction notices to direct the cessation of excessive noise and for granting exemptions where an activity cannot comply with provisions of the legislation. However, it is unclear whether conditions may be imposed in granting an exemption. The Pollution Control Authority is frequently required to consider requests for exemptions. The ability to impose relevant conditions, for example, specifying the times during which excessive noise may be emitted, is fundamental to effective control and to ensuring that noise impacts can be minimised. The Act also provides for the preparation of a noise control manual which sets out the instruments that may be used and procedures to be followed in determining whether excessive noise is being emitted. The manual is a disallowable instrument, but it is unclear whether amendments to the manual are also disallowable instruments. To date all amendments have been treated as disallowable instruments.

In order to remove any doubt as to the intention of the legislation, the Bill provides for several minor amendments to the Noise Control Act. These amendments will permit the imposition of conditions when granting an exemption and stipulate that an amendment to the noise control manual is a disallowable instrument. The Bill also provides for consequential amendments to the Noise Control Act. This includes providing for appeals to the Administrative Appeals Tribunal in relation to the imposition of conditions on exemptions. I commend the Bill to the Assembly. I present the explanatory memorandum, Madam Speaker.

Debate (on motion by **Mr Westende**) adjourned.

SUPREME COURT (AMENDMENT) BILL (NO. 2) 1993

MR CONNOLLY (Attorney-General, Minister for Housing and Community Services and Minister for Urban Services) (10.39): Madam Speaker, I present the Supreme Court (Amendment) Bill (No. 2) 1993.

Title read by Clerk.

MR CONNOLLY: Madam Speaker, I move:

That this Bill be agreed to in principle.

The Supreme Court Act 1933 became a Territory enactment at the time the Territory assumed responsibility for the Supreme Court on 1 July last year. This Bill is the first really substantial amendment that has been made to the Act since that time. The amendments are wide-ranging in their scope. The main theme is to increase the flexibility and efficiency of the court. A subsidiary theme is to improve the language and structure of the Supreme Court Act. I will touch on the main issues addressed by the Bill.

The first is the creation of a new class of acting judge. The principal members of the court are the Chief Justice and two other justices. The term "resident judges" has been used colloquially to describe the persons occupying these positions.

14 October 1993

The Bill now incorporates that term as a means of simplifying the language of the Act. The resident judges are supplemented from time to time by "additional judges". At present 12 Federal Court judges hold appointments as additional judges. This is a useful arrangement to cope with the short-term demands for additional judicial resources that cannot be avoided in a small court system.

The class of acting judge is being created to give the court greater flexibility in such circumstances. For example, two of the resident judges have extensive entitlements to long service leave. It may not be possible for the Federal Court to release additional judges to cover the shortages on the Supreme Court when judges take such leave. The qualifications for appointment as an acting judge will be either that the person has been a judge of a superior court of record of the Commonwealth, a State or a Territory, or that the person has the same qualifications in terms of legal experience as presently apply for appointment as a resident judge - that is, he or she has been enrolled as a legal practitioner of the High Court or the Supreme Court of a State or Territory for not less than five years.

The second significant issue in the Bill is the composition of the court in proceedings involving the professional behaviour of barristers and solicitors. At present, the Act requires that all stages of such proceedings require a full bench of three judges. The Bill retains that provision but enables the Full Court, in appropriate circumstances, to delegate to a single judge the fact-finding part of the proceedings. Where the court does that, the Full Court would subsequently decide whether the facts as found amount to professional misconduct, and determine what penalty, if any, to impose. This arrangement will enable the court to handle such proceedings in a more flexible way, whilst at the same time retaining Full Bench supervision over the professional conduct of legal practitioners.

Thirdly, the Bill incorporates into the Act the substance of the Commonwealth Supreme Court (Arbitration) Ordinance. That ordinance enables the court to make rules of court for commercial arbitration proceedings. Since the transfer of the Supreme Court it is no longer appropriate for such matters to be addressed by Commonwealth legislation. The Commonwealth has agreed to repeal the ordinance upon passage of this Bill.

The next significant provision in the Bill is found in clause 19, which enables the Executive to extend the term of a person who occupies the office of Master of the Supreme Court. The Master handles much of the routine civil work of the court, leaving the judges to concentrate on the more complex civil matters and criminal proceedings. The present Master, Mr Alan Hogan, was appointed to the office in December 1989 for a term which ends when he turns 65. That will happen early next year. Mr Hogan has made a significant contribution to the administration of justice in the Territory. He is respected by the judiciary and the legal profession, and the public. Mr Hogan has indicated that he would be willing to accept a two-year extension to his term of appointment, and, on behalf of the Government, I thank him for that. Minor amendments made by clauses 17 and 18 will enable future appointments to the office of Master to be made to age 70, the same retiring age as judges.

Clause 21 of the Bill will enable standing appointments to the positions of Acting Registrar and Acting Sheriff. This will be a more efficient arrangement than that which presently applies, where an acting appointment has to be made each time the occupant is absent from duty. In addition to these main amendments, the Bill contains many amendments of a routine and technical nature that will streamline and simplify the Act. In closing, Madam Speaker, I would like to thank the court, and particularly Chief Justice Miles, for useful assistance provided in developing and clarifying this Bill. I commend the Bill to the Assembly. Madam Speaker, I present the explanatory memorandum.

Debate (on motion by **Mr Humphries**) adjourned.

BUSINESS FRANCHISE FEES Motion for Disallowance

MR HUMPHRIES (10.43): Madam Speaker, I move:

That the determination of fees contained in Table 1 of Determination No. 122 of 1993 and made under the *Business Franchise (Tobacco and Petroleum Products) Act 1984* be disallowed.

Madam Speaker, the Follett Government's increase in petrol tax announced in last month's budget is a destructive tax. It was imposed, moreover, by a hypocritical government. For this reason the Opposition today is seeking to have disallowed the increased taxation measures on petroleum under the Business Franchise (Tobacco and Petroleum Products) Act 1984. Within the last two months Canberrans have had their petrol prices rise by 3.5 cents a litre simply on the basis of destructive taxation measures imposed by Labor governments, both Federal and local.

Madam Speaker, the thing that is most annoying about this taxation measure is that it comes from a government which whinges and screams every time the rack price of petrol in the ACT rises. Every time a petrol retailer raises the price of petrol by even half a cent a litre, Minister Connolly is bleating over Canberra's airwaves about retailers, and particularly oil companies, discriminating against motorists in Canberra and the like, saying that it is time for the motorist to fight back. It is all very well for the Government to bleat about petrol prices, but if they do they make a rod for their own back when it comes to increasing the tax payable on petrol by Canberra motorists.

In the August Federal budget the Federal Treasurer announced staggered increases in petrol prices of 5c per litre for unleaded fuel and 10c per litre for leaded fuel. In budget mark 2 or 3, or whatever it is - I have lost track - Mr Dawkins announced that the final stage increase on leaded fuel of 3c per litre would be abandoned. So petrol rose by 3c a litre on the night of the Federal budget. Motorists at that time felt betrayed - and, I think, rightfully so. It was against this background that the ACT Government framed its own budget in September - the background being a further 2c per litre rise on leaded fuel and 1c a litre on unleaded fuel, to take effect in February 1994, at the behest of the Federal Government. Not satisfied to leave it there, the same increase is to be repeated in October 1994. The worrying feature is that between now and when these increases are finalised we have another Federal budget and possibly another ACT budget to come down.

14 October 1993

Madam Speaker, looking at the measures announced in the ACT budget, one cannot help making mention of the absolute debacle that occurred one day before the October long weekend. The Chief Minister said in her budget speech in September:

From 1 November the fuel franchise fee, which has been frozen for the last three years, will be restored in real terms to the same level as in New South Wales, and it will be indexed in the future. The fee will rise by approximately 0.5c per litre and will raise \$700,000 in 1993-1994, or about \$1m in a full year.

Madam Speaker, on 30 September the Prices Surveillance Authority notified oil companies, who in turn notified their retailers, that they had approved price rises of 0.5c per litre in line with an increase in the franchise fee charged by the ACT Government. Many retailers were able to hold off passing their price rises on to consumers while they utilised their existing stocks of fuel.

It was staggering news to the Government, though, apparently, that the price rise was to come in a month ahead of schedule. My inquiries with several retailers and the Motor Trades Association indicated that government officials were, as late as the afternoon of Thursday 30 September, telling retailers that there would be no price rise until 1 November. On 1 November the business franchise fee becomes payable for November, based on sales made during the previous month. The problem is that no-one in the Government quite realised what was meant to occur as far as the implementation date was concerned. I perused the Business Franchise (Tobacco and Petroleum Products) Act, and in particular section 3A, which I quote. It is not a particularly easy Act to understand, but it says:

In this Act, a reference to a relevant period in relation to an application for a licence, or for the renewal of a licence, in respect of a month the name of which is specified in Column 1 of the Schedule shall be read as a reference to the last preceding month of the name specified in Column 2 of the Schedule opposite the name of the first-mentioned month.

When we look at that schedule, for the month of, for example, November, specified in column 1, we see under column 2 not October but September.

Ms Follett: Two months. Read the Act. That is right.

MR HUMPHRIES: That is right. So petrol prices are couched in terms not of what is happening in a particular month in which the fee is paid - - -

Ms Follett: No, two months beforehand.

MR HUMPHRIES: But two months before. Exactly, Chief Minister. Madam Speaker, we have a situation where, if retailers are going to be paying an increase in their business franchise fees from 1 November, for example for the month of December, which is one month after that point, they will have to be collecting additional revenue in order to pay that tax as from a date two months before that point.

Mr Connolly: No. They have chosen to do that.

MR HUMPHRIES: No. That clearly is what the Act says. You do not look at what has been collected in the month in which the tax is actually payable; you look at the period two months beforehand. The Chief Minister just acknowledged that fact. You cannot do that without making some compensating - - -

Ms Follett: The new tax still applies from 1 November.

MR HUMPHRIES: You cannot make that adjustment without compensating for the amount that you are collecting from the consumer.

Madam Speaker, such a debacle even spurred the Minister for Consumer Affairs into breaking his media silence on 1 October to blame - you guessed it - the oil companies for the price rise. I was contacted on 30 September by several retailers, one of whom provided me with a copy of the directive he had received from his company which told him that the Prices Surveillance Authority, which appears to be much less informed about what goes on in the ACT than does the ACT Government, had approved the increases effective from the opening of business on Friday, 1 October 1993. The Prices Surveillance Authority confirmed to my office that afternoon that they had approved this price rise on the basis that the business franchise fee increase would become effective on 1 October 1993 for payments to be made on 1 November 1993.

Ms Follett: They were wrong.

MR HUMPHRIES: The ACT Government knows better than the Federal Government's Prices Surveillance Authority! I admire your courage, Chief Minister. The fact of life is that the practice of previous years has been to increase the fee for the month preceding the month in which the increase is actually collected. The Chief Minister knows that that has been the practice. The Minister for Consumer Affairs, so called, knows that that is the practice. He conceded that that was the case in the Estimates Committee hearing. The fact of life is that it has always been the practice in the ACT, has it not? It has always been the practice to collect it a month in advance, has it not?

Mr Connolly: We have never had an increase. What was the previous increase? You tell us about that. You were in Cabinet then. How much was it?

MR HUMPHRIES: That may be. I will come later on to the increase that you condemned, Mr Connolly. The fact of life is that Mr Connolly knows and Ms Follett knows that it has always been the practice to increase that fee from the month before.

Madam Speaker, during debate on the Fair Trading (Fuel Prices) Bill early last year, and again this year, the Assembly debated at length the merits or otherwise of imposing government price control on petrol. In his conclusion to the debate Mr Connolly said:

The Government has proposed a range of moves to intervene in this market, which will, in the Government's view, result in a lowering of petrol prices and a fair deal for Canberra consumers.

14 October 1993

Frankly, Madam Speaker, the only way Canberra consumers will get a fair deal for their petrol consuming needs is for Labor to withdraw their iniquitous increase in petrol tax, whether it is a Federal Labor tax or a State Labor tax.

Some discussion of the extraordinary tax burden on motorists is highly appropriate in dealing with this motion today. Today in Canberra petrol is priced at 76.9c per litre. Of this, a massive 40.8c per litre is paid as tax to the Federal and local Labor governments. The taxation on petrol now represents a total of 53 per cent of the total price that motorists pay at the bowser. Fancy the Government pointing the finger at somebody else. That burden, Madam Speaker, is unacceptable. The burden from the ACT Government alone stands at 7c of that 76.9c per litre, or 9.2 per cent of the total price of petrol. Once, motorists used to fill their tanks, getting a lot of petrol and paying a little bit of tax. Now, they pay a lot of tax and get a little bit of petrol. It seems to me outrageous.

The Government, which is part of a cartel, in effect, which systematically rips off consumers half the price they pay for petrol, really has not much credibility when it comes to criticising petrol retailers and oil companies for the prices they charge for their products. Fuel products are one of the few products on the market where governments get over half the retail price remitted to them as taxation when they provide none of the product. They disguise their taxes by calling them business franchise fees, government royalties, product excise, resource rent and the like. Ultimately, of course, they are taxes. As the Chief Minister herself noted in 1990, taxes of this kind have a major impact, particularly on businesses in the ACT. They have a major impact on the way in which those businesses can do their business and employ people. I have said before - and I continue to say it - that, every time Canberra motorists fill their tanks with petrol and go in to pay the bill at the counter in the service station, standing next to the attendant, with hands reaching into their pockets, are Ms Follett and Mr Dawkins.

While so many Canberra consumers grow angrier and angrier at the price of petrol in this town, with some justification, their anger is often taken out on the retailer. I have had countless calls from retailers saying that they are sick of having motorists abusing them for the increase in petrol prices when in reality they are doing the Government's dirty work for them. It is worth looking at the breakdown of the 76.9c a litre that people are paying for petrol in the ACT. Of the price, 43.4 per cent is going to the Commonwealth Government in resource rent tax, royalties and product excise, and 9.2 per cent is going by way of a so-called business franchise fee to the ACT Government, making a total government-type grab of 52.6 per cent. The oil companies are getting 40.8 per cent of the total price - less, I might note, than the Federal Government gets - and the retailers, the object of so much ire from this Minister opposite in recent months, get a grand total of 5c a litre, which is 6.5 per cent of the total price that is paid at the bowser.

I hardly think the retailer deserves that much attention in this debate. There are a great many people who come ahead of him or her in the course of this debate. I am very concerned that Canberra's petrol stations are becoming revenue raising stations for the ACT Government. The problem with this scenario is that petrol stations are businesses and they should not have to wear the odium of decisions which are utterly beyond their control.

Madam Speaker, I have announced today that I intend to commission legislation to be brought before this chamber to amend the Fair Trading (Fuel Prices) Act 1993 - Mr Connolly's measure of earlier this year - to require all petrol stations in the ACT to display prominently a notice breaking down all the taxation levied by the Commonwealth and ACT governments on petrol. This notice will be required, under the proposal, to list the amount in cents per litre and the percentage of the per litre price of petrol payable to the Government of the Commonwealth or of the Australian Capital Territory for each tax or charge that forms part of the retail price. Also, the notice will be required to display the oil company's price and the retailer's margin. That, Madam Speaker, will provide information for an educated community, an educated consumer, an educated electorate. Canberra's consumers have a right to know what proportion of taxation this Government and its Federal mates charge them for petrol. Right now, as I said, over half the price paid by consumers for their petrol goes to governments, either Federal or local.

I need not remind members that, had a coalition government been elected on 13 March this year, the price of petrol on 1 October next year would be 26c a litre cheaper for leaded fuel and 24c a litre cheaper for unleaded fuel than with the levels of taxation imposed by the Federal Labor Government. Petrol stations are being used by Labor as tax collection stations. Labor has set out to make as much money as possible from the petrol pump. The point I make, Madam Speaker, is that high government charges for petrol are not inevitable. They are not just a fact of life. They can be changed. ACT consumers expected a lot better of the Government, this ACT Government particularly, than to increase the price of petrol in the last budget. A government which prides itself on so-called social justice - what a tattered phrase "social justice" is - sickened the electorate by first raising the price of petrol and then hitting home users of diesel fuel with a large tax on their home heating bill.

In fact, one only has to look at the record to see what Ms Follett said before on her Government increasing petrol prices by using the business franchise fee. (*Extension of time granted*) Ms Follett told the Assembly on 29 June 1989:

The ACT Government will not be introducing the petrol franchise tax that has been introduced by the New South Wales Government, so there will be no rise in ACT petrol prices brought about by action of this Government, I can assure you of that.

Mr Cornwell: Who said that?

MR HUMPHRIES: That was Ms Rosemary Follett, then Chief Minister of the ACT, in 1989. She said:

... there will be no rise in petrol prices brought about by ... this Government ...

What rubbish!

Mr Connolly: In 1989.

Ms Follett: That was the previous Government, I should point out.

14 October 1993

MR HUMPHRIES: Oh, in 1989. There was a use-by date on that promise. It should have had a little footnote, as they do on TV ads, saying "This is a limited offer only. It expires in three years' time. We will bill you. Send no money". Goodness me! You cannot masquerade as the friend of consumers one day and be their collector of tax the next.

Madam Speaker, when the Alliance Government raised the business franchise fee on petrol in 1990 it pledged that it would be for a fixed two-year period to pay for hospital redevelopment. At the time the Labor Opposition predicted that it would become a permanent feature of Canberra's taxation system. Ms Follett got on the radio and the television and she said, "This Government will not take that tax off after two years; they will keep it going. Aren't they nasty". Of course, Madam Speaker, she was right. The Government did leave the tax on petrol. But, of course, she did not mention that it was not the Alliance Government which was to do that; it was her own Government. She knew, she could predict accurately, what was going to happen because she had it in her own mind to do that very same thing. In Labor's eyes, Madam Speaker, the Government had no intention of repealing the determination of fees after two years. It is this Labor Government which has refused to reduce the petrol franchise fee in line with the commitment given by Mr Kaine in 1990, and it is this Labor Government which has increased the price of petrol yet again. When it comes to the crunch they see the consuming public of Canberra as milch cows.

Madam Speaker, the Leader of the Opposition pledged to Canberrans in her address in reply to the budget that the Liberal Party would take a stand for Canberra motorists by opposing this most recent increase. This motion shows our commitment to lowering the tax that governments levy on petrol. No-one doubts the need to raise some revenue from petrol sales. The Labor governments have systematically ripped off Canberra motorists without addressing the real need for cheaper prices. Let me quote what Ms Follett, the champion of the motorists, said on 13 September 1990 when talking about the people paying additional petrol prices:

Those Canberrans are already facing enormous price hikes, along with the price uncertainty associated with the Middle East crisis. We should also remember that, whether we like it or not, Canberra has been built for cars. Our public transport system at this point is not adequate.

It is hardly more adequate today, is it? She continued:

While this Government has talked a lot about improving public transport, it has done very little other than put up the bus fares. We must remember, when listening to this lazy Government, that talk is cheap.

Well, you have not been lazy. You have been very proactive when it comes to increasing petrol prices; I give you that much. Madam Speaker, instead of getting cheaper petrol prices, all we have got from this Government is higher tax. Today is the day to stand up against those progressive increases and higher tax.

MS FOLLETT (Chief Minister and Treasurer) (11.04): Madam Speaker, the motion that Mr Humphries has moved today seeks to disallow the part of Determination No. 122 of 1993 which provides for the increase in petroleum and diesel fuel franchise fees in the ACT, although we have heard precious little about that diesel fuel franchise fee. In my view, this revenue measure, which is a significant and of integral part of the Government's overall budget for 1993-94, is a minimal tax increase and one that is clearly necessary in the budgetary position that the Territory faces. As members know, the Territory has not increased its petrol fees in three years, ever since Mr Kaine first put them on. This determination seeks to restore the real value of the fee in the ACT and, incidentally, to bring it into line with that in New South Wales, where, if my memory serves me, we have a Liberal government.

The disallowance that Mr Humphries is proposing would only result in this source of revenue shrinking, and continuing to shrink in real terms. If you look at the limited revenue base that the Territory has, that is, I think, a burden that people ought to be aware of. Disallowance of the determination would also mean that the Territory would continue to be inconsistent with New South Wales tax measures, but with no price benefit whatsoever to ACT motorists. We know that there would be no price benefit whatsoever to ACT motorists by our maintaining a taxing regime that is lower than that of New South Wales. We know that because we have been doing it for three years, and throughout that period petrol prices have remained substantially higher in the ACT than in New South Wales. We learn from experience over here, Madam Speaker, and it is abundantly clear that the ACT's tax on petrol has nothing whatsoever to do with the price of petrol.

As I stated in my budget speech, the level of petrol prices in the ACT is, of course, of concern to the community, and it is of concern to the Government. We have an ACT working party on petrol pricing which found that those franchise fees, as I have just said, are in no way the cause of the price disparity between Canberra and Sydney. Mr Humphries conveniently overlooks that finding. He prefers to go on with his political point scoring and his cheap throwaway lines, ignoring any authoritative evidence that might contradict his claims. Furthermore, Madam Speaker, as I have said, there is absolutely no evidence to suggest that continuing to contain those fees would have any effect on a containment of consumer prices.

The Government's commitment to the reduction of petrol prices was demonstrated in my announcement of the Government's intention to encourage independents into the local market and thereby counteract the lack of competition, and we are going through with that. Mr Connolly will address that matter further. The Government believes that this is a far more effective way of lowering the fuel prices to motorists. Madam Speaker, disallowing the determination will result in a windfall gain to oil companies - nothing more. Anybody who believes that that would be passed on to the ACT petrol purchaser, the consumer, is living in cloud-cuckoo-land. After three years of experience have you learned nothing? Members know full well that the Prices Surveillance Authority has authorised the fuel price increases related to the fee increase from 1 October, and disallowance of this determination will not result in the return of price increases to the ACT motorists. I will come back to the PSA in a moment.

Finally, Madam Speaker, I would remind the Assembly that Mr Humphries was a Minister in the Government which, in 1990, increased the franchise fees on petrol in the ACT by more than 85 per cent. The utter and appalling hypocrisy of his comments today, I think, would leave people just about speechless, Madam Speaker. By contrast, the 0.5c increase in the fee which is proposed in my determination is a comparatively modest increase of 7.8 per cent, compared to 85 per cent. What hypocrisy! Madam Speaker, I urge members of the Assembly to reject Mr Humphries's motion, which should be seen for what it is - an attempt by the Liberal Opposition to obstruct the governance of the Territory by denying the Government one of its revenue measures.

The additional \$1m that will be raised by this increase in petrol fees is an important part of the Government's overall budget strategy, and it is important for the provision of services to this community. As an Assembly you simply cannot expect to keep trying to remove revenue and at the same time maintain services. I find it an extraordinary move from the Liberals, Madam Speaker, because we have heard nothing from them recently except their intention to spend more money. They have urged us to spend more on health, they have urged us to spend more on education, and at the same time they are trying to reduce the taxes. Money just does not grow on trees and we must have an income in order to provide services. I think, Madam Speaker, that their position on this is entirely irresponsible. It really is just political posturing.

I would like to address Mr Humphries's remarks about the PSA and the date of effect. Madam Speaker, our petrol tax is a franchise fee; it is a licence to trade in the future. True enough, it is calculated by reference to a past period - the period two months previously. But this reference is an indication of activity for the relevant licence month; it is not the rate. It is merely used as an indication of activity, and the licence is a licence to trade in the future. The franchise scheme is not a tax on past sales. I think Mr Humphries misunderstood that. The Territories and the States, of course, are not allowed to levy such taxes; they would be excises.

Madam Speaker, the fact that the scheme is not a tax is borne out. If a licensee ceases to trade, or this determination is disallowed, the licensee will keep the fees previously passed on to consumers. For this reason, when the Government has previously increased franchise fees, namely, tobacco fees, we have not given licensees time to unfairly pass that fee on to consumers before the Government begins to collect the fees. So we have not done what Mr Humphries has accused us of doing. In fact, I have written to the Federal Treasurer, Mr Dawkins, raising my concern about and my disagreement with the action that the Prices Surveillance Authority took on this matter on this occasion, and urging them to consult with the ACT Government if they wish to take such action in future. We will tell them when to do it, because they have got the timing wrong.

There is one further matter, Madam Speaker, which I wish to address. I think it may well be an unintended consequence of Mr Humphries's motion today. I hope that it is unintended, because if it is not it would be the height of irresponsibility. Mr Humphries's motion seeks to disallow table 1 of Determination No. 122, which sets the franchise fees. Madam Speaker, the preamble to the determination revokes all fees; it revokes the previous determination. If Mr Humphries's motion were to be passed, the Assembly

must be aware that it would not be denying the Government the \$700,000 in this year or the \$1m in a full year that would be gained by the increase in the petrol franchise fee; rather, the effect of a disallowance, as worded by Mr Humphries, would be to revoke petrol franchise fees and diesel fuel fees in their entirety.

That would cost this Territory, and the budget of this Territory, Madam Speaker, some \$26m. How on earth the Opposition thinks the Territory can cope with having \$26m wiped out of its budget is just beyond belief.

Mr Berry: They do not have to care. They are in opposition.

MS FOLLETT: No, they do not have to care. In moving to make their cheap political points they have, in fact, portrayed a lack of understanding of even the most basic drafting of a motion, Madam Speaker. Members must be aware of that. You are not looking at what the Government has done in this budget; if you pass this motion, you wipe out \$26m a year. It would not be possible, Madam Speaker, under our standing orders, for the Government to reintroduce a determination for another six months.

Madam Speaker, I presume that Mr Humphries did not intend such a dramatic consequence of his motion. I think I am probably being generous, because all we ever hear from the Liberals is, "No taxes, no taxes; but spend more". "All it takes is money", Mrs Carnell has said on television. This is, in my view, a demonstration that this Opposition has no concept of what it is to be in government, and never intends to be either. Like their Federal counterparts, they are merely intent on bringing down the Government's budget if they possibly can, and by any means that they can - by fair means or foul. The means they are employing today are, indeed, foul. They are irresponsible and they deserve to be denied by this Assembly.

MR DE DOMENICO (11.16): Madam Speaker, I am happy to support the motion put forward by Mr Humphries. Let us have a look at the situation, Madam Speaker. First of all, Ms Follett, in her budget speech, stood up and said that any difference in the diesel fuel excise is going to affect a very, very small number of people. We found out yesterday that it is 2.5 per cent. Then this morning she stood up and told us that it is only a minimal tax increase anyway. She also said that it is of concern; that they are very concerned that they have to put on these extra taxes. Then she said that if we did not increase the taxes it would not be any cheaper because we would not find anything being passed on to the consumer. Then she said that all we are here to do is to obstruct the Government. She did not mention the fact that any increase in the fuel price automatically increases the price of every other product that people buy, for a start.

She told us that in the future Mr Connolly is going to stand up and tell us how he, marvellously, is going to reduce the price of petrol by introducing independent operators. She is not going to send oil companies out of business. The only people who are going to be sent out of business are our local retailers. But then, Mr Connolly has never attacked the local retailers. Never let it be said that Mr Connolly has ever attacked anybody.

14 October 1993

Mrs Carnell: He is just going to send them broke.

MR DE DOMENICO: He is just going to send them broke; that is right. Let us have a look at the situation. As Mr Humphries said, under a Federal Liberal government, whether these people over here like it or whether they do not, it would have been 26c a litre cheaper.

Ms Ellis: It was not just us.

MR DE DOMENICO: I am glad that Ms Ellis interjects. She says, "It was not just us". You are right, Ms Ellis, because it was - - -

Mr Lamont: You cannot slither out from this one.

MR DE DOMENICO: Let me attempt to slither out, as you say, Mr Lamont. Who was it who rammed through the Federal Parliament the 5c per litre increase - and more, if you use unleaded fuel? Let us have a guess at who rammed that through the Federal Cabinet. It was the Federal member for Canberra, the Minister for the Environment. She is the one who said, gung ho, "We have to increase the price of petrol". Do you know why? I actually had a look at her briefing notes. They said, "Recommended way of you trying to sell this, Mrs Kelly: Tell them about the fact that all kids are going to suffer brain damage". But when we have a look at a report prepared by Mr Connolly's Department of Urban Services, it says that, notwithstanding what Mrs Kelly bleated all over the countryside, in fact the ACT is miles and miles below the recommended average. Guess where it was even better than that. In Mrs Kelly's supposed new electorate in Tuggeranong.

Mr Lamont: Mr Deputy Speaker, I take a point of order. I refer you to standing order 62 in relation to relevance.

MR DEPUTY SPEAKER: This matter is, I think, on a question of petrol franchise fees, Mr Lamont.

Mr Lamont: No, it is not. With respect, Mr Deputy Speaker, the question before the house is one of - - -

MR DE DOMENICO: It hurts, does it not, Mr Lamont? The truth hurts, does it not?

Mr Lamont: No, it certainly does not. The question is the disallowance of table 1 of Determination No. 122 of 1993. The tedious repetition and irrelevance of Mr De Domenico's comments should be ruled out, pursuant to standing order 62.

MR DEPUTY SPEAKER: I do not rule that there is tedious repetition. I am sure that Mr De Domenico will be getting back onto the matter after a slight digression.

MR DE DOMENICO: There is no doubt whatsoever about that, Mr Deputy Speaker. We have here a situation where we have the Federal Labor Government and the local ACT Labor Government, in a sweep of the pen in the same year, increasing the price of petrol to the ACT community. It was not done by Liberal governments. The Federal Labor Government and the ACT Government are increasing the price of petrol and diesel fuel for the ACT community. I will get back onto diesel fuel in a minute.

Mr Berry: There is nothing wrong with that. What is wrong with that?

MR DE DOMENICO: Mr Berry says, "There is nothing wrong with that". Let the record show that Mr Berry says that there is nothing wrong with the Federal Labor Government and the ACT Labor Government increasing the price of petrol to the consumers in the ACT.

Mr Berry: And that he says that it is a good tax. It is a good tax.

MR DE DOMENICO: "It is a good tax", Mr Berry is saying. Okay. You explain to the people in Tuggeranong, Mr Berry, and in your future electorate in Belconnen, if that is where you intend to stand, that you agree that you ought to increase their taxes and that it is a good tax.

Mr Berry: It is a good tax.

MR DE DOMENICO: That is wonderful. It is a good tax, and it is social justice, too, is it not, Mr Berry?

Mr Berry: It will help provide it.

MR DE DOMENICO: It will help provide social justice. Up the taxes and that improves the social justice. And who can least afford it? The very same people that Mr Berry laughs at every time he stands up here and pretends to look after them, in social justice.

Mr Deputy Speaker, I have digressed. Let us talk about the diesel fuel that Ms Follett bleated about. It is also a fact of life, Mr Deputy Speaker, that people who use off-road machinery that uses diesel fuel will be able shortly to buy their diesel fuel in Queanbeyan for 7.08c a litre less than they will be able to buy it for in the ACT. That is the fact of life that Ms Follett perhaps does not realise - or perhaps she does. It will cost 7.08c less to buy diesel fuel in Queanbeyan than in the ACT. Guess where all those companies that buy diesel fuel now are going to buy their diesel fuel. Are they going to buy it in the ACT? Of course they are not, because they will be able to get it cheaper across the border in Queanbeyan. Where will the franchise fee then go? To the New South Wales Government, not to the Government of the ACT. That is social justice for you, once again.

Let us look at Mr Connolly and what he has said over the years. Mr Connolly came in here and said, "I am the one who is going to save you; I am going to cut the cost of petrol". He was on a program before the last election, as Minister for Urban Services, and he was asked a question by the reporter, who said, "Mr Connolly, the Liberal Party has promised to remove the 3c per litre. Are you prepared to offer the same promise?". Mr Connolly did not say yes or no. He said, "That is an area that is not under my jurisdiction. You will have to ask Ms Follett that". He was not prepared to answer the question himself.

Mr Lamont: Dear, oh dear; \$26m, 540 teachers.

MR DE DOMENICO: So Mr Connolly comes up here and talks about how he can reduce the price of petrol by sending the local retailers broke.

14 October 1993

We have heard the litany that everybody else is to blame. Mr Connolly and Ms Follett, in turn, have blamed the Prices Surveillance Authority; they have blamed the Industry Commission at various times for things, saying that they are wrong as well and the ACT Government is right; they have blamed the local traders; they have blamed wholesalers; and they have blamed oil companies. But, with the stroke of a pen, Labor governments, federally and in the ACT, have increased costs for motorists by over 5c per litre. That was not done by anybody else. Mr Humphries covered this quite adequately. He pointed out that 40.8c or 53 per cent of the money that people hand over at the petrol pump goes into the pockets of these people across the way here and their mates up on the hill. Fifty-three per cent of every dollar that is spent on petrol goes to this mob over here.

Mr Lamont: Mr Berry, with a loss of \$26m, Mr Humphries will probably suggest that we open Acton hospital soon.

Mr Berry: Twenty-six million dollars is about eight wards in a hospital.

MR DE DOMENICO: Don't you talk about hospitals. If you want a debate about hospitals we will have you on any time. As I said, Ms Follett has said nothing about the impact on business. As I have said before, the price of everything goes up because of transport costs. She continues to say that it is a very small number and a minimal tax increase. It is humbug to talk about social justice. It is humbug to talk about these things. What they are saying is, "Listen, it is not good enough for a retailer to get 5c a litre. We want to make them go broke by introducing independents". There you go.

Ms Ellis: We will sell so much petrol; it will be so cheap.

MR DE DOMENICO: Ms Ellis interjects. Ms Ellis finds it hard to realise that it was Mrs Kelly, as Federal Minister for the Environment, who upped the price of petrol again.

Mr Lamont: Mr Deputy Speaker, I refer to standing order 62.

MR DE DOMENICO: Mr Deputy Speaker, we are talking about the price of petrol, and whether Mr Lamont likes it or not, it has been the Labor governments, federally and here, that have upped the price of petrol.

Mr Lamont: Mr Deputy Speaker, I again rise, pursuant to standing order 62. Not only is this irrelevant; it is becoming repetitious and tedious. I think it is the height of hypocrisy for the person who will now be referred to as the \$26m man to make these sorts of accusations.

MR DEPUTY SPEAKER: Mr Lamont, are you making a speech or are you raising a point of order?

Mr Lamont: It is a point of order.

MR DEPUTY SPEAKER: Thank you. Mr De Domenico, I am sure that you will get back to the topic.

MR DE DOMENICO: I have been there all the time. Noting the sly smile on Mr Lamont's face, I know that he is trying very hard to put me off. I will continue to say what I want to say, notwithstanding that Mr Lamont, Mr Berry and Ms Ellis might not agree with me.

Mr Berry: No; Labor is on a winner here.

MR DE DOMENICO: Mr Berry says, "Labor is on a winner here". Mr Berry, you wish.

Mr Humphries: Mr Popularity.

MR DE DOMENICO: Mr Popularity. Mr Berry says that Labor is on a winner. Everything that Mr Berry touches, Mr Deputy Speaker, goes sour, and his mates behind him know that. Everything that this bloke touches goes sour. He is the greatest political pyromaniac in this Assembly. Mr Deputy Speaker, with the greatest respect, it is Labor federally that has increased the price of petrol. It is Labor here in the ACT that continues to increase the price of petrol. When are they going to wake up to themselves?

MR CONNOLLY (Attorney-General, Minister for Housing and Community Services and Minister for Urban Services) (11.26): The lesson that the Liberal Party obviously learned from their rejection by the people in the last Federal election is that the role of the Opposition is not to attempt to put a rational policy before the people, not to attempt to cost your promises and to come up with something rational; it is just to engage in platitudes, populism and promises such as, "You do not like a tax; we will abolish it", "You would like more services; we will give you more services", or "You want more subsidies; we will spend more on subsidies".

Mr Humphries gets up this morning and he says, "We do not like petrol taxes; they are ripping off the motorist; we will abolish them". With one stroke of the pen he will abolish \$26m worth of taxes. That is, as Mr Lamont pointed out, 540 teachers; but, of course, you do not want us to sack any teachers. You want us to employ more, according to Mr Cornwell in this morning's paper. To put it even closer to Mr Humphries's heart, \$26m works out to precisely half of the police budget. So shall we slash the police budget by 50 per cent to cover our \$26m? Or do we have to pay for it at all? What is the approach of Mrs Carnell, the chief issuer of platitudes and populist pap in this Assembly? I thought it was an embarrassing gaffe that she made on ABC radio, but she keeps repeating it. Her approach is, "You just need to spend more money. Just spend more money; it is not a problem".

Mrs Carnell: That is not what I said.

MR CONNOLLY: You said it again this morning, Mrs Carnell - "All it takes is money". Mr Deputy Speaker, I do not know how you can hold your head up in a party which takes this absurd populist pap approach to issues of public finance.

MR DEPUTY SPEAKER: You are not reflecting on the Chair, I hope.

MR CONNOLLY: Not on your performance as Chair, Mr Deputy Speaker. The public are not stupid; the public are not fools. Politicians who promise the world, saying, "You want more spending; we will give you more spending. You do not like taxes; we will abolish your taxes", are regarded as a joke by the public. If the Liberals think they are making a point here they are woefully mistaken. Mr Humphries's brave performance - - -

14 October 1993

MR DEPUTY SPEAKER: Order, Mr Attorney! It being 45 minutes after the commencement of Assembly business, the debate is interrupted in accordance with standing order 77 as amended by temporary order.

Motion (by **Mr Berry**) agreed to:

That the time for the discussion of Assembly business be extended by 30 minutes.

MR CONNOLLY: These sorts of platitudes are seen through by members of the public. I said that Mr Humphries was particularly brave in moving this motion this morning, because he was a member of a Cabinet that just about doubled the rate of tax. As the Chief Minister pointed out, it was an 85 per cent increase that he presided over and he is now attacking us for this increase of a bit below 8 per cent; so it is a very brave and robust performance from Mr Humphries.

Mr Deputy Speaker, there was one pleasing aspect to this morning's debate, and that was Mr De Domenico's robust statement that the Liberal Opposition is firmly opposed to the Government's policy of getting independents into the Canberra market. I am delighted to hear that, because when we get proper market competition in this market as a result of our getting independents, and when we see the price of petrol coming down in Canberra to reflect a more realistic approach to marketing, I want to stand in front of those price signs and say, "The Liberal Party opposes this; they want you to pay the old prices".

The argument that the Liberal Party has put here, and it may be superficially attractive, is that the high price that the Canberra motorist pays for petrol is due to the ACT Government's taxes. Mr Deputy Speaker, that is simply nonsense. The taxation regime that applies in the ACT is now identical to the taxation regime that applies in New South Wales. Mr Deputy Speaker, what is the price of petrol? With an identical taxation regime you should see broadly comparable prices of petrol. Let us accept that there is a 1.8c freight margin to take petrol from Sydney to Canberra. Everybody says that that is too high; but the PSA has approved it, and that is another story. Let us accept that it is a realistic 1.8c margin.

What is the prevailing price of petrol? On Friday of last week the price of petrol in Canberra was 75.9c per litre, with our taxation regime. The average price in Sydney was 66c per litre, but it was selling on the weekend, according to reports I have, for as low as 62c. Mr Stevenson interjected earlier on, saying that it was 59.8c at some site in Sydney over the weekend. Madam Speaker, there is something wrong, is there not? There is something wrong here. How can you have high prices caused by taxation when you have an identical taxation regime and petrol is selling at between 15c and 16c per litre higher in the ACT than in Sydney? There is something seriously wrong.

The Canberra retailers are paying the maximum permitted wholesale price for their petrol, taking into account all the taxation, Federal and State. The maximum permitted wholesale price at the moment is about 72c per litre. That is what the PSA says is the maximum permitted wholesale price. How is it possible that Sydney motorists are paying 10c less than the maximum wholesale price? I will tell you how it is possible. It is because the price competition that is operating in the Sydney market means that the oil companies are supplying petrol to their Sydney retailers at a price massively lower than that at which they are supplying - - -

Mrs Carnell: Is this relevant, Mr Lamont?

MR CONNOLLY: It is very relevant, Mrs Carnell. You are locking yourself into opposing the Government strategy on getting independents into this market. That could be one of the biggest political mistakes you dills have made. You make plenty of them, so I will not stick to that statement.

The price competition that is operating in the Sydney market, which has been led by the presence of independents, is producing petrol to the motorists at 10c less than the retailers are paying in the ACT. The oil companies are treating the Canberra motorists as suckers. They are treating the Canberra retailers as suckers. They are consistently making Canberra retailers pay the maximum permitted wholesale price, and everywhere else in major cities they are discounting heavily. The average price in Brisbane is 64c a litre. In Hobart there are, one would assume, significantly higher freight costs because it has to go into a ship and be carted down to Tassie. In Hobart they are paying 68c. In Adelaide it is 73c. The price of petrol in the ACT is consistently the highest price in a capital city.

"What about regional markets?", you might say. We have seen recently, on the south coast around Nowra, the presence of an independent marketing chain operating down there. That has had a dramatic effect on prices, and how is that? "You are going to send the retailers broke", says Mr De Domenico, "so you should not bring in independents". We should not bring in independents; is that right?

Mrs Carnell: No; we should have independents, on a level playing field.

Mr De Domenico: No; you listen carefully. I disagree with the way you are going to do it.

MADAM SPEAKER: Mr De Domenico, order! Mr Connolly, please address your remarks to me.

MR CONNOLLY: Indeed. In fact, I was pointing my finger, but not at you. I was gesticulating and it was in your direction. I was addressing the Chair, Madam Speaker.

When you get an independent into a market the oil companies have consistently shown that they will adjust their wholesale prices to compete, and that is what we will see in the ACT. If we were charging a higher taxation regime than surrounding New South Wales we would be subject to fair criticism. I would accept that. For some two years this Government deliberately kept the franchise tax in the ACT lower than that in surrounding New South Wales because we had a vain hope that, by holding that tax lower, we might have a beneficial impact on prices in the ACT. Yet consistently, for the last two years, we have had higher prices in Canberra than in New South Wales - not only the normal 10c margin between here and Sydney, but often higher prices than in Queanbeyan, just across the border, where they were paying higher taxes.

Mr De Domenico: What about diesel fuel?

MR CONNOLLY: Madam Speaker, in relation to diesel, Mr De Domenico is saying that everyone will buy their diesel in New South Wales as opposed to the ACT. Anyone who follows Mr De Domenico's advice could be in big trouble. Anyone who is buying diesel in New South Wales for the ACT, taking advantage of the New South Wales tax exempt provisions, may be put in gaol by the New South Wales Government because they would be significantly breaching New South Wales taxation laws. If Mr De Domenico is urging that people run across the border and commit fraud on the New South Wales revenue office, which is typical, that is fine. They would also be committing an offence in the ACT. If Mr De Domenico is urging that people race across and try to use a taxation advantage in New South Wales which they are not entitled to, it is very foolish and irresponsible advice; but it is to be expected from the Liberal Party.

Madam Speaker, this populist, platitude-ridden pap that we get from the Opposition - "We do not like a tax, so we will abolish it"; \$26m worth of revenue wiped from the floor - is just nonsense. It will be seen as nonsense by the public.

Mr De Domenico: Get real, mate. Come into the real world.

MR CONNOLLY: Mr De Domenico's interjection about getting into the real world is something that the Liberal Party should consider very seriously in their party room in the future, because this sort of populist nonsense will get them nowhere. Madam Speaker, we are unhappy about petrol prices in the ACT, as is the overwhelming majority of Canberra motorists. Through our strategy of getting independents into this market, which the Opposition opposes, we will start to see some market pressure here to get lower prices. When that happens I will be the first to remind the public that Mr De Domenico is opposed to what we are doing.

MR KAINE (11.37): Once in a while we get an interesting debate in this place, and this is one of them. We see Mr Connolly and the Chief Minister squirming because of the position they put themselves in. They are caught between a rock and a hard place. Mr Humphries made the point at the beginning. Consistently over the last four years the Chief Minister has said, "We will not put petrol tax on; not us, not the Labor Government. We will not do this. Those Liberals are the villains. They will put the petrol tax on". Where are we now? We have over 4c a litre on local petrol, all put on by this Government. We can argue about how it all happened, but every time somebody buys a litre of petrol in this town they are paying 4c a litre to this Government, and this is the Government that said, "We are not going to put taxes on petrol. Only that lot over on the other side would do that".

Now we have the double standard. We have Mr Connolly standing up and trying to defend his position. It was Mr Connolly who only a few months ago announced his intention to take on the petrol companies. "They are not going to do this to the Territory", said Mr Connolly; "We are going to enact legislation to stop them doing it, if we have to". Where today is the big brave Mr Connolly who sprang out there and said, "We are going to take on the oil companies and we are not going to allow this to happen in Canberra"? He is sitting over there and it has all happened. Where is his legislation? Why has he not done anything to stop this profiteering, if he considers it to be profiteering? He is the one who uses these words. He says that the oil companies and the retailers are profiteering, and they are ripping off the system in the ACT.

What are you doing about it, Minister? It is your problem. You were jumping up and down and making a lot of noise about it a few months ago, but now you have gone quiet. You have just joined the band wagon, saying that the easiest way out of this is just to whack another couple of cents a litre onto the tax; that is the way to go. Next year, when we are in a bit more trouble, you will whack another couple of cents a litre on; no problem. What the Chief Minister has been saying for four years is totally irrelevant. It is not relevant to the argument at all. I would like to see the Government do something about this, and I was most impressed when Mr Connolly said a few months ago that he was going to fix it. I thought he meant that. He fixed it by sticking another one-and-a-quarter cents a litre on the price of petrol; that is the way he fixed it. It is easy to see why the members of the Government get so sensitive in a debate like this. They cannot defend themselves. They are trying to defend the indefensible.

Mr Connolly, a few minutes ago, set about telling the Opposition what its responsibilities were and were not. Madam Speaker, this argument is about the responsibilities of the Government. I would have liked Mr Connolly to spend some time telling us what he considers the responsibilities of the Government to be in this case and what he intends to do about it. But no, he attacks the Opposition. He tries to tell the Opposition what its responsibilities are and are not. It is a very good defence. When you want to defend yourself, go on the attack. That is the way to do it. It does not work in this case because the 300,000 people out there who are bearing the brunt of the cost of all this are not listening to you, Mr Connolly. They do not believe you, any more than I do.

Let us talk about the responsibilities of government. Mr Connolly referred to this \$26m that Mr Humphries is going to rip out of their revenue system. I think Mr Lamont said that it is 540 teachers, or words to that effect. Mr Connolly said that it is half the police budget. It is a lot of other things as well. For example, Madam Speaker, it is about two-thirds of the salary bill of the 500-odd people that this Government intends to make redundant this year. The annual salary bill for 550 people is about \$35m. Now we are starting to put the thing into some sort of perspective. These are the sorts of things that the Government should be doing to get the expenditure side of its budget down, rather than looking for ways of jacking up the revenue side. That is what the Government should have been doing for three years. To put it into perspective, it is two-thirds of the annual salary bill of the people that the Government now says that it wants to get rid of. It will be interesting to see whether it succeeds.

It also just about equals the amount of overspend that Mr Berry carries in his health budget. If he were serious about balancing the budget, reducing the burden on the taxpayer and getting the budget down to where it should be, he would be cutting \$26m off his health budget, which would be about right, and he would not have to collect the \$26m by jacking up the price of petrol by four-and-a-quarter cents a litre. When we start putting things into percentages and relating to things, we need to relate them to the right things. We need to relate them to the things that the Government should be doing. Mr Connolly introduced this concept of responsibility. It is the Government's responsibility. It is not the responsibility of the Opposition. We should not have to do this.

14 October 1993

Mr Lamont: No; because you are irresponsible.

MR Kaine: No, we are not irresponsible. That is interesting. You accuse us of being irresponsible about some things. We closed the Royal Canberra Hospital to save money in the budget. Part of the closure of the Royal Canberra Hospital involved the 3c a litre on fuel. As has been pointed out already, that was to be for two years only, to raise about \$25m over a two-year period as part of the cost of restructuring the hospitals. The hospitals that we set about to restructure for the better are being restructured by this Government for the worse - they are getting worse by the day - and you are still collecting the \$25m from the petrol excise. You are having it both ways. You are screwing up the hospital system and you are still collecting the tax that we put on on a one-time basis for a period of two years only, and you say that you cannot live without it.

Ms Follett: Why did you not put it in the hospital bank account?

Mr Lamont: "Oh, I had not thought of that".

MR Kaine: Mr Lamont is prattling away here about responsibility. Responsibility would have meant taking the tax off at the end of the two years, which was the commitment that we gave, and reducing your budget expenditure in some other fashion.

Mr Lamont: Did Mr Humphries tell you about the \$26m?

MR Kaine: I know about the \$26m. I am telling you about the \$26m, Mr Lamont. In fact, I very much question the \$26m because I understand that Mr Humphries's motion has to do with only the one-and-a-quarter cents that is being put on this year.

Mr Lamont: Oh no, Mr Kaine.

MR Kaine: If you do your sums, Mr Lamont, I think you will find that that one-and-a-quarter cents works out to about \$3.5m or \$4m, not \$26m.

Mr Lamont: No. His motion will stop \$26m. He is the \$26m man.

MR Kaine: That is what you say. I suggest that you go and do your homework, Mr Lamont, and find out what this debate is really about.

Madam Speaker, it does the Government, and particularly Mr Connolly, no credit to be lecturing the Opposition about responsibility in a case like this. He is showing no responsibility at all. His answer to the problem, instead of fixing it, is simply to whack on another one-and-a-quarter cents tax. It is unacceptable. I would like to see the Minister exercise some responsibility. I would like to see him justify and explain how it is that putting another one-and-a-quarter cents a litre on the price of petrol is going to deal with the problem. He jumped on his white horse a few months ago and said, "I am going to fix it", and all he does is put one-and-a-quarter cents a litre tax on, over and above all the taxes that were there before. That is not responsible, it is not sensible, and the Government would do well to admit it. It was merely justification for jacking up their revenues by another \$3m to \$4m. That is what it was about.

It had nothing to do with social justice; it had nothing to do with the petrol prices. In fact, Mr Connolly said in his speech, "The amount of tax that the ACT Government charges does not affect the price of petrol". They are his words. If that is true, Mr Connolly, explain to me why the price of petrol at the pump has gone up in the last couple of weeks.

Mr Connolly: By a heck of a lot more than our tax, which has not yet cut in.

MR KAINE: It went up because you put one-and-a-quarter cents a litre tax on it. That is the only reason it has gone up.

MADAM SPEAKER: Order! Your time has expired, Mr Kaine.

MR STEVENSON (11.47): Canberrans can trust politicians to put up taxes, fines, fees, rates and charges and to call them various things. Over half the money that is invested in petrol to get us from place to place goes to taxes. Mr Humphries said, "It is time for motorists to fight back". As you cannot fit a Pajero through the front door, I think it is fair enough that this Assembly stand up and fight on their behalf.

Mr Kaine: I bet you can.

MR STEVENSON: I tried it. You cannot. It was a quote befitting of anything that Lewis Carroll ever wrote for *Alice in Wonderland* when the Chief Minister said, "ACT tax has nothing to do with the price of petrol". That is bizarre. She followed it with something even more interesting when she said, "The Government is committed to low petrol prices", having just put them up. The Attorney-General and the Chief Minister said, "That had nothing to do with increased petrol charges", but the petrol prices went up after it. In New South Wales they went down. Last weekend and earlier this week you could buy petrol in New South Wales at less than 60c. It was 59.8c. In Canberra, at the same time, it was a steady 75.9c.

Mr Humphries says that he intends to introduce a requirement that service stations display signs showing how much governments are ripping off the petrol buyer.

Mrs Carnell: What a good idea!

MR STEVENSON: I would suggest that it is a good idea not to make it mandatory. I have been suggesting to relevant people and to individual service stations for years and years that they do that. I said, "Listen, everybody comes in to invest in some petrol and you should have a sign right there showing that". But there is a better way of doing it. The pumps should be altered. As you put the petrol into the car there should be two or three meters. One meter, showing the major amount, should be for the government tax. The third one should show the few cents that goes to the small businessman who runs the service station, who is open at all hours of the day and night, seven days a week in many cases. The Chief Minister also said that we need to be consistent with New South Wales. Members in this house, when introducing new legislation, always say that we need to be consistent with other States, except when they want to do something that no-one has done. Then they say that we need to lead the way, that we need to show direction. What nonsense!

14 October 1993

I think it would be remiss of me not to mention the Liberal Party, who introduced this. It is like income tax in Australia. It is all very well saying that the Labor Party put it up recently, but what about who introduced it in the first place?

Mr De Domenico: But we promised to take it off.

MR STEVENSON: Yes, I know, and it has been done before. I understand that the Labor Party put it up, but you must accept some responsibility for introducing it in the first place.

Mr De Domenico: I will not. I was not there. It was Bernard Collaery.

MR STEVENSON: It was Bernard, was it? The question that I ask is this: Is it socially just that the members who have petrol cards do not even pay the increase?

MS SZUTY (11.51): Madam Speaker, I do not intend to address this motion for any lengthy time. I will not be supporting it. When I was researching this matter for the debate today I referred back to the Chief Minister's budget speech for this year where she stated:

From 1 November the fuel franchise fee, which has been frozen for the last three years, will be restored in real terms to the same level as in New South Wales, and it will be indexed in the future. The fee will rise by approximately 0.5c per litre and will raise \$700,000 in 1993-94, or about \$1m in a full year.

She went on to say:

The level of petrol prices in the ACT is a matter of considerable concern to the community and the Government, especially after the increases announced in the Federal budget, but there is no evidence that the freezing of the ACT franchise fee since 1990 has encouraged any containment of consumer prices.

I think that says it all. I have listened carefully to the speakers in the debate this morning and none of the arguments which have been presented to me have changed my mind on this matter. I will not be supporting this motion.

MR HUMPHRIES (11.52), in reply: To sum up, Madam Speaker, this Government really is grasping at straws when it opposes this measure. It knows that this motion of disallowance is based on its own standards. This Government, in rejecting this motion, is being hoist with its own petard. The Government knows that it cannot get away with this kind of broken logic. It knows that it is fully exposed to the people of Canberra as a government of hypocrites.

Madam Speaker, let us look at some of the arguments put forward. First of all, I think Mr Connolly or Ms Follett said, "There is an oversight in this matter. We are going to lose \$26m if this motion is passed today. Oh, dear, we cannot do without this \$26m". I have had a team of expert lawyers upstairs slaving over this issue since Ms Follett raised it an hour ago, working out some complicated solution to this problem that she has posed, and here is the dramatic solution that they have come up with, Madam Speaker - make a new determination.

Ms Follett: In six months' time, Mr Humphries.

MR HUMPHRIES: No. The Assembly, if it supported this motion, would reject a 0.5c a litre increase in the price of petrol in the ACT. Yes, that would be the effect of this motion. If the motion is carried - - -

Ms Follett: No; that is rubbish.

MR HUMPHRIES: That is what it says - 0.5c a litre. If we pass this motion we are rejecting the 0.5c a litre. Have you got that much, Chief Minister?

Ms Follett: No; you are wrong.

MR HUMPHRIES: No, we are rejecting a 0.5c a litre increase in petrol. I am wrong, the PSA is wrong, the retailers are wrong; everybody is wrong, except this Government. That is the way it works. The fact is that we are rejecting a 0.5c a litre increase with this motion. If the Government comes back and makes a new determination, later on today even, which winds back that 0.5c a litre increase, which puts that price back by 0.5c a litre, I can guarantee you passage of that measure through this Assembly.

Ms Follett: You goofed.

MR HUMPHRIES: No, no. We get the petrol franchise fee. We get it, and we do not get what we have labelled "Follett's fuel franchise fee" - Follett's iniquitous 0.5c a litre fuel franchise fee. That is what we are getting if we reject this motion today. You know that you can fix any problems with this question with the stroke of a pen, Chief Minister, if you care to admit it. Of course, if you want to make up some artificial barriers for the sake of the consuming public of Canberra, it is all they have come to expect from this Government.

Madam Speaker, the Government simply has to accept the fact that it is hooked into the milch cow of increasing revenue as a way out of Canberra's present financial problems. Its solution to the problems facing Canberra is not to look at the question of expenditure on the part of the ACT Government; it is to look primarily at the question of revenue. This Government knows what the Grants Commission has said about that. Before the last budget the ACT was only very slightly underachieving - if I might use that expression - in terms of revenue collection by State standards. We had only a very small amount of additional revenue to collect before the ACT Government would be collecting at the standard of the other governments of Australia. That is what the commission said. In terms of expenditure we had a big problem. We had a massive problem in that area. That is the area that the Government should have been targeting, to make sure that it dealt with the problem of imbalance between ourselves and the States. Measures like this only increase the dependence of the ACT Government on the revenue side as a way of solving Canberra's problems. It is time you started getting off that question and looking instead at the question of expenditure.

14 October 1993

My party has been consistent in saying that there are many areas of government you have to be looking at in terms of expenditure. I think, Madam Speaker, that this Government, if it were honest about it, would acknowledge the fact that we have had the guts to face those questions and it has not. A fact of life is that rises in petrol prices will translate themselves sooner or later into the loss of jobs in our community. People who earn a living through petrol prices in one form or another, people who transport goods around the Territory, people who do business in cars and trucks around this Territory, people whose business is dependent on those other people, will feel the effects of these sorts of increases. Ultimately every price increase of any significance is another lost job. In fact, there are more likely to be many lost jobs. The Government cannot avoid the reality that measures like this 0.5c a litre increase, measures like Follett's fuel franchise fee, are going to come at the expense of jobs in the Territory. It is utter hypocrisy.

MADAM SPEAKER: Order! Mr Humphries, the extended time allotted to Assembly business has expired. The debate is interrupted in accordance with standing order 77 as amended by temporary order.

Motion (by **Mr Berry**) agreed to, with the concurrence of an absolute majority:

That so much of the standing and temporary orders be suspended as would prevent consideration of Assembly business, notice No. 1, proceeding to a vote.

MR HUMPHRIES: We all know that these sorts of increases are going to translate themselves into lost jobs. We know that things like petrol prices have a very immediate and severe impact on the total cost of providing employment in the Territory, and it is sheer hypocrisy to suggest that this Government can be concerned about unemployment in this Territory when it does nothing to rein in the spiralling cost of petrol in the Territory.

Mr Connolly kept repeating, like a deranged parrot, that we have the same taxation arrangements with these measures as they have in New South Wales.

Mr Connolly: And we do.

MR HUMPHRIES: Indeed we do, but we also have much higher petrol prices. You cannot impose an increase of your own without taking into account that fact. When petrol is already 10c a litre higher in the ACT you cannot say, "We can put another 0.5c a litre on because we are still in line with New South Wales". Madam Speaker, the question that has to be asked is, "Who is responsible for that 10c a litre difference between ACT and New South Wales prices?". The Government's own report on petrol pricing in the ACT showed that question to be answered very clearly - the ACT Government. The ACT Government's planning policies have delivered higher petrol prices. You cannot avoid that reality. You can point the finger and you can say, "It is not our fault. Look at the oil companies. Look at the retailers"; but you, and the policies you have inherited, are the cause of those problems. You cannot, therefore, slap another price increase on the consuming public of Canberra and pretend that it is not your fault. Of course it is.

Mr Stevenson suggested that we should not make it mandatory to display those signs on petrol bowsers or in petrol stations. Might I point out that that measure I talked about cuts both ways. It is not designed just to catch governments when they are caught with their hands in the till. It is also designed to catch anybody in the petrol chain who is responsible for the increase. If retailers are responsible for an increase they have to wear that flak. If oil companies are responsible they wear the flak. The only way you can do that is by requiring that every increase is displayed clearly on a petrol bowser or at a petrol station.

Madam Speaker, I was pleased to hear Mr Berry say, "But Labor is on a winner with this petrol increase". I tell you what; I look forward to the day when Mr Berry will go to the petrol bowsers, particularly after 1 November, and say, "Thank you very much; that is an extra 0.5c a litre in my pocket". I reckon, Madam Speaker, that the people of the ACT will see exactly who is responsible for this increase. They will know that the members of the Government who have claimed consistently over the last few years that they are the friends of the consumers, the friends of the petrol purchasers in this Territory, have been exposed as nothing more than charlatans. This motion is designed to expose those charlatans.

MR DE DOMENICO: Madam Speaker, I wish to make an explanation under standing order 47.

MADAM SPEAKER: Proceed, Mr De Domenico.

MR DE DOMENICO: Thank you, Madam Speaker. I am glad that I took your advice and not Mr Berry's. It is you who is right, usually.

MADAM SPEAKER: I will ignore that comment for the moment. Proceed, Mr De Domenico.

MR DE DOMENICO: Madam Speaker, Mr Connolly continues to say that the Opposition, and I in particular, are against the introduction of independents in the ACT.

Mr Connolly: No; you said that.

MADAM SPEAKER: It is a personal explanation, Mr De Domenico. Order!

MR DE DOMENICO: The Opposition, and I in particular, are not against the introduction of independents, Madam Speaker. We are against the way in which Mr Connolly intends to introduce independents.

Mr Berry: I raise a point of order, Madam Speaker. The point of order I am raising, Madam Speaker, is that that is a bit of an abuse of standing order 47. It was not an issue during the debate on the question.

MADAM SPEAKER: I believed that I had given him leave under standing order 46, under which I can give him leave rather than the Assembly. I probably misheard that.

14 October 1993

Question put:

That the motion (**Mr Humphries's**) be agreed to.

The Assembly voted -

AYES, 7

Mrs Carnell
Mr Cornwell
Mr De Domenico
Mr Humphries
Mr Kaine
Mr Stevenson
Mr Westende

NOES, 10

Mr Berry
Mr Connolly
Ms Ellis
Ms Follett
Mrs Grassby
Mr Lamont
Ms McRae
Mr Moore
Ms Szuty
Mr Wood

Question so resolved in the negative.

Sitting suspended from 12.04 to 2.30 pm

DISTINGUISHED VISITORS

MADAM SPEAKER: Members, I would like to inform you of the presence in the gallery of a delegation from the Nara City Local Assembly led by Speaker Kojima.

QUESTIONS WITHOUT NOTICE

Government Service - Excess Staff

MRS CARNELL: Madam Speaker, my question is to the Chief Minister. Noting that both the Industrial Relations Commission and the Trades and Labour Council have suggested that the Government should nominate programs where staff exist in excess of need, are there programs in the administration where staff exist in excess of need? If so, can the Chief Minister indicate which of those areas are currently subject to negotiations?

MS FOLLETT: Madam Speaker, I thank Mrs Carnell for her question. I would like to say at the start that the voluntary separation scheme, which, as members know, the Industrial Relations Commission has put a stop to, was but one part of the Government's restructuring effort which was outlined in the budget. In fact the decision of the Industrial Relations Commission will have limited impact on the budget, as it relates to the process of the voluntary separation scheme only, rather than to the restructuring effort as a whole. As I announced in the budget, there will be a series of reviews undertaken throughout 1993-94, the aim of which is to assist us in restructuring. I expect that implementation of the outcome of the reviews will require the use of redundancy funding, so we are still building in that redundancy idea.

Madam Speaker, the Government has been looking at quite a range of areas. We have addressed every area of the public service. The strategies that I outlined in the budget are under a number of broad headings. They were, first of all, management improvement initiatives - for instance, financial management improvement, energy management programs, and that sort of thing, and efficiency improvements. An example there is the 2 per cent reductions in programs, and those are ongoing, the ACTION reduction of \$10m over three years, emergency group management restructuring and so on. We also have information technology improvements going on in a range of areas. Service delivery reviews will be undertaken as well in a great many areas of the ACT administration. We have a range of restructuring proposals coming forward from agencies.

I have also some resource reviews which I announced in the budget, in particular into housing and health, where there will be reviews conducted with some outside assistance aimed at looking at national benchmarks for those programs. In addition we have overhead cost reduction reviews and organisational reviews which are under way - for example, transfer of building control from DUS to DELP and so on. So there is a range of strategies which will continue, and the Government will be examining restructuring proposals as they are put forward. That will continue throughout the year. The aim, Madam Speaker, is not just to effect efficiencies this year, but to ease the budget task in coming years as well. In fact, I expect that the greater impact of most of these restructuring initiatives will be felt in future years.

MRS CARNELL: I ask a supplementary question. Chief Minister, have any areas where excess staff exist been identified? If so, which ones?

MS FOLLETT: Madam Speaker, we are in consultation with the unions and we have a central coordinating group. Only after that process has taken place might there be identification such as Mrs Carnell has indicated. As I say, we are in a continuing process of consultation, which, I might say, is in stark contrast to what occurred under the Liberals when they were in government. They had totally untargeted staff reductions; who knows where from, who knows under what process. By contrast, this Government will undertake that work in consultation in accordance with the RR(R) award and, of course, with the principles of enterprise bargaining as well.

Public Transport Costs

MS ELLIS: My question is directed to the Minister for Urban Services. Does the Minister have any recent information as to the comparative costs of providing public transport in the Territories and States?

MR CONNOLLY: The Industry Commission issued today its report on public transport. Predictably, the Industry Commission takes the dry, economic rationalist view of the world. I do not know sometimes why they bother going through the exercise at the cost of vast sums of public money, because their answer to everything is to privatise and deregulate. However, cutting through that and the brilliant observation from the Industry Commission on the media today that, of course, ACTION is inefficient because if you look at the buses they are sometimes half full - a particularly facile observation from a publicly funded research body - the fact is that they did find that the ACTION subsidy in 1991-92 of \$49m amounted to a subsidy of some \$540 per household in Canberra.

14 October 1993

That compared to some \$580 per household in Sydney and \$640 per household in Melbourne. Surprisingly, given that you would expect significant economies of scale in those major capital cities which have mass use of public transport and have the far more attractive to commuters train system, the cost of public transport per household in Canberra is, in fact, lower, despite the significant diseconomies of scale in the ACT. So that is encouraging.

The Industry Commission noted that that was based on the 1991-92 subsidy. They did acknowledge that the ACT Government is embarking on a strategy, which is to timetable, of further reducing that subsidy by some \$10m. That amount - \$10m off about \$50m - is a 20 per cent reduction in subsidy level over three years. The Industry Commission made the brilliant observation, unsupported by any supporting argument, that that was too slow. I challenge the Industry Commission to show any jurisdiction in Australia where a public transport authority has achieved a 20 per cent reduction in costs over three years.

Madam Speaker, the Industry Commission's view of the world, that everything would be fine if we deregulated and privatised, is one that the Government rejects. I wonder why the Industry Commission went to the bother, because it is what they say about everything. It comes from a dry, economic rationalist view of the world, and the world is rather more complicated than that, although many economists are unable to grasp that. Despite those ideological blinkers, a significant finding in the report was that the household level of subsidy to public transport in Canberra, which those opposite and some commentators would always trumpet as the most wasteful in Australia, with the highest level of subsidy - a totally inefficient organisation, and Mr De Domenico nods enthusiastically - was lower than in Sydney and Melbourne, where you would expect, Madam Speaker, that there would be significant - - -

Mrs Carnell: It was, until they fixed up their system.

MR CONNOLLY: It has all been fixed up in Sydney.

Mrs Carnell: I did not say that.

MR CONNOLLY: Mrs Carnell, what a simple view of the world! What a lovely world it must be from a Liberal perspective. Madam Speaker, we have a system which, in terms of comparative efficiency, is doing quite well when compared to those of those major capital cities, and our \$10m on target strategy will make it even better.

Government Service - Voluntary Separation Scheme

MR DE DOMENICO: Madam Speaker, my question without notice is to the Chief Minister. During estimates and, ironically, before the Industrial Relations Minister was about to meet with the unions, you said, "... the \$17m voluntary separation scheme as spelt out in the budget stands". Following the decision of the Industrial Relations Commission, is the voluntary separation scheme still not negotiable? Does it still stand? If the answer is yes, what guidelines do you have and does the Government have as its position in negotiations with the trade unions?

MS FOLLETT: Madam Speaker, as Mr De Domenico well knows, but would never say, of course - far be it from him to tell the whole truth - I made that statement during estimates, before the Industrial Relations Commission had made its ruling on the voluntary separation scheme. Quite clearly, once the Industrial Relations Commission had made its ruling, the expressions of interest in the voluntary separation scheme ceased. I make no bones about that. Of course they ceased.

I explained in answer to an earlier question that that voluntary separation scheme was part of a much larger program of reviews and restructuring which the Government has embarked upon, and is still embarking upon. Madam Speaker, members might also know that this year's budget does not actually identify any savings as a result of that voluntary separation scheme, so the impact of this decision on the budget is not major. I think members ought to understand also that the voluntary separation scheme did not comprise the entire \$17m. That \$17m included significant amounts of money for redundancies that had arisen in previous years. In fact, from the 1992-93 budget there was \$3.3m of that \$17m, and in the 1993-94 budget there were funds in the forward estimates which were included for redundancies as a result of savings and restructuring measures. That was approximately \$6m. So those amounts are unaffected entirely by this decision.

Universities - Staff Dismissals

MR STEVENSON: Madam Speaker, my question is to the Minister for Education or to the Chief Minister if she feels it more appropriate for her to answer. Today staff at the University of Canberra and the Australian National University are striking for 24 hours, forgoing one day's pay. There are a number of problems that they are concerned about. Enterprise bargaining and the proportion of tenured staff are issues, but the main one is the suggestion to have university administrations increase the awards relating to academic dismissal. I believe that the current situation is that no staff can be dismissed without a panel and an independent chairman. Would the Minister indicate support for the workers and their cause, for justice in dismissal in the universities, and also present that indication to the Vice-Chancellor of the University of Canberra, Professor Don Aitkin?

MR WOOD: Madam Speaker, Mr Stevenson, I think, phrased the last part of his question fairly carefully because he probably knows that the universities are not under any legislative control of the ACT. It is expected that early next year the Act governing the University of Canberra will be released from the Commonwealth and passed over to the ACT. I think his question might be asked more appropriately at that time. I do point out that universities are entirely autonomous. They guard their autonomy jealously. They are totally funded by the Federal Government. While legislation governing universities may be under the control of the States, they have very little effective control of universities; nor do they seek to have that control. I think, Mr Stevenson, that the question would be more validly asked in the future when I have a greater interest in that university in legislative terms.

14 October 1993

MR STEVENSON: I ask a supplementary question. I well understand that that could be done. However, that will not solve the problem that is currently under review. It is well within the capacity of this Assembly or this Government to indicate their concern along these lines. I ask the Minister whether he will do that.

MR WOOD: I take that point, Madam Speaker. It is well within our capacity to pass a motion about famine in Africa or a riot somewhere else.

Mr Stevenson: And you have done it.

MR WOOD: I was about to say, Mr Stevenson, that the Assembly has made comments. I do not know whether we have passed motions, but we have made comments. I do not think this is the appropriate time for me to make a comment on this issue.

Government Service - Voluntary Separation Scheme

MR CORNWELL: Madam Speaker, my question is to the Chief Minister. How many requests for information regarding the voluntary separation scheme has the Government received? Will the Government provide the Assembly with a breakdown of the programs where these requests have come from? If you will not provide this breakdown, why will you not do so?

MS FOLLETT: To take Mr Cornwell's question at its face value, Madam Speaker, I can say that the Government has received no requests, no expressions of interest. Expressions of interest were sought by agencies and were made to agencies. In the strictest sense of the question, the Government has not sought and not had access to that information. However, I can advise the member that, on the advice that I have, there is a large number of expressions of interest. Madam Speaker, given the decision of the Industrial Relations Commission, I do not believe that it is appropriate at all that we go any further with that information. I think it would be both inappropriate and possibly a contempt of the Industrial Relations Commission were I to comply with Mr Cornwell's request.

Industrial Relations System

MRS GRASSBY: My question is directed to the Deputy Chief Minister in his capacity as Minister for Industrial Relations. Will the ACT Government support State government challenges to change to the Commonwealth industrial relations system?

MR BERRY: Madam Speaker, I thank the member for the question. The short answer is no. The issue concerning the industrial relations system that prevails as between the Commonwealth and the States does not really apply here in the ACT because we are, of course, subject to the Commonwealth system. We do not have the same problems that the States have with their separate industrial relations systems. That has been a good relationship. It has worked well in the interests of industrial relations in the ACT, particularly since 1983 when Federal Labor came to office. In the past States have had some difficulty.

Of course, the old States' rights argument emerges from time to time. In Victoria there have been savage attacks on the trade union movement by the Kennett Government. The attitude of the Western Australian Government is extremely conservative as well. New South Wales could be described as being slightly better - the best of a bad bunch. As far as we are concerned the Federal industrial relations system has served us well and we support the Commonwealth's objective of providing for minimum employment standards to underpin the enterprise bargaining process. We will continue to support that.

The ACT Government would also be concerned to ensure that there is a continuing role for trade unions in the enterprise bargaining arrangement. That is something that the Liberal States might not be so concerned about because they are not so concerned about the protection that is provided for workers. They are more interested in making sure that workers are unprotected and open to exploitation by unscrupulous employers. The fact of the matter is that, if we have a strong trade union movement which can protect the interests of workers, the position for wages and working conditions is far safer. That will prevail and the ACT Government will encourage people to join their relevant union because it is the only way - - -

Mr Humphries: Unsuccessfully, apparently. Membership is declining.

MR BERRY: I suppose, Mr Humphries, that it is a sign of the success of the trade union movement because it has put in place a wages system under the Federal industrial relations system which every worker is entitled to, whether they belong to a trade union or not. The labour movement is not selfish about these things. We believe that social justice can be found within the provision of workers' wages and working conditions. The trade union movement to this point has been entirely happy with the situation whereby workers are entitled to the wages and working conditions prescribed in awards, whether they are members of unions or not.

What has been attempted by the conservative States, and was attempted as part of the election campaign for the Federal conservatives, is a quite different set of circumstances which would undermine that protection which was provided for trade unionists. The ACT Government has no such visions. We believe in the continuing strength of the trade union movement as protection for wages and working conditions amongst employees. I know that that is not the view of the Liberal Party. I know that they have a different view and that is what separates us.

Mr Humphries: Is this relevant, Madam Speaker? The question was about the States, not about us.

MR BERRY: Mr Humphries bleats and whinges over there because he does not like having the facts laid down in front of him.

14 October 1993

Mr Humphries: I take a point of order, Madam Speaker. We are wasting our question time. Mrs Grassby asked about the States' attitudes. Mr Berry is talking about the Liberal Party. Can we get back to the question?

MADAM SPEAKER: Mr Humphries, I believe that the Minister is coming to the end of his answer.

MR BERRY: I am not answering a question from you. If I were, I would be trying to keep you happy, which I usually do with the answers I give you. I can see you smiling every time I give them to you. I can see that Mrs Grassby is a very contented questioner right now because she is getting all of the information and, of course, there is more to come.

MADAM SPEAKER: Order! I believe that it is our collective wish for the Minister to finish the answer to this question.

MR BERRY: Well, you would never guess that, Madam Speaker. As I said earlier, we do not have the difficulty with interstate disputes as they exist in some of the States. We do not have the difficulty with dual industrial relations systems. I think that the other States would enjoy some of the conditions which obtain here in the ACT as a result of having a single Industrial Relations Commission, particularly under a Federal Labor government. We intend to continue to support that. No, we will not be moving to block the Federal Government in its moves to provide better wages and working conditions for State workers.

Motor Vehicle Testing Stations

MR WESTENDE: My question is addressed to the Chief Minister. During the Estimates Committee hearings and subsequently in the media the Urban Services Minister, Mr Terry Connolly, has suggested a possible sale of a motor vehicle testing station. My question to the Chief Minister is: Does the motor vehicle testing station site form part of the \$10m or \$11m budget item asset sales referred to in the Chief Minister's budget statement?

MS FOLLETT: Madam Speaker, I think it is quite incorrect for Mr Westende to say that Mr Connolly had foreshadowed the possible sale of a motor vehicle testing station.

Mr Connolly: I said that we would consider the closure. The question of what may happen to the asset was never considered.

MS FOLLETT: Madam Speaker, I think that that probably answers the second part of Mr Westende's question as well. As I have said in answer to previous questions, the Government is considering restructuring and efficiencies right across the board in any number of areas of ACT administration. This could well be an area where we do consider what efficiencies might be made. To come to conclusions as Mr Westende has done on this question is quite wrong.

Youth Centres

MS SZUTY: Madam Speaker, my question without notice is to the Chief Minister, Ms Follett, in her capacity as Minister for youth affairs. I have been aware of comments over some time that Canberra's youth centres do not appeal to young people from non-English-speaking backgrounds. In the Migrant Resource Centre's annual report of this year the coordinator stated in her report:

... peer pressure to conform often makes youth centres a negative influence on young non-English-speaking background migrants.

She went on to say:

... if multiculturalism were to foster the best in all cultures, a centre for young people of non-English-speaking backgrounds must be established to support non-English-speaking background young people's cultural identity free from mainstream peer pressure.

My question to the Chief Minister is this: What is your view about the establishment of a youth centre for non-English-speaking background young people? Do you believe that youth centres could do more to encourage non-English-speaking background young people to participate in their activities?

MS FOLLETT: I thank Ms Szuty for the question, Madam Speaker. The question of a youth centre for young people from non-English-speaking cultures is not one which the Government has considered. The report that Ms Szuty has referred to is the first time that I have heard such a proposal raised. The Government's main approach to assist young people from non-English-speaking cultures has been by way of the report which was commissioned and released about a year ago, I think, called "The Too Hard Basket", which particularly addressed the difficulties and the barriers in accessing community services and facilities that are experienced by young people from non-English-speaking cultures. In looking at this report the Government initially was of the view that we would want to get a community organisation to contract for the implementation of that report. In the event, after advertising, we were not successful in getting such an organisation to come forward. The work will now be undertaken within the administration. That exercise of looking for a community organisation has delayed implementation of the report.

Madam Speaker, I believe that we are now in a position where we can move forward with that report. I think it is a very thorough and comprehensive report, and it does identify a large number of barriers - cultural barriers, physical barriers and so on - for young people in our community. It is particularly relevant, I think, for young people from some of the more recent migrant groups, refugees, for instance, and people from eastern countries as well. If as a result of our implementation effort on that report the idea of a separate youth centre should arise, that is probably the time at which the Government would consider it. At the moment I would have some worries about setting up a youth centre, as Ms Szuty commented, free from mainstream influences. I think that it would be far better to ease the passage of these young people to the full range of existing community services and facilities. That is the approach that we are taking.

Government Service - Voluntary Separation Scheme

MR KAINE: I have a question to the Chief Minister and Treasurer. Chief Minister, you have a \$17m budget provision this year for voluntary redundancies. Today, for the first time, you have told us that part of that is to fund a carry-over from last year. During the Estimates Committee processes you said that you would seek additional money from the Treasurer's Advance if it was necessary. Given the carry-over of applicants from last year plus the number that have expressed an intention or a desire to leave this year, how much money do you expect to have to take out of the Treasurer's Advance over and above the \$17m provision that you have made this year?

MS FOLLETT: Mr Kaine's question is entirely hypothetical. As things stand, and as I said in answer to a previous question, the \$17m that has been included in the budget for redundancy purposes does include moneys carried over from previous years. As I said during the estimates, if the \$17m should prove to be inadequate, should we have, eventually, expressions of interest which would make that \$17m inadequate, that is a matter which the Government would have to consider seriously. The way in which we would consider it is, first of all, in looking at those possible redundancies, whether the restructure that would lead to those redundancies actually leads to savings in future budgets. So that is the answer to your first question. This is not a lottery. The purpose of these restructuring initiatives and of redundancy funding that supports them is to achieve savings. Mr Kaine knows that. I do not want anybody thinking that if they put their hand up the Government will shell out for them for no other reason. The whole aim of this exercise is to achieve savings in future years.

The question that Mr Kaine asked about how much more we would require is entirely hypothetical. He might as well have asked what happens if we need far less than that. The answer is, of course, that that money is returned to Consolidated Revenue and remains available for the same purpose in future years or for other purposes. Madam Speaker, I would like to make it clear that the money that is available there is available only if it is good value for it to be spent. That is the criterion that the Government will be using.

MR KAINE: I ask a supplementary question. Since the Chief Minister cannot tell us whether she is even going to need the \$17m, let alone whether she is going to need more - she clearly has no idea - can she explain why she made a budgetary provision of \$17m if she does not know whether she is going to need it or not? Is this another slush fund provision?

MS FOLLETT: Madam Speaker, a provision is a provision and it is made on the best information available at the time. As I have said all along, in looking at redundancies the Government has had advice from agencies on the possible restructurings that might occur and the possible effect that that might have on redundancies. I have never pretended, Madam Speaker, that this is a hard and fast matter, quite clearly, because the Government uses voluntary redundancies. You do not have perfect control over voluntary redundancies. I have never pretended that you do. Our criterion for deciding whether or not restructurings occur and whether redundancies therefore are undertaken remains the same, and that is whether savings will be achieved in future years.

Teacher Numbers

MR MOORE: Madam Speaker, my question is directed to the Minister for Education. In your Government's preferred vision for the year 2020, "Choosing Our Future", you state that the role of education as a key component of Canberra's economic base is reinforced. How do you expect to get to this preferred future, Minister, by cutting 200 teachers over the next couple of years?

MR WOOD: Madam Speaker, if nothing else, the budget has encouraged Mr Moore to ask questions - questions that were lacking all year. We have a vision for education. We are set on clear paths to refine that vision. Some time earlier this year the Ministerial Advisory Council on Education put out an issues paper for discussion. Obviously the Auditor-General's report is going to focus some further discussion, and there is a major discussion paper coming out very soon, the discussion paper on the high school development program. In the last year or so we have been engaged in a process of looking very closely at our system. The other day I came into this Assembly with a statement on environmental matters in the context of the 2020 vision. Before the year is out I will come into the Assembly with a further expansive statement about education in the context of that, which will be something that we will carry on with. We are focused ahead, Mr Moore. We are not letting events simply determine what we do; we are going to shape our future. We will very consciously shape that future.

You went on to comment about 200 teachers. That is a figure out of your head; it is not a figure based from anywhere else. It is the case, as I said at the Estimates Committee, that the budget papers indicated further savings in the next two financial years. There is no justification for automatically extrapolating that to mean that those money savings become teaching positions. We are determined to take control of the way we go and, as I have said in conversations with Mr Moore, there are alternatives that we will be pursuing.

MR MOORE: I ask a supplementary question, Madam Speaker. Minister, you mentioned your Ministerial Advisory Council on Education and their role. How many teacher positions have they suggested you should cut?

MR WOOD: Madam Speaker, that is a fair question.

Mr Kaine: Would you like to answer it?

MR WOOD: I am about to, Mr Kaine. I went to the Ministerial Advisory Council some time ago, when they were first established, and said, "Will you give me advice on the directions that we should be taking in view of the severe economic constraints that we face? In short, how do we maintain a quality education system in the face of diminishing resources?". I asked them to give me advice on that and they are going through that process. They declined, very sensibly, to do so immediately because they said that they needed to get a grasp of the issues and to survey all the papers that had been produced. They put out a paper and they are in the process of all that consideration. They will be providing me with advice.

Ms Follett: I ask that further questions be placed on the notice paper.

YMCA REGIONAL YOUTH PARLIAMENT
Papers and Statements

MS ELLIS: Madam Speaker, I ask for leave of the Assembly to present the Bills passed by the Canberra YMCA Regional Youth Parliament that was held from 28 to 30 September 1993, and to make a brief statement in relation to the matter.

Leave granted.

MS ELLIS: Madam Speaker, I present the Schools (Life Skills) Act 1993, the Permanent Youth Parliament Act 1993, the Crimes (Sexual Offence) Act 1900 Amendment Act 1993, and the Desexing of Cats and Dogs Act 1993. Madam Speaker, as I begin my brief statement, I would like to bring to members' attention the fact that we have a number of the young participants from the Youth Parliament in our gallery today. I had the pleasure of attending the final session of the Canberra YMCA Regional Youth Parliament on 30 September. It was held in the Senate chamber of the old Parliament House. My role that day was to receive on behalf of this Assembly the Bills passed by that parliament. The schools participating in this Youth Parliament were the Canberra Girls Grammar School, Daramalan College, Calwell High School, Radford College, Lake Ginninderra College and Narrabundah College. I understand that this YMCA initiative is a pilot program for next year's National Youth Parliament to be run as part of the 150th anniversary of the YMCA worldwide. The Australian YMCA has run youth parliaments for many years in Victoria and Tasmania. It is worthy of note that this whole process is uniquely run by a youth task force of past participants; hence, the whole program is both by youth and for youth.

Madam Speaker, everyone involved in this project deserves hearty congratulations. The authenticity of the Youth Parliament was certainly enhanced by the active participation and support of you, Madam Speaker, the Deputy Speaker, and others from this parliament. The workings and processes were ensured by the participation and support of officers from this Assembly's secretariat. I know, from the accolades paid by the participants to all of those players, that they more than reflected the appreciation of that support and that participation.

Madam Speaker, we all often question, I am sure, what are the real concerns of our young people in our community; what are their opinions on matters of great social import. It is very interesting, and I believe very valuable, for members to consider the Bills debated and those passed by this Youth Parliament, and I commend them to this Assembly. I draw to your attention one of the major aims of the YMCA Youth Parliament - to develop in youth an interest in their own parliamentary system in an interesting and innovative way, whilst involving the youth in many other skills, such as public speaking and debating, discussing issues of importance to them and then documenting them.

Obviously the interactions and relationships which develop from such a project are of great value. I believe that the educational value of a project such as the YMCA Youth Parliament cannot be overstated. I know from my observations at that final session that the experience was evidently rewarding for all. Madam Speaker, Ms Cherie McLean, the YMCA task force leader, all participants, and everyone who supported in any way this valuable project are to be commended. However, I congratulate especially the students who, I believe, entered into and participated in this Youth Parliament at a level deserving of hearty congratulations.

MR CORNWELL: Madam Speaker, I seek leave to make a statement on the same subject.

Leave granted.

MR CORNWELL: I thank members. Madam Speaker, as the chair for most of this inaugural Youth Parliament, I would like to say a few words. It was indeed a privilege to chair most of this meeting of 33 students from, as Ms Ellis has said, seven colleges and one high school - both government and non-government, I might add. The enthusiasm that was displayed was a credit. The behaviour was a distinct improvement on that in this house.

Mr Connolly: So long as they do not pick up your bad habits they are all right.

MR CORNWELL: One of the pleasing things, Madam Speaker, was that interjections were rare, and they were far more intelligent than those we get from the Attorney-General. What was also pleasant to see was the growing confidence that was in evidence over those two days. Ms Ellis has quoted the topics that were debated, I repeat, with enthusiasm and with spirit. We concluded with a matter of public importance which I think it is probably worth while to read out for the benefit of the house, and perhaps even the media present. I quote:

That the media is not serving the community interest in failing to sufficiently regulate the presentation of television and radio broadcasts and magazine and newspaper content. Such a failure is having a deleterious effect on the community's value system.

The point about that MPI that I noticed was that it was extremely difficult to ensure that everybody had the opportunity to speak. It was, I repeat, a very enthusiastic activity. Ms Ellis was there for that section of the Youth Parliament.

This inaugural YMCA Youth Parliament was unquestionably a success, and I believe that it should be repeated. I understand that it will be repeated. I hope that this Assembly can continue to make a contribution to it. I trust that this Youth Parliament, its deliberations and the decisions that it reaches can lead to better things, particularly in relation to a liaison with this house. It gives us an opportunity to hear and to learn what the youth of this Territory are considering and regard as important. I would certainly commend that to all of us. May I say in conclusion that, if the youth who participated in this inaugural Youth Parliament are a reasonable cross-section of the youth of this country, then the future of Australia is nothing to be concerned about.

PAPER

MRS CARNELL: Madam Speaker, I seek leave to present a petition which does not conform with standing orders as it does not address the Assembly nor contain a request.

Leave granted.

MRS CARNELL: I present an out-of-order petition from 161 residents who are patients and staff at Woden Valley Hospital, protesting the closure of ward 10A at Woden Valley Hospital.

14 October 1993

GOVERNMENT SERVICE - VOLUNTARY SEPARATION SCHEME
Discussion of Matter of Public Importance

MADAM SPEAKER: I have received a letter from Mr De Domenico proposing that a matter of public importance be submitted to the Assembly for discussion, namely:

The ACT Government's failure to properly target its recently announced \$17m voluntary separation scheme.

MR DE DOMENICO (3.15): Madam Speaker, the voluntary separation scheme is a forerunner to the more major task of separation of the whole ACT Government Service from the apron-strings of the Commonwealth. As such, the Government's handling of the voluntary separation scheme is a foretaste of what is to come. As usual, Madam Speaker, the Government is making a mess of this major and important undertaking. On Thursday, 30 September, the Chief Minister said in the Estimates Committee:

Madam Chair, indeed, the voluntary separation scheme as spelt out in the budget stands.

On Tuesday, 5 October, just days later, the Industrial Relations Commission said that the Government's global approach to the redundancies was inconsistent with the proper application of the framework pay and productivity agreement between unions and the Government and that the current scheme as it stood should cease.

Madam Speaker, the Deputy Chief Minister, Mr Berry, was quoted in the *Canberra Times* on 7 October as saying that a new process in which the Government would identify areas for redundancies would now be developed. And as a master of the understatement he said that the decision of the Industrial Relations Commission was a "minor setback". As seen from question time today, the Government has been so far unable or unwilling to target redundancies or, as they have now been euphemistically tagged, separations. To target separations the Government must make decisions using vision, how it sees the future. The fact is that the Follett Government does not have an idea on how to approach this issue. It lacks the vision and perhaps, I suggest, the spine.

This Government's liaison with the unions is a relationship which has become an impediment to good government. The community knows it, but the Government is blind to the serious implications of this dangerous liaison. The implications lie in the future well-being of this community. Bad decisions now regarding the public service will affect everybody in every area of community life. Yet still the Government is unable to take the bull by the horns. On 16 September the Liberal leader, Kate Carnell, responded to the Government's budget in the Assembly. She said that the redundancies should be targeted. Perhaps it is worth while quoting what Mrs Carnell had to say. She said:

Where does Ms Follett really intend to make these cuts? Will it be teachers -

we know that, yes, some 80 teachers are to be chopped -

nurses -

and we know what the nurses think of the Government -

bus drivers? Where will they be? It is clearly a case of dodge, duck and deceive. Fancy telling the community, as Ms Follett has done, that the redundancy packages have been set aside for people who want to "welcome the opportunity to change their career". What a gutless euphemism! Why does she not just say what she means? Why does she not say that the reason she has not targeted the redundancies is that that would require a decision to be made?

That is what Mrs Carnell said, and how right she was. Mrs Carnell hit the nail on the head three weeks ahead of the good commissioner and long before the Government awoke to the fact that these redundancies had not been targeted, and this is the reason for the foul stink which has now been raised by the unions and supported just last week by the Industrial Relations Commission.

Madam Temporary Deputy Speaker, despite the symbolic relationship between the unions and the Government, the Follett Government has failed on every issue regarding the implementation of the voluntary separation scheme. The Follett Government has failed to consult. The Follett Government failed to realise that its program did not even fit in with the framework arrangements it set in place itself. Finally, the whole thing has been thrown out by the Industrial Relations Commission. So the Government has failed yet again. The Government has failed to develop a strategy to deal in a meaningful and ordered way with the reduction of the public service. It has failed, failed, failed.

Let us see where it has failed. It has failed to consult. In the Estimates Committee I questioned the Chief Minister about consultation, and she lovingly waxed lyrical on the amount of consultation undertaken by the Government prior to the budget. She said that she had received two very detailed submissions from the Trades and Labour Council and in the same breath assured me that, of course, the Trades and Labour Council was never, never, never informed of any details of the budget. This is consultation. You are asked to comment on a budget of which you are given no particular details, but consultation is carried out regardless. The Government consulted with the community, saying, "We cannot tell you anything about this budget, but we would like to know what you think about it anyway". In a twisted version of *The Emperor's New Clothes*, the community was consulted on something it could not see - a useful operation, I am sure!

Where else has the Government failed? I am suggesting that the Follett Government failed to realise that its program did not even fit in with the framework arrangements it set in place itself. I ask you whether anyone can trust that this Government knows what it is doing. It puts a framework agreement in place, and then hands down a \$17m initiative that does not abide by the agreement. Is it any wonder that 23,000-odd public servants tremble at the thought that the Follett Government will be at the helm engineering the separation of the ACT Government Service from the Commonwealth, when it

14 October 1993

cannot even get this right? It reminds me of the debacle we witnessed earlier this year when one Minister said yes and one Minister said no to an enterprise bargaining agreement in ACTEW. The result was that thousands of ACT residents spent Easter without electricity while that was cleared up; and the lights still are not on in some Ministers' minds, because here we go again.

Another matter has been thrown out by the Industrial Relations Commission. It is back to the drawing board. Meanwhile more than 2,000 public servants, I am told, have rung the Government's voluntary separation scheme hot line to make inquiries. Look at the history and you will understand the significance of the numbers. In the last two years the Government, coincidentally, has paid out about \$17m in redundancy packages. Yet the total reduction in the size of the public service is 152, despite the fact that the Government has accepted 698 redundancies now. If \$17m over the last two years equals about 700 redundancies, what is the Government going to do with 2,000 inquiries or 2,500 inquiries? Who knows? The Chief Minister would not tell us. Where is the money coming from, or going to come from? What is the Government's strategy? We still do not know anything about that. There is no strategy whatsoever.

The Government has failed to develop a strategy to deal, in a meaningful and ordered way, with the reduction of the public service - if there is any reduction of the public service. This means that this whole important process is going to cause chaos, confusion and controversy. There is no doubt about that. All of this is for the sake of looking after some union mates. It is a futile effort. Even the unions are not happy. We all know what Ms Hall has said and we all know what Ms Sheehan and others have said.

Mrs Carnell: They were not impressed.

MR DE DOMENICO: They were not impressed. They were not consulted. The matter was chucked out by the Industrial Relations Commission.

Surely by now the "bull by the horns" approach must look like an option. With such an approach you make real decisions with vision, with definite goals and strategies; you are open and honest and straightforward with the community and with the unions; you may sometimes override vested interests in the interests of the whole community and obviously better government. I will not hold my breath, nor should any of us hold our breath. But surely it is obvious that by targeting the separations - as my colleague the Leader of the Opposition, Mrs Carnell, suggested, as Trevor Kaine suggested when he was Chief Minister, as others have suggested, and in fact even as the unions and the Industrial Relations Commission have suggested - so many problems could have been avoided.

Ms Ellis: We must have missed that.

MR DE DOMENICO: You were not even here, Ms Ellis.

Ms Ellis: I have researched well, Mr De Domenico. Neither were you.

MR DE DOMENICO: At that stage I was president of the Chamber of Commerce. Unlike your party, the then Government consulted us. We were consulted. Mr Kaine was also aware of the situation when he asked the Chief Minister during question time on 15 September:

Chief Minister, am I to understand that you have included \$17m in your budget when there is no government policy on the matter, there is no government direction on the matter, you have no idea how many people might take advantage of the offer, and you do not know whether you can spend the money or not?

Ms Follett did not answer yes and she did not answer no. What she did was waffle on about giving the initiative to the public servants and not sacking anyone, which is well and good and a nice way to do things. We will not disagree with the conclusion that a voluntary separation scheme is a nice way to reduce the numbers in the public service, but you can still do this and have a strategy. You just have to be able to do two things at once.

The problem with the voluntary separation scheme is that all the initiative has been given to the public servants. The Government has retreated from its job of governing, of making decisions. Ms Follett is unable to grasp that a voluntary separation scheme can be targeted, limited and managed according to the strategies set to achieve desired outcomes and goals. But what do we have? Instead, we have a hit-and-miss affair that fails the public servants and fails the community; a scatter gun approach that gives no assurances that the implementation of the voluntary separation scheme will benefit the community or the ACT Government Service; an idea with no planning that has managed to offend the unions, has been rejected by the Industrial Relations Commission and has failed the community's expectations of good government management.

I have two more things to say, Madam Temporary Deputy Speaker. I would like to quote someone:

At least 400 public sector jobs will go as a result of this budget and the Treasurer has indicated that next year even more jobs will be lost. We are well on the way to the 3,000 job cuts the Treasurer has said that he wants. The Treasurer assures us that no-one will be sacked, but it has to be said that no-one will be employed either. In 1990-91 over \$6m is going to be spent in paying people out of the public service. This is a disaster for Canberra at a time when the unemployment outlook is very gloomy. There is some bad news hidden very deep in Mr Kaine's budget.

Mr Lamont: This is the former Treasurer whom even you gave the flick to. Even you flicked him.

MR DE DOMENICO: I am glad that Mr Lamont is interjecting. They are the words of your former leader.

Mr Lamont: Your former leader.

MR DE DOMENICO: Mr Lamont, wrong again. In fact, Mr Lamont, they are the words of your current leader, the current Treasurer, Ms Follett. She said that on 13 September 1990. I welcome your interjections. You are wrong again.

Let us have a look at what the Chief Minister's own advisory bodies tell her. The Chief Minister has stood up here three times, I think, and presented reports from EPACT, the Economic Priorities Advisory Committee of the ACT.

14 October 1993

Once again, I believe that there are certain members of that Economic Priorities Advisory Committee who are very concerned because, notwithstanding all the recommendations put forward by that committee, very little has been done by this Government.

So in every respect this Government has failed to do its job. It has failed to do its duty. It adopts the scatter gun approach, plucks figures out of the air - \$17m for a voluntary separation scheme or voluntary divorce scheme; call it what you will - and does not talk to anyone. Is it any wonder that it goes to the Industrial Relations Commission, and gets chucked out by the commission? Is it any wonder that for the first time in living memory the Liberal Party in the ACT and the trade union movement are speaking with one voice? They are saying, "Hey, listen. You have spoken to nobody. You have targeted nothing. You have put in place various aspects of voluntary separation schemes and done various things through the Industrial Relations Commission. You have sent in a Minister who has approved things through Cabinet, not realising that what the Cabinet has just approved goes against what you have negotiated with the trade union movement". That is a wonderful way of handling industrial relations! No wonder the teachers are concerned; no wonder the nurses are concerned; no wonder the trade unions are concerned; no wonder the Opposition is concerned.

It seems that the only people who are not concerned are the Government. Who will forget that wonderful interview on the Matthew Abraham show after the Industrial Relations Commission made its finding? Mr Berry was asked, "What are you going to do about it?". Mr Berry said, "Oh, well, I am going to have to read the decision first before I make up my mind". Everybody in town could have given Mr Berry a copy of the decision. Everybody else knew about it, but the Minister for Industrial Relations did not have a clue. It was like punching junket. This Government has failed in all respects. It is too gutless to make decisions. It leaves all the decisions to be made by the public service because it just simply does not know what it wants to do. When it does make a decision it is usually the wrong decision, as this one has been proven to be.

MS FOLLETT (Chief Minister and Treasurer) (3.29): Madam Temporary Deputy Speaker, I point out before I start that Mr De Domenico has attempted to mislead the Assembly in his reference to Mr Berry's response on the Matthew Abraham show about the Industrial Relations Commission's decision. Mr Berry said, absolutely correctly, that the Government needed to see the reasons for the decision. If Mr De Domenico had read the decision he would have seen that the commissioner specifically offered to provide reasons. The Government therefore took up the commissioner on that offer. At this point, of course, we have not yet received those reasons. I think it is shameful for Mr De Domenico to try to score a cheap point such as that, when in fact the basis of his point scoring is absolutely untruthful.

The Opposition has raised this matter of public importance and alleged that we have not targeted the voluntary separation scheme. The Opposition quite clearly does not understand the budget strategy; nor indeed do they understand - - -

Mr De Domenico: Nor do you; nor does the union. Everyone is wrong, except them.

MS FOLLETT: Madam Temporary Deputy Speaker, I am not prepared to shout over this rabble.

MADAM TEMPORARY DEPUTY SPEAKER (Mrs Grassby): I agree, Chief Minister. Could we hear the Chief Minister in silence, please.

MS FOLLETT: The Opposition clearly does not understand the budget strategy or the best means by which the ACT public service can be restructured to a permanent and viable lower level of expenditure. At self-government we inherited a public service whose levels of expenditure were greater than can be afforded by a self-governing Territory that is obliged to reduce its expenditure to State-type levels. That fact has been recognised in every budget brought down in this Territory.

In the most recent year the reduction in Commonwealth funding has been dramatic. As I have pointed out many times, we have had a reduction of some \$78m, or 19 per cent, in our major source of revenue, and that cannot be ignored. No matter how much those opposite or the Independents want to pretend that we can snatch money out of thin air, in government you have to recognise that that is just not the case. Our budget problems have not been assisted over the years by Mr Kaine's tenure as Treasurer, during which time he announced totally untargeted job cuts - cuts that, as it turned out, were unachieved. In fact, under Mr Kaine and under the Liberal Alliance Government the size of the public service grew. The size of the ACTION subsidy grew also. With the Liberals, as we heard this morning, it is not a case of "Do as I do"; it is always a case of "Do as I say". The Opposition are simply incapable of implementing their own rhetoric. Our Government has never proposed arbitrary cuts to the budget and, indeed, we have been reluctant to impose any cuts that have not been subject to extensive prior consultation, and that remains our pattern.

In this year's budget the Government did two things. Firstly, we brought down a budget that is a proper and responsible budget for the 1993-94 financial year. Again this morning we saw the attitude of those opposite towards a responsible budget. They were willing, on a whim, to wipe \$26m from this Territory's revenue. That was the height of irresponsibility. I thought it was a disgraceful effort. Even when their error was pointed out to them, they did absolutely nothing to try to correct it.

We have brought down a proper and responsible budget. At the same time we have put in place the measures for a medium-term budget strategy that will show results in 1994-95 and in subsequent years. In my budget speech I foreshadowed further expenditure reductions in a range of areas which those opposite pretend to ignore. For their benefit I will outline many of these reductions again in a moment. However, the crucial point with all these measures is that they are intended to be developed during 1993-94 for implementation in 1994-95 and subsequent years. By giving managers a lead time for development, the Government is giving space for adequate consultation so that these restructures can be implemented cooperatively and effectively and we do not repeat the failures of the Liberals when they were in government.

14 October 1993

Decisions included in the budget are part of an integrated efficiency program designed to ensure maximum benefit to the ACT community. The strategy is not only targeted but quite specific in its intention. The Government quite consciously looks for measures that would give maximum benefit to the community. Accordingly, we have looked for those activities and functions that support the public service, not the ones that service the community. We have also looked for proposals that will have some benefits to staff, particularly in the areas of multi-skilling and enhanced career paths.

As I said in my budget speech, the major outcome from the program is expected to be a shift in resources from internal public sector activities to better services to the ACT community. For example, the consolidation of municipal services is designed to ensure that all opportunities for better cooperation, achievement of economies and multi-skilling are taken. This review will be conducted with unions, which are equally keen to make the municipal work force as efficient as possible. That might be a surprise to those opposite, but it is true. Another example is the continuation of the program of efficiency measures in ACTION, which is progressing on schedule and will result in savings to the ACT community of \$10m per annum by 1994-95. Further examples are improved support for land servicing activities and rationalisation of workshops. Both of these offer opportunities to multi-skilled staff and to deliver more efficient services without a direct impact on the community.

A program of overhead cost reduction studies is also proposed. These studies will progressively work across all agencies and assist managers to find the true cost of service delivery and will recommend ways in which these costs can be reduced without affecting services to the community. A senior level committee, which is called the Efficiency Review Committee, has been established to oversee our efficiency review program on a whole-of-government basis. That committee is already functioning and is currently negotiating with agencies over the achievement and timing of savings. It is important for the Assembly to understand that the Government can go at only a certain speed in identifying areas where restructuring is practical and effective. As I said earlier, the Government is anxious to provide time for consultation before making decisions on such important matters, and we are particularly conscious of the dangers of making decisions with inadequate information.

While the Minister for Industrial Relations will go into this in more detail, at the time the Government was settling its budget we were also putting in place the means to progress the medium-term budget strategies. There is no point in seeking to force proposals on the work force when there is scope to consult about them. Accordingly, Mr Berry wrote to the unions in the context of enterprise bargaining, seeking their views about a joint and mutual cooperative approach to progressing the Government's budget targets concurrently with productivity improvements. Discussions on these proposals are proceeding well, Mr De Domenico. Unlike the Opposition, the Government is recognising the need to allow managers time to consult and the right of other stakeholders, including unions, to be consulted. I need to stress again that these processes are very targeted and are in no way a scatter gun approach.

In seeking global expressions of interest, the intention of the voluntary separation scheme was to assist management establish which staff were interested in a career move or in leaving the ACT public service for other reasons. The intention was for these interests to be matched to the restructuring process. We had proposed

that managers would prepare, for our consideration and for subsequent consideration by unions under the award process, restructuring proposals that were informed but not directed by information about the areas from which staff wish to leave.

As the Opposition knows, Commissioner Smith ordered that the process of seeking global expressions of interest cease. The Government has yet to see his reasons, as I said. Accordingly, we have ceased the scheme, but with some regret, given that the material would have been used in accordance with awards and could have been only helpful to the restructuring process. As the expressions of interest can no longer be invited, the Government has asked managers to consider what, if any, additional restructuring measures they would wish to recommend. After consideration, where appropriate, by government, these measures will also be tabled at local bargaining centres along with those budget targets already announced. The local bargaining centres will also discuss any productivity proposals that the parties might have.

In all, the efficiency review program has over 50 components, and I do not propose to detail each and every one of them. I would, however, say that it needs to be clearly understood that a framework has been put in place to manage the efficiency program. This program covers management improvement, efficiency improvements, information technology improvements, service delivery reviews, restructuring proposals, resource reviews, overhead cost reduction studies and organisational reviews. They are a broad-ranging set of targets that may be complemented by other proposals, but the Government's plan to restructure the budget in a sustainable way will continue, as it was never dependent solely on the voluntary separation scheme.

The Government has not only a clear medium-term budget strategy but also one which is targeted and is achievable, unlike what the Liberals tried to do. This puts us in a much stronger position than the Kaine Government found itself in when it announced that hundreds of positions were to go. It did not say where they were to go from or how they were to go. What we have put in place here is a far more thoughtful, far more considered process, and one which will be achieved.

MR CORNWELL (3.40): Madam Speaker, the matter of public importance is:

The ACT Government's failure to properly target its recently announced \$17m voluntary separation scheme.

I think it is appropriate for me to read a small extract from *Alice in Wonderland* to describe the caucus race:

First it marked out a race-course, in a sort of circle ("the exact shape doesn't matter", it said), and then all the party were placed along the course, here and there. There was no "One, two, three, and away", but they began running when they liked, and left off when they liked, so that it was not easy to know when the race was over. However, when they had been running half an hour or so, and were quite dry again, the Dodo suddenly called out, "The race is over!" and they all crowded around it, panting and asking, "But who has won?"

14 October 1993

This question the Dodo could not answer without a great deal of thought, and it sat for a long time ..., while the rest waited in silence. At last the Dodo said "Everybody has won, and all must have prizes".

I suggest to you that that is a very good extract from *Alice in Wonderland* in relation to this Government's approach to the voluntary separation scheme. It is, in fact, total confusion.

Let me give you some examples of this. Initially, when the Government was deciding that some 80 teaching positions would go, we had the Chief Minister advise that they would be at the college level. When it became obvious that that would mean something like nine teachers in each college, suddenly we discovered that no, they were not to be restricted to the colleges; they were to go from the high schools and the primary schools as well. As we debated yesterday, 37 per cent of the cuts will be in colleges, 37 per cent in the high schools and the balance of 26 per cent at the primary school level.

When, however, we endeavoured to find out details of this at the Estimates Committee hearing there was some conflicting advice. First of all, Mr De Domenico asked Ms Cheryl Vardon, "What would happen if you had 127 people wanting redundancies?". She said:

It is easy, it is fine. It may be more than 80. Can I just say that the 80 positions in terms of reductions is not related to the voluntary separation packages in any way.

That is the first item of confusion. Ms Vardon went on:

We have to make sense of that jigsaw and we will and this is how we will do it. We will know - we have to meet an 80 reduction, that is one issue, but we will know in November just how many teachers and principals and people in central office will put up their hands for a package and will want to go and that will happen. They will get their packages and they will go. That will leave us with - and this, I think, is a very positive thing - the ability to, if that number is more than 80 and I am sure it will be - to recruit.

That is fine. We have established that at page 224. However, at page 291 we have Mr Wood commenting that, in fact, it was not just across the board; that they could not seek this in the supplementary area; that in other words they could not target supplementary teaching positions. Mr Moore put it this way:

They are not free in the way you indicated to the committee to make their own decisions ...

On the one hand we have a very clear indication from Ms Vardon of how it is going to happen and then we have a contra view put forward by the Minister, saying that the supplementary teacher positions cannot be affected. Where do we stand on this?

We have another example in the Auditor-General's report. This gentleman has made a recommendation that redundancies could be considered as a means of altering the current age and length of service teacher profile which has resulted in the majority of level 1 teachers being paid more. Never mind about awards; never mind about the experienced and well-qualified teachers being put out.

This is a suggestion by the Auditor-General. It is strange that the Labor Government has been waving this report around. Bear in mind, however, that this came down simultaneously with the budget. It is highly unlikely that this information was known at the time of the budget being put together. Nevertheless, it is being used by the Government as another argument. Are you therefore planning to get rid of advanced skills teachers, and as many as possible? I pose the question and I hope that I may get an answer at some stage.

Mr Wood: I will give you a lecture about this later on.

MR CORNWELL: We also have Mr Wood, who is interjecting, giving us a very clear indication that these 80 are not the end by any manner of means; that there will be further cuts in years to come.

Mr Wood: No; you have been listening to Mr Moore.

MR CORNWELL: No; I am listening to you, Minister. At page 196 of the Estimates Committee transcript I said:

So we can assume that there may be further cuts in future years.

Mr Wood said:

If you have read the documents that is the case.

That is unequivocal.

Mr Wood: Yes, 4-point-something million dollars for each of the next two financial years.

MR CORNWELL: Translated into teachers, I would suggest, Madam Speaker. We then turn to the rather extraordinary statement made by the Chief Minister at question time today that, of the \$17m, some \$9.3m had already been allocated either for 1992-93 for people who had accepted some sort of voluntary separation or for 1993-94 for those who had indicated that they were going to accept. That left only \$8m. She also responded that the question Mr Kaine asked about whether more was needed was hypothetical. It seems to me that again this is an example of the total confusion of the Government. They have no idea how much money they may need, because they have not targeted their voluntary separation scheme.

I asked how many requests for information - for information only - regarding the voluntary separation scheme the Government had received. Ms Follett said that she did not know, but it was a substantial number - whatever "substantial" means. She went on to defend her inability to provide the information by saying that providing the information would be a possible contempt of court. I must admit that that is an improvement and a bit of a variation on the usual argument put forward by the Government: "The privacy law does not allow it. We cannot say that because we cannot give you the names of people". The Government constantly hide behind things like the Privacy Act, and in this case "possible contempt", so that they can avoid answering the questions.

14 October 1993

Of course, the reason they are not answering the question in this case is that they do not know the answer. They do not have any plans. What they do have, however, is fairly clear-cut. Rather than look after the maximum benefits to the community - and I fail to see how cutting 80 teachers could possibly be of any benefit, far less maximum benefits to the community - they have, I would suggest to you, targeted service industries while protecting influential union based preselection delegates.

Mr Kaine: They cannot make a decision without asking the union.

MR CORNWELL: Correct. It is very significant, Madam Speaker, that the teachers union, the Australian Education Union, is not affiliated with the ALP, so presumably they are an easy target for this Government. They are not affiliated with the ALP and therefore their influence in the preselection processes that are coming forward in due course will be much less than that of other unions which are obviously being protected and quarantined from this voluntary separation scheme. This Government has no idea what it is doing with this matter. It is creating massive confusion in the community and it should stand condemned on those grounds alone. How we can expect to have any faith and confidence in the future of this Territory with this ham-fisted approach to a simple matter of voluntary separation is beyond me.

MR BERRY (Minister for Health, Minister for Industrial Relations and Minister for Sport) (3.50): I will straighten the record out, as is always necessary once the Liberals have spoken. Mr Cornwell talked about contempt of court. Of course, it was not a court; it was the Industrial Relations Commission. Just finetune it and get it right. There is a difference between the commission and a court. Madam Speaker, it is always interesting to see a challenging debate in this place, but this day we have not seen one.

It has been most interesting to notice the absence of any real inquiries from Mrs Carnell of the Chief Minister in relation to budget matters. I understand why that is. It has become painfully obvious that she does not understand. This budget business is a bit too hard. Mr Kaine is hanging onto that like grim death. There is nobody within the mob who can take it from you, Mr Kaine. You are pretty safe.

Mr Kaine: Have you a vacancy for a Treasurer on your side?

MR BERRY: You would feel more comfortable with us than you would with them because you would probably be safer. At least, you would not have to lie awake. If you were having a little doze, you would not have to keep one eye open if you were on our side. Every time Mrs Carnell and Mr De Domenico hear the hum of a Cessna overhead they dive under the bed because Trevor is out there with his licence and he is about to give them some - the old Blue Baron.

The Chief Minister has already made it clear that the 1993-94 budget and the various reviews associated with it demonstrate a considered approach by the Government to meeting the reductions in funds available to the ACT. Not only has the Government developed a budget and related reviews that will properly target savings measures; it has also put in place an industrial negotiation process which will address restructuring in a strategic and measured fashion. It will not do it with cliches and rhetoric. This is about doing it in a strategic and measured way.

A cornerstone of the Government's approach has been to recognise that enterprise bargaining processes have the capacity to deliver both the restructuring necessary to meet our budget imperatives as well as self-funding productivity based pay rises. Accordingly, Madam Speaker, the Government and unions are working together to establish processes which recognise that the Government has difficult budget targets to achieve if productivity based pay increases are also to be obtained.

Consistent with this strategy, a central coordinating group comprising unions and senior management has been developing a framework within which local bargaining in the ACT public sector will be undertaken. The central coordinating group has been meeting regularly - including earlier today, as I am informed, and on another occasion since the budget - to work through the principles and processes by which restructuring involving productivity considerations will be delivered. It will become apparent to members, as I describe the processes that are now under way, that the framework we are creating for consultation and negotiation with unions in relation to restructuring represents a strategic approach that is designed to deliver targeted change in the workplace. The identification of areas in which such change is needed is not just being left to managers. Restructuring proposals will draw upon the decisions made by the Government in the budget process and will involve further Government decisions where appropriate.

Illustrating the Government's direct involvement in these matters and its commitment to a strategic approach, I wrote to the Trades and Labour Council well before the budget, outlining our overall position in relation to enterprise bargaining. Among other things, I sought a continued commitment by all unions to cooperate in, and facilitate the timely achievement of, the budgetary restructure the Government was obliged to make. I made it clear that the budgetary targets involved would be existing ones, targets announced in the 1993-94 budget itself or additional targets developed through the year. I also stated that, in recognition of the substantial economies that needed to be found before there could be productivity gains which would translate into wage increases, the Government would be willing to allow productivity increases achieved over and above budget targets to count towards improvements for workers as wage supplements or other benefits. My letter also stated a willingness to enter into a new closed agreement in order to give effect to this restructuring for both budgetary and productivity pay purposes.

I realise that the subtleties of this approach may be lost on the members of the Liberal Party. But again I say that this is not a process which is based on rhetoric and words. This is a process which has a strategic thrust. Since well before the budget was brought down, the Government has been working with unions to put in place a strategy that is capable of delivering targeted restructuring in the ACT public sector. Shortly after the budget the Secretary of the Chief Minister's Department again wrote to the Trades and Labour Council. He provided further detail of the Government's intentions, particularly in the light of the measures announced in the budget. Again emphasis was given to the strategy of pursuing concurrently, through common enterprise bargaining processes, the separate objectives of budget related restructuring, including restructuring associated with the voluntary separation scheme, as it was described, and enterprise bargaining designed to bring about self-funded pay outcomes.

14 October 1993

I also met with unions in September 1993 in the light of their concerns about aspects of the voluntary separation scheme. That aspect of concern was the general call for expressions of interests in voluntary retrenchments. At that meeting, whilst it was clear that there was a difference between us in relation to the matter, there was general acceptance, in my view, of the general strategic approach of restructuring that I have outlined earlier and that the Government had decided to pursue in consultation at various times with the trade union movement. Again I stress that the significance of this should be clear to members. Through the Government's careful approach to negotiation with unions and taking advantage of the opportunities created by enterprise bargaining, the Government and unions are in agreement on the principles of a process which will see consideration of a range of restructuring proposals in local bargaining centres over the coming month or two. The obligation on the Government to restructure on its own initiative was recognised by the Industrial Relations Commission when it looked at this matter some time ago.

These restructuring proposals will be specific. They will address productivity related proposals arising from the Government's budget decisions, proposals arising from the many reviews put in place by the Government, some of which were announced in the budget, other restructuring measures being put forward by agencies in order to meet their budget targets and measures designed to bring about self-funded productivity pay increases. The process will be complex. There is no question about that. It will not be easy, because it will involve a great deal of work by the unions. They are necessarily involved at the workplace in this process. I think there is goodwill on both sides in relation to the matter.

Most of all, in the context of this debate, it is a strategic process. The Liberals have attempted to say - so far they seem to have failed to say it in any structured way - that the ACT Government has failed to properly target its recently announced \$17m voluntary separation scheme. This is again the old small picture stunt by the Liberals. It is always the small picture; they never look at the entire picture. This process is designed to achieve the Government's objective of a restructured ACT public sector which is capable of delivering quality services to the community at a price we can afford. Provided our budget targets are met, it is also a process that can appropriately reward increased productivity on the part of our public sector employees. I reiterate that the Liberals are great at looking at a small part of the picture. We see Mrs Carnell niggling away at the health system, worrying about waiting lists, worrying about the number of beds in the hospital, but never wanting to look at the big picture of what the hospital system is delivering for the people of Canberra. It is the same with industrial relations. The system is delivering good quality products.

MRS CARNELL (Leader of the Opposition) (4.00): Madam Speaker, the voluntary separation scheme, without doubt - - -

Mr Lamont: Did you write this, Trevor?

MRS CARNELL: It is not written. I am just going to make it up. The voluntary separation scheme, Madam Speaker, shows a government without direction and it certainly shows a government without vision. I think we saw that in the Chief Minister's speech when she again said, as she has many times, that she had absolutely no idea where the redundancies would come from, absolutely no idea how many of them there would be and no idea whether they would occur at all.

Mr Lamont: Mrs Carnell, you have no idea. You have been spending too much time learning how to get on the band wagon.

MRS CARNELL: We are talking about what the Chief Minister said in her speech. Are you not interested in what your leader said? That is exactly what she said - she had absolutely no idea. If untargeted redundancies are not about sending little blue forms - I think they were blue, were they not? - to every single public servant, I really do not know what untargeted redundancies are. Of course they are untargeted, and they can only lead to problems in the morale in the public service. That is what we on this side of the house are concerned about.

What we are concerned about is having a public service that does not know where it is heading. Canberra relies heavily, both economically and socially, on an efficient, happy and productive public service. That is important to everybody in this town. I think 48 per cent of people in the ACT still work for the public service. Certainly that includes the Commonwealth Public Service, but a large percentage of those people work for the ACT. We want to look after those people. We believe - I think Mr Westende will back me up - that if you do not look after your staff you cannot run an efficient operation. If you do not make sure that your staff know what your corporate direction is, what you are trying to achieve, then you have no show whatsoever. Staff have to be part of any change. In fact, they should be part of initiating that change, if you want it to work.

The Chief Minister said, rightly, that the ACT had inherited a public service that it could not afford. We have never backed away from that. Mr Kaine has said that on many occasions. But the Chief Minister's only solution to that is to sack people, to get rid of people, to cut staff numbers. We already know that over the last couple of years - Mr De Domenico used these figures in his speech - there have been 698 redundancies; but unfortunately we have had only a 152 reduction in the public service, and that has cost us \$17.2m. They have been very expensive redundancies if at the end of the day we achieved a reduction of only 152. I thought it was very interesting to note that of those people who have taken pay-outs we have re-employed 16. Is that good value for money? We have given people pay-outs and then we have re-employed them. That shows a total lack of direction for any organisation.

I said earlier that one of the things that we on this side see a real need to do is to nurture and promote talent in the public service. If you are going to do that, untargeted redundancies can only cause a problem. What we do not want to happen is for those public servants who have real talent, who have real direction, who have real drive, who know where this city is heading and are trying to lead it there, to end up taking voluntary redundancies because they have given up. That is what is likely to happen. They have given up because they do not know where the system they have is heading. What we have to do if we want to make this city work is make sure that our public servants have real job satisfaction. We need public servants who want to go to work every morning. We want public servants who know that this Government cares about them, will give them direction, will give them jobs that really matter. We want a happier, more dynamic, more innovative work force. It is fascinating to me for a government to talk about restructuring its public service - if that is what they are talking about; we are not too sure what they are talking about - without addressing the absolutely ludicrous inflexibility that exists in our public service at the moment.

14 October 1993

We are sending little blue forms to 23,000 people without addressing the problems that exist inherently in the service. If a permanent position exists in a particular area it exists there forever. You cannot move permanent positions between sections, branches or departments. The only option is to end up with a redundancy. I think this Government's approach of suggesting that total quality management is something that we should be encouraging in the business sector is appropriate. How about a bit of total quality management in the way we organise our public service? The whole benefit of that approach is to create an environment that encourages employee participation, that builds employee involvement - - -

Mr Lamont: Spend more.

MRS CARNELL: I am very interested that Mr Lamont said, "Spend more". We know that, conservatively, total quality management produces cost savings of some 30 per cent. I know that many writers have suggested that if it were taken on board by the public sector the savings would be substantially greater than that. Would it not be more appropriate to go down a track of looking at total quality management principles - that is, employee participation, employee involvement, work satisfaction, a happier, more dynamic, more innovative workplace, a public service that actually knows where it is heading? That would be more appropriate than the Government going down the track of putting in envelopes little blue slips that say, "If you want to get out you can, because we really do not value you at all. Any of you can go. We do not mind which ones go". How can that make anybody feel part of an organisation? How can that make them feel that they are worth anything?

The Government has to target its redundancies if it wants redundancies. You have to say to the public sector, to department heads, "From the ground up, total quality management works only if you ask your employees what they think, what are the areas in which they believe savings can be made". That is the only approach that works. If the Labor Government had chosen to ask the public servants where redundancies could be found - in other words, targeted those redundancies - I am confident that today we would not have a union that is totally opposed to the Labor Government. We would not have a situation where the Industrial Relations Commission has said, "Not on, Ms Follett; not a good way to go". We would have a situation where we would have found the redundancies. But it would not have been the Government that found the redundancies; it would have been the public sector itself that had found the redundancies that were needed. As well, we would have a directional public service that was saving money - which, let us be fair, is in the best interests of everybody.

There is no doubt that unless we can have an efficient public sector we cannot have a tax structure that encourages the private sector. We are all very much intertwined in this. The public sector matters to the private sector; it certainly matters to the Liberal Party; but it does not seem to matter one bit to the Labor Party.

MADAM SPEAKER: The discussion is concluded.

PUBLIC SERVICE - PROGRESS TOWARDS SEPARATION
Ministerial Statement

Debate resumed from 11 May 1993, on motion by **Ms Follett**:

That the Assembly takes note of the paper.

MR DE DOMENICO (4.10): It is appropriate that we should be debating the Chief Minister's paper today after we just spent nigh on an hour talking about voluntary separation schemes. I will attempt to make my comments brief. I will see how we go. Madam Speaker, the Prime Minister, Mr Keating, wrote to Ms Follett and her Government in April 1992, I believe, informing it that preparations should commence for the separation of the ACT public service from the apron-strings of the Commonwealth. It seems, when one reads the Government submission to the select committee that has been established by this Assembly, that nothing happened for about 12 months. The Liberal Party, during that time, had constantly said, "Listen, it is about time something was done". If we were to establish a public service within 12 months, or even 24 months, something needed to be done right from the beginning.

Right from the beginning of this historic change we have seen that the Government was reluctant to face the issues which must be resolved. The fact is that the separation of the ACT public service from the Commonwealth will force any ACT government to deal with issues like enterprise bargaining, the size and structure of the current public service, superannuation, and mobility and ethical questions, all of which are tough issues. There is no denying that. It will take a government with spine, with vision and with guts to engineer this transition, and to engineer it properly. "Properly" is the operative word. Anybody can engineer it, but it has to be engineered properly. I have no doubt that these are some of the reasons for the Government's reluctance, any government's reluctance, to proceed quickly, and it should not be proceeding quickly. Right from the beginning we have run smack into confusion once again. Let us start with who has the carriage of this issue. It could be the Chief Minister, with her responsibility for the public service; but it was the Industrial Relations Minister, Mr Berry, whom we heard on radio at the beginning. He was saying that employee numbers would not be reduced. What a hypocritical statement that has turned out to be! I think his words on the Matthew Abraham show were, "We will carry across all the 23,000", or whatever number it was.

We have spoken a lot this afternoon about the voluntary redundancy package, and about the lack of vision and the lack of targeting; but it is no wonder that at the beginning the Government was reticent about the separation of the ACT public service. It is a Pandora's box of issues which the Government, I believe, is ill equipped to deal with. Its alliances mean that it will have to cut its own throat sometimes in order to deal with some of the issues now facing it. Mr Berry, the Minister for Industrial Relations, we believe, has the carriage of many of these issues facing the Government on the separation of the public service. He is the Minister for Industrial Relations and obviously will have to have discussions with his counterpart, Mr Brereton. Once again, Mr Berry was the man heard to say on the radio, before any decisions were made and any work was done, "We will carry across 23,000". He was part of the Cabinet, I should imagine, that approved of the then \$17m voluntary separation scheme.

14 October 1993

It was the Chief Minister, Ms Follett, in fact, who quite kindly gave a brief to the select committee when the Assembly finally established it. It was a long awaited brief, we recall, for which the Chief Minister should be thanked because it was a very thorough brief, as far as it went. The brief could not be given to the committee before the submission, and the submission was due later than the committee envisaged. The whole timetable was stalled slightly because of the late arrival of the brief.

I know that the Government has a definite timetable for the separation. It would like to see such a separation take place in May next year, coincidentally - and it is an interesting coincidence - with the fifth anniversary of self-government. Perhaps that might be an appropriate time also for things to start to move. Given the Government's reluctance to be brisk with this matter - I am not suggesting that it should have been brisk - I doubt that this timetable will hold. I hope that it does. We want to make sure that if it does hold it is done properly. It could be a good thing, as I said, if it is not done quickly, given the Government's obvious past record on consultation. The more time it takes, the more chance, however slim perhaps, there will be that people who will be affected by these changes will be consulted. Madam Speaker, I would like to read a letter in relation to consultation that was received. It is dated 1 October 1993, and it is from Mr Allan Anforth, director of the ACT Council of Social Service. It reads as follows:

To all Agencies

Dear Colleagues,

We have now had the opportunity to read the full submission by the ACT Government to the Legislative Assembly on the setting up of the ACT Public Service, which includes, as appendices, a number of other Government policy documents.

Whilst there is much interesting detail and good policy contained in this submission, there is one notable, glaring omission!

With the exception of one brief passing reference on page 8 of "Strategic Directions for the ACT Government Service", there is not a single reference or thought given to the role and importance of public consultation by the public servants in policy formulation. There is no suggestion that it forms any part of the values, ethics, standards or otherwise of the proposed ACT Public Service!

It is not that the issue was not raised with the Government. ACTCOSS raised it at the "Symposium on Government Values" which forms the basis of much of the submission, although no reference is made to this fact in the Report on the Symposium.

This is an important issue. Please let me have your views in writing as soon as possible.

If the Sector's views indicate sufficient concern, ACTCOSS will endeavour to take the matter up in the political forum.

Yours sincerely,

Allan Anforth.

So not just supporters of the Opposition but, seemingly, even the Government's own supporters once again are reiterating over and over again what we know - that there is very little, if any, public consultation, important consultation, with important community groups. It is not being said by us; it is being said by Mr Anforth. Madam Speaker, I am sincerely hopeful that the committee's work will aid this process which, in the past, has been sadly neglected by the Government. Once again, Mr Anforth's letter, which I have quoted verbatim by the way, is - - -

Mr Berry: Misquoted.

MR DE DOMENICO: No, not misquoted. In fact, Madam Speaker, I will seek leave, after I finish, to table the letter. I know from the budget papers, Madam Speaker, that \$460,000 has been spent so far on the separation issue; yet there has been no agreement, as far as I am aware, or no formal agreement, on important issues like superannuation, mobility, industrial democracy and enterprise bargaining. The committee was aware that there was supposedly going to be a meeting - - -

Mr Lamont: Yes, there has been. You do not understand.

MR DE DOMENICO: Mr Lamont, once again I look forward to your contributions to all these debates. You have made not one contribution today. Madam Speaker, he has continued to interject, usually in a nonsensical way, and is yet to make any contribution at all today to any debate that has ensued in this Assembly.

These are four tough issues, Madam Speaker. As I mentioned before, the Government's alliances with certain sections of the Canberra community will make it very difficult for negotiations from time to time. There has been a lot of rhetoric, a lot of pleasant statements of goodwill and intentions of excellence, which I share and commend, and the Opposition shares and commends; but there seems to be precious little else as yet. The time is nigh for the Government to take this issue and form and shape it to achieve what it intends. There is a need to see real action.

We know that negotiations with the Public Sector Union and other unions are under way. Under discussion are items like the centralised management structure. But has the Government, for example, taken into account that many agencies work better with their own management functions? For example, Madam Speaker, ACTION buses runs its own rostering, scheduling and pays, and saves time and money doing this. Will a centralised management structure take into account systems which are already well established and running efficiently? Will such negotiations take into account that a lot of the work carried out by the ACT Government Service is of a municipal or local nature? How much has the Chief Minister's task force liaised with local and municipal government associations, or have negotiations been carried out solely with the local unions?

I note that a seminar took place, with all sorts of government agencies and unions invited. One interesting invitee and attendee was the New South Wales Chamber of Commerce and Industry; but nowhere did I see in the list of invitees, for example, the Canberra Chamber of Commerce and Industry or the Canberra Business Council. Yet, here we are discussing the separation of the ACT public service - - -

Mr Lamont: That was the list of attendees.

MR DE DOMENICO: No invitations were sent out to any of the local business representatives. Obviously we have the opportunity, Madam Speaker, to create a unique and excellent public service tailored to the needs and idiosyncrasies of the ACT, to the delivery of service. We should grasp this opportunity and not be diverted by the temptation to copy structures which may be okay from time to time for the Federal function but which are out of place in the local arena. Federal structures for the public service may not be suitable or appropriate for the governance of a city-state like the ACT. Madam Speaker, all of these factors must be considered when preparing the legislation. The Government must be both careful and bold, and I am sure that it will be, in its drafting of this legislation which will affect all of our public servants, the majority of whom are committed, hardworking and experienced.

It will also be vitally important to get the community's input when considering the ACT public service. It is, after all, the ratepayers who fund the Government, and their needs, opinions and expectations have to be considered and addressed. The Government must make sure that it gets the balance right between the ratepayer and the public servant. One should not be sacrificed in consideration of the other. That is a difficult task, I must admit, for any government, noting the great number of ratepayers who are public servants. The Government has to get it right, and this Assembly has to get it right. There is no room for the messy and embarrassing argy-bargies, for example, that we witnessed at the beginning of the year when two Ministers argued over the concept of enterprise bargaining within ACTEW. Now is the time to make sure that that sort of thing does not happen again.

It is important, Madam Speaker, that the legislation, while dealing with these complex issues, is also simple and concise. The committee was delighted to hear from some of the people in the Chief Minister's area who suggested that one of the Acts of parliament that we should be looking at, in terms of best practice and concise and plain English, is the legislation in South Australia. I think all members of this Assembly would welcome this legislation being simple and concise. It must be easily and readily understood by each agency. The best scenario would be to set overriding principles, but to allow room for each agency to adopt ground rules and values which are appropriate to its operations. Therefore, Madam Speaker, the separate functions and total unity of the ACT Government Service would be recognised and an appropriate framework would be provided for the Government in each department. Madam Speaker, finally, the legislation must recognise the nature of self-government. The legislation must reflect the reality that it is the elected members of this Assembly, or most of them, who have the responsibility for governing the ACT, and not an entrenched and sometimes inflexible bureaucracy.

MR LAMONT (4.22): I take the opportunity that was so generously offered by Mr De Domenico. Madam Speaker, the Select Committee on the Establishment of an ACT Public Service has, as Mr De Domenico has outlined, a fairly onerous task before it. The first of those tasks, it appears, unfortunately, is trying to educate Mr De Domenico. Mr De Domenico obviously has displayed an appalling lack of knowledge about the industrial process and the agreements which have been put into place and announced, firstly, by the Minister for Industrial Relations over the last three to four months in relation to questions such as enterprise bargaining

and so on, and, secondly, by the Chief Minister in relation to the restructuring exercises that are occurring, and will continue to occur, in a cooperative fashion with the trade union movement and the ACT administration. It had been my hope, when this select committee was first announced, that we would be able, in a cooperative and bipartisan way, to recommend to the Government ways in which the process towards a separate public service could be enhanced.

I believed that Ms Szuty, the current Deputy Leader of the Opposition and I would be able, in a cooperative fashion, to assist in this process. But, as I have said, it is fairly obvious that Mr De Domenico either is deliberately choosing to misrepresent what he is being told or simply does not understand it. That obviously will make the work of the committee far more difficult. I am aware that Ms Szuty understands the normal industrial practices and procedures outlined by the Minister and how they will continue, and the basis upon which they have been negotiated; but it is fairly obvious that Mr De Domenico does not.

In reality, the issue that Mr De Domenico addressed, the difficult nature of progression towards our own separate public service, is indeed a difficult process; but it is made more so by Mr De Domenico's lack of knowledge about these issues. I certainly hope, Madam Speaker, that that lack of knowledge and lack of understanding, and his inability to come to grips with these issues, do not prevent the committee from reporting on the due date. I am confident that Ms Szuty and I will be able to come to grips with these issues within that timeframe, and I certainly hope that Mr De Domenico's lack of understanding does not inhibit the committee in its consideration in any shape or form.

MR KAINE (4.25): Madam Speaker, I will be fairly brief. There is one thing that concerns me greatly about the directions that are being followed in this matter of defining where we are going in the establishment of our own ACT public service. I have read the submission that was put by the Government to the select committee and I must say that there are some excellent papers in this document. I read them with great interest. The authors, whoever they are, I believe, are to be commended. The papers are excellent as far as they go; but the thing that is missing, Madam Speaker, is some form of direction from the Government as to what it wants. These papers point out the history of the present organisation. It evolved from the Commonwealth. We inherited various organisational elements from a number of different departments that were brought together. In fact they even say in one place here that we inherited the remnants of a colonial administration. The problem is that four years downstream we really have not shed that. We still have essentially the same organisation that we inherited from the Commonwealth, with all its colonial administration characteristics. It was not designed to do the job that this Assembly and this Government may require it to do.

I say that these papers are excellent because they deal with the internal dynamics of the organisation, the way our public servants see the system working internally. It is good material, and it is good for us to reflect on the way the system might work; but the first decision has to be on what sort of an organisation we are going to have. Then the material that is in here begins to bear, because these are the dynamics of the way the system works, the interrelationships within the organisation, and its relationships with the external environment. One can argue that it is a cybernetic system which both influences

14 October 1993

the environment within which it works, because of its impact on society, and reacts to its external environment; and, if it is not a true cybernetic system, then something has gone wrong. But it says nothing about that fundamental issue of what it is that the Government wants this organisation to do. That is the gap.

I would argue that, if we let the system run as it is now, in two or three years' time we will have a public service that looks pretty much like the one we have now, that is about the same size as the one we have now, and that is doing pretty much the same kinds of things as the one we have now is doing. The dynamics internally may have changed a bit because of the navel gazing that is inherent in this document, and it may be working better; but it will be doing the same things in the same way, essentially, as it was when we inherited it from the Commonwealth four years ago. That impetus to define what the organisation is to do and to be must come from the Government. That is where the initiative must stem from. The Government must say, "This is what we want this organisation to do". Until it does that, until there is some redefinition of what the organisation is required to do, I repeat, it will continue to do the same things as it has always done, whether or not it is inefficient to do them, whether or not it is appropriate that they be done, and whether or not they fit together in some sort of cohesive and coherent way. It will be perpetuated.

This document, I repeat, is an excellent document. I read with great interest what is said here. Somebody has sat down and genuinely addressed the issues from their perception of where they sit in the organisation and what they perceive the future is for them. It deals with issues that are of great moment to the people who work within the organisation - there is no doubt about that; but I would like to see a document of the same level of excellence coming from the Government and saying, "This is what we want this organisation to do". I would submit that if that were done, and if the authors of this document then went away and thought about it again, they would revise much of what they say here, because you may be talking about a totally different organisation with totally different organisational objectives from those that currently exist. I do not want to denigrate the work that has been done already - in fact I can only compliment those who did it - but I think the select committee needs to be seeking that inherent, fundamental guidance from the Government. It can come from nowhere else. If we do not get that, then I fear that our public service will not be the totally professional, totally dedicated and totally directed organisation that it can be and that it should be.

Debate interrupted.

ADJOURNMENT

MADAM SPEAKER: Order! It being 4.30 pm, I propose the question:

That the Assembly do now adjourn.

Mr Berry: I require the question to be put forthwith without debate.

Question resolved in the negative.

PUBLIC SERVICE - PROGRESS TOWARDS SEPARATION
Ministerial Statement

Debate resumed.

MR KAINE: I had almost concluded. We could almost have adjourned. I have always seen the ACT as a place which, by its very nature, is capable of creating the best, the most professional, the most efficient and the most effective public service in Australia; but it will happen only if that initial guidance comes from the Government. Otherwise I fear that we will merely replicate very largely what we have already. I think it would be a great shame and a great pity if all of this effort and this opportunity to create a new public service were wasted.

MR BERRY (Minister for Health, Minister for Industrial Relations and Minister for Sport) (4.31): From the outset the Government has been committed to full consultation with interested parties in relation to the establishment of a separate public service, but in particular the union movement. We raised this as a threshold issue with the Commonwealth and we were very pleased that the Commonwealth joined with us in committing itself to full consultation with the unions. The self-government legislation, specifically subsection 21(7) of the ACT Self-Government (Consequential Provisions) Act 1988, requires that the Commonwealth and Territory governments consult with unions. We commenced this process of consultation in May when I met with the Commonwealth Minister for Industrial Relations, Mr Brereton, and union representatives at Parliament House.

Those discussions with the Commonwealth have continued since then at officer level, and, over that time, most of the 20 points that we put to the Commonwealth have been agreed in principle. Discussions at officer level have entered their final round and our officials are hopeful of resolving the remaining points, I am told, by the end of the month. We will enter shortly into formal bilateral negotiations with unions to discuss other specific issues that do not involve the Commonwealth, such as matters to be covered by the new Public Sector Management Act. As recently as yesterday our officials met with TLC officials and agreed on a consultative process for these bilateral negotiations. I am confident that our commitment to this process will pay dividends in the form of a legislative framework built on the best management industrial practices.

Apart from direct discussions with unions, our commitment to full union involvement has been reflected in a number of ways. We have funded a full-time TLC official to work on the separate service project, and that person currently is holding meetings with staff right across the Government Service. Officers from the Office of Public Sector Management also are attending these meetings in order to provide factual information to staff. We have produced five editions of a staff newsletter, "Our Own Service", to point out to staff what is going on. We have set up a staff hot line within the separate service task force in the Chief Minister's Department. That would indicate to members that it is really all go. We are consulting closely with workers in the workplace and through their unions. We believe that this extensive consultation with our work force and their reps will reduce both the time and the cost of the project. I think everybody would agree that if we were to do our own thing it would be a difficult process to

14 October 1993

work through because the separation of one service from the other has a great impact on those people who work within it. They are the ones who are going to have to carry us into the next century, they are the ones we are going to have to work with, and it is most important that they are part of the process.

In closing, Madam Speaker, I would like to say a few words about the relationship between the separate service project and enterprise bargaining, which, of course, is important because it is all happening at the same time. I suppose that that complicates issues even more; nevertheless, they are issues that have to be addressed. The separate service project primarily is about taking us to a point where our public service can become totally independent of the Commonwealth Public Service. For a lot of public servants that is a big move. Many of them would have been members of the Commonwealth service for a long time and to take that step is one that they will want to think about very carefully. They will want to know all of the ins and outs of the issues that will affect them and their future. However, in another sense it is just one step along the path of public sector reform. Mr Kaine spoke of that, asking questions about what was going to happen. In many ways the final design will be the product of the consultation process and the implementation process. It has to be that way.

Many of the other steps will result from enterprise bargaining - the restructuring steps in particular - which is a process under which the Government and unions negotiate improved productivity in the public sector. I have talked about that at some length in the past; nevertheless, it is a very important part of this process. It complicates the transition, but it is a worthwhile complication in some ways. Some of the productivity improvements from enterprise bargaining are returned to employees in the form of improved terms and conditions, with the result that enterprise bargaining is something which benefits the Government, employees and the community. The creation of a separate public service will give us, as you would all appreciate, increased control over the destiny of our public sector, thus giving us more flexibility to negotiate productivity.

Madam Speaker, whilst there are some challenges in the separation of the service, there are some obvious benefits that will be available, not only to the Government and to the people involved but also to the community, because we will have, as a result of the combination of those two activities - the separation and enterprise bargaining - the opportunity to develop some restructuring and at the same time end up with a more efficient public service, one of which we can all be proud and one which continues to provide the services which are directed by the government of the day. That really is what it boils down to. The government of the day is going to be the one that will decide on the quality of service which is provided. What we are doing in the process of enterprise bargaining is ensuring that we have a public service that will deliver the quality of service to the community that we, the Labor Government, wish for the community as a result of our representation of them well into the future, we trust.

MS FOLLETT (Chief Minister and Treasurer) (4.39), in reply: I would like to address a couple of the comments made by members in this debate and I will speak very briefly. Madam Speaker, Mr Kaine raised in particular the question of what the public service would be like, and I think that deserves some reply. The ACT public service, like all public services, has as its aim, its prime function, the implementation of the policies and programs of the government of the day.

That has been the case ever since self-government, and it will remain the case after the ACT public service separates from the Commonwealth Public Service. By tradition in Australia - in my view, it is an excellent tradition - public servants are apolitical, and that will certainly remain the case once the ACT public service is created.

Madam Speaker, I think that in many of the speeches I have made on this subject I have given a fair bit of information on what I expect of this public service. In my speech on 17 December 1992, for example, I said this:

It needs to be a career service with entry and advancement on merit. It needs to be equitable, and the legislation should set out the values and principles we expect our public servants to apply in the discharge of their duties. It needs to be accountable to the Government and through it to the Assembly and the community. Management needs to be proactive, responsible and responsive. Its staff should all be well trained and we need to provide them with the working conditions that allow them to contribute fully to the level of their ability. The structures and procedures of our Public Service should allow it to operate efficiently and effectively.

Madam Speaker, in a later speech I expanded upon that. It was a major speech on our progress towards a separate public service. At that time I said:

... our vision is for a unified service, built firmly on community values and a culture of service. It will be a unique service, yet one that retains links with the other public service with which it shares its home and its origins.

Madam Speaker, I think that what will be different about the ACT public service, and there are a couple of aspects, really relates to how the staff within that public service conduct themselves and how they respond to the community. Members will know that there has been a great deal of thought given to the values and the principles underlying the public service. I have given a commitment that the new Act, the new legislation, will be built on clearly enunciated values and principles that will be observed across the public sector, complemented by an overarching code of ethics that will bind all public servants. I think that code of ethics, Madam Speaker, will make this ACT public service quite different because it will be a legislated code of ethics to which all ACT public servants will be obliged to adhere. I think that is a new approach but one which will serve our community very well.

I have also said of this public service that we will retain our commitment to social justice, and we will add legislative force to access and equity provisions in addition to our existing provisions of equal employment opportunity and industrial democracy. I have said elsewhere that offences like sexual harassment will be covered under the disciplinary provisions of this Act. I think it is quite clear, just to respond briefly to Mr Kaine, that we obviously are looking for a public service of the very highest standards - not just in policy formulation or program implementation, but also in the conduct of those public servants. There has been, throughout this whole process of debate, a very clearly enunciated standard, and that standard is of the very highest.

14 October 1993

Madam Speaker, I would like to thank members for their contributions to this debate. I must say that I am somewhat concerned about the Select Committee on the Establishment of an ACT Public Service because it does seem to me that in setting about their inquiry into the ACT public service they so far have based all of their work upon submissions from the Government and briefing from the Government. I echo Mr Lamont's view that the chairman of this committee really is casting about for an agenda. I hope that his lack of knowledge and lack of direction do not cause delay in the process of legislating for a separate ACT public service. Madam Speaker, there has been every cooperation by the Government and our public servants so far with Mr De Domenico's committee, and that will remain the case; but I do not think it is fair for him to expect the Government to do his job for him. I believe, Madam Speaker, that if that committee starts to flounder in the task which they have given themselves they should be honest enough to say so and let the Government simply bring in its legislation, and then, if the committee wants to comment on it, proceed in that way. Mr De Domenico constantly has accused me of delay on this matter. He has made a great deal of mileage out of that and I think it would be very regrettable indeed if it were Mr De Domenico's committee that actually did cause delay.

Madam Speaker, the separation and creation of a new public service is a matter of great moment, and I think it is one that all members of this Assembly ought to enter into in a good spirit. Certainly, from the Government's point of view, we will continue to cooperate to the maximum extent with that committee. I trust that we will be able to adhere to the timetable that I have set for the exercise.

Question resolved in the affirmative.

PAPER

MR DE DOMENICO: Madam Speaker, I alluded before to a document which I now seek leave to table.

Leave granted.

BUSINESS DEVELOPMENT - GOVERNMENT POLICIES Ministerial Statement and Papers

Debate resumed from 15 September 1993, on motion by **Ms Follett:**

That the Assembly takes note of the papers.

MR LAMONT (4.47): I have pleasure in rising to address the paper tabled by the Chief Minister. A number of members of the Opposition have already had the opportunity to put on the record a number of comments about how they perceive business development, business policy and industry policy should proceed in the ACT. Madam Speaker, may I say at the outset that in a city the size of Canberra with a parliament the size of this Assembly it would not be an unreasonable expectation for the people of Canberra that industry development and business development policy could be arrived at in a bipartisan way.

There are a number of essential elements of the paper which are complementary to the issues and views raised by some members of the Opposition. That we need to promote the employment base of the private sector in the ACT is one of the fundamental points recognised in the Chief Minister's paper and supported by the Opposition. There may be some argument about the basis upon which we do that. Mrs Carnell in particular has the view that if there is a problem you throw money at it; you spend more, spend more, or you tax less, tax less. That is the only argument coming forward from Mrs Carnell and some other members of the Opposition when issues such as this are on the table for debate.

Let us look at some of the fundamental issues of business development in the Australian Capital Territory. I suppose it could be said that we are not a resource rich Territory by any stretch of the imagination - - -

Mr Berry: They have you and me.

MR LAMONT: While it is rich in the intellectual property of people like you and me, Mr Berry, we do not own much land and, upon the little bit of land that we do own, there are not many resources. We need to rely on our light manufacturing industry, our clean manufacturing industry, our environmentally friendly manufacturing industry. I believe that we should continue to promote such industry in the Territory. Secondly, we should be looking to develop the intellectual resource which Canberra is becoming more and more renowned for not only in Australia but indeed around the world.

Again there are differences between the various parties within this Assembly about how we should do that, but I hope that over time we can convince the Opposition that the road that we have embarked upon and the principles and policies outlined in the ministerial statement are the best way to go for long-term sustainable business development in the ACT. I see that Mr Westende is sitting over the back raising his eyebrows. I am confident that in time we will be able to convince even you, Mr Westende. We may not be able to convince you that you should come to this side of the chamber, but I believe that I can convince you and the Government can convince you about the soundness of its business development policy in the ACT. As part of that policy the Chief Minister, at the request of the business community, will lead a trade delegation overseas in a fortnight's time. Much has been made about that mission, mostly by the Opposition to score cheap political points. They say, "Yes, we support such propositions", but they keep on trying to score cheap political points. The business community has rejected that approach adopted by only some members of the Opposition. There is a general view on the conservative side of politics in the ACT that the type of program which the Chief Minister has outlined and will be undertaking in this trade delegation is the way for the future. It is the way for us to sell both our intellectual property and our manufactures overseas.

Mr Deputy Speaker, there is one particular matter I wish to address this afternoon that will do more than anything else to prevent the ACT from taking advantage of the types of business development policies that the Chief Minister has outlined. I refer to action on the part of two monopolies of the Commonwealth Government. The first is the Civil Aviation Authority. The Civil Aviation Authority, some 12 to 18 months ago, announced that it would review the basis upon which the ACU - the air control unit - within its airports would operate.

14 October 1993

It proposed to centre in Melbourne and Brisbane all ACU operations in Australia. Mr Deputy Speaker, that means that an aeroplane flying over Tuggeranong or Belconnen would be controlled by air traffic controllers in Melbourne. It means that an air traffic controller in the ACT will basically have control over aircraft only within a 10-kilometre radius - - -

Mr De Domenico: It is now.

MR LAMONT: Mr De Domenico, do not again this afternoon display your ignorance. It is not already done from Melbourne. If you wish to be educated again, I will seek an extension of time and do so this afternoon in some detail. You will not understand it again, but I will do it anyway. What is being proposed by the Civil Aviation Authority is absolutely ridiculous. It has been resoundingly condemned by such eminent business persons as Dick Smith - a former head of the Civil Aviation Authority and an internationally renowned aviator - who in no uncertain terms has said that the proposal being put forward by the Civil Aviation Authority is dangerous and unnecessary.

It is interesting to note, Mr Deputy Speaker, that in taking account of the public comment the Civil Aviation Authority has now resiled from its original position. It has said that, because of the public and community concern, because of the concern from the air traffic controllers and because of the concern from the international and national carriers as well as the smaller operators and independent fliers such as Mr Kaine, it has decided to put on hold the change to the ACU operation everywhere around Australia except for Canberra. I understand that the only other place they will continue to use this new system will be at Coolangatta. Coolangatta will be controlled by Brisbane Airport - by an airport not some 250 or 300 nautical miles away, but about 40 or 50 nautical miles away. This is an absolutely preposterous position for any international carrier seeking to use Canberra as a base upon which to launch itself or to service an international market. Access to international markets by manufacturing industry here is being severely disadvantaged by this policy of the Civil Aviation Authority.

The second body I mention is the Federal Airports Corporation. The Federal Airports Corporation says, "We have \$10m that we can spend if you can find us an end user. We have already done the plans. Here they are in the cupboard. Here is the model. There is not a problem. We can proceed next week". But here is the rub: It says, "What you have to do to get us to spend this capital is to have signed, sealed and delivered guaranteed, confirmed end users to be able, on day one, to justify the capital expenditure that we put in". Such a proposition has not existed in the establishment and development of any other airport in this country. For the Federal Airports Corporation to adopt this sort of attitude, in my view, is reprehensible and anti-Canberra. It is not only anti-Canberra but also against the south-east region, for such development would allow business in the south-east region of New South Wales and in the Australian Capital Territory to take advantage of growing markets, particularly in the South East Asian region. Mr Deputy Speaker, this capital city, internationally, is a joke as far as its transport links are concerned. It is about time that those organisations recognised that and assisted the development of business in the ACT by allowing the Canberra Airport to become an international airport.

MR DEPUTY SPEAKER: Order! The member is grounded.

MR KAINE (4.57): When people begin to get into areas with which they are not familiar, they are likely to run into "rocks in clouds". I think that Mr Lamont is likely to do that if he does not learn a little bit more about what is actually happening with air traffic control in Australia. He clearly does not understand what is happening; nor does he understand that what is happening will have no impact whatsoever on what happens at the Canberra Airport. But I will come back to that.

I want to make some general comments about business development strategy in Canberra and the place in it of this report that we are looking at now and the Chief Minister's comments in connection with it. It is very interesting that we keep coming back to this business when we are now moving into our fifth year of self-government. One has to wonder sometimes just what the Government and its instrumentalities are in fact doing about fostering business in Canberra. I do not recall seeing one single major business development in Canberra under this Labor Government. The Chief Minister claims credit for all sorts of things; but in fact, when you look at what is actually on the ground, there is no major business enterprise that this Government can claim exists because of anything that it did. Look at what is happening in the technology park at Bruce. There is nothing new there. What has happened there in the last couple of years that this Government can claim any credit for? Absolutely nothing.

What is happening at the industrial area at Hume, which was once touted by this Labor Government as a place where all sorts of incredible things were going to happen? There were going to be all sorts of technology there and large international corporations were going to move in. Where are they? I keep coming back to the point that we have lots of words and the Chief Minister claims lots of credit for things that happen, but nothing is happening. This paper is just another paper in a long series of papers and in a long series of words and rhetoric that we hear about what is being done, what can be done and what should be done.

This particular paper contains 28 recommendations. It is dated April 1993. We are now close to November. Is there one recommendation in this document that the Government has acted upon? The Chief Minister said lots of good words about it a month later, in May. What single recommendation from that report has the Government acted upon? In other words, why did these eminent people spend their time putting this report together? As is always the case, nothing will flow from it. I am getting very concerned about what is happening as a result of all of the work that has been done by the South East Economic Development Council. Nick Greiner and I established that in 1991. At the last ACT-NSW consultative council meeting last year, which I attended, I expressed my concern that when I retire from politics in around the year 2000 I would like to see some of the recommendations - - -

Mr Connolly: Having come back to the Liberal leadership a couple of times by then.

MR KAINE: Mr Connolly was there and he knows what I said, because he was sitting next to me. I said that I would like to see some of the recommendations of the South East Economic Development Council actually put in place before then. That organisation has done an enormous amount of work over a three-year period. They have produced some excellent reports. They have brought together a great deal of statistical information that is useful, yet not one thing has been done to turn one single recommendation into reality.

14 October 1993

The Chief Minister and this Government are very quick to jump on things like very fast trains, tilt trains, slower trains and medium-speed trains. They are very fast to jump on the band wagon of international airports and international freight terminals. Not one of them is their own initiative and, of course, they have not put one cent into any one of them either. They keep talking about them, but they do not do anything. I would like to see some evidence that this Government is really serious about fostering industry and fostering some new developments in Canberra.

I will talk briefly about the Federal Airports Corporation and the Civil Aviation Authority. I said before that what is happening in terms of consolidating Australian air traffic control in Brisbane and Melbourne will have nothing to do with what happens at Canberra Airport. It will not have anything to do with what happens at Sydney Airport either, because the centralised traffic organisations at Brisbane and Melbourne will be controlling the mass of traffic travelling across the length and breadth of the country, but once aircraft move into a local controlled area such as Canberra there will be somebody on the ground there controlling them.

Mr Lamont: Within 10 nautical miles.

MR KAINE: Exactly. The fact is that, because of the radar network and other navigational aids that now exist across the length and breadth of Australia, an air traffic controller sitting in Melbourne is quite competent to put an aircraft onto a flight path that will put it into Canberra Airport, and he can do it just as well as one sitting out here at Fairbairn can. It will not affect in any way - - -

Mr Lamont: Nonsense!

MR KAINE: By Mr Lamont's reasoning they are going to be in an awful shambles at Sydney Airport, because that is a long way from Brisbane and it is a long way from Melbourne.

Mr Lamont: You are dead right. The experts say that, not somebody like you who has had his licence two-and-a-half minutes. Go and talk to the air traffic controllers. You still have your P-plates. What would you know?

MR KAINE: At least I get up there and I mix it in the airspace, and that is more than you do. You would not know which way to go to get off the ground. I am not setting myself up as an expert on this matter. I am no more an expert than Mr Lamont. He spent a great deal of time giving us a lecture on it, and he knows nothing whatsoever about it. The fact is that the traffic in and out of Sydney Airport will not be affected one iota by the fact that air traffic control is centralised in Brisbane and Melbourne; nor will traffic in and out of Canberra be affected by it. If you want to say something that adds to the debate about what is happening in Canberra, get your facts right and focus in on us.

In conclusion, Mr Deputy Speaker, I want to comment on the fact that, of all of the people that the Chief Minister appointed to her Economic Priorities Advisory Committee of the ACT, only a couple are in any way associated with private enterprise. One of those was Mr George Snow, and guess what?

Mr George Snow, as of 5 October 1993, has resigned his position in this organisation, and he has done so because he is not satisfied that the organisation is going anywhere. To use his own words, "Why talk if no-one listens?". That is a comment from one of the two people in this organisation - maybe there were three - who were in private enterprise confronting the issues of the day.

He is not satisfied that private enterprise, the development of technology and industry in this country, has had one darn thing from this Government. He has run out of patience and he is giving it away. He has made some significant criticisms of the way this Government works or has failed to work. Mr Deputy Speaker, I seek leave to table a letter which Mr Snow has written to the chairman of the Economic Priorities Advisory Committee of the ACT tendering his resignation and stating the reasons for his doing so.

Leave granted.

MR KAINE: Thank you. When a person such as Mr George Snow, a very highly respected businessman in this city, resigns from an organisation such as this because he has had a gutful of it, then you have to ask: What is the Government doing? Is it serious? Does it intend to do anything? Does it intend to pick up any one of the 28 recommendations contained in this report, for example, and do something about it? Does it intend to pick up any recommendation coming from the South East Economic Development Council and implement it? If it does not intend to do so, then for heaven's sake let us stop this charade and stop pretending that we have an interest in developing industry in Canberra. If it does intend to do so, let us for once have a program on the table showing which recommendations it intends to pick up and what its timetable is for implementing them. Then, and only then, will people such as Mr George Snow and I be convinced that this Government intends to do anything whatsoever on this issue except talk about it.

MR LAMONT: I seek leave to make a personal explanation pursuant to standing order 46. If leave is granted, I will also seek leave to table a document in relation to a number of misrepresentations by Mr Kaine this afternoon.

MADAM SPEAKER: I can give you leave under standing order 46 for a personal explanation. Does the Assembly give leave for Mr Lamont to table the document?

Mr Stevenson: Perhaps we can hear the explanation first.

MADAM SPEAKER: One thing at a time.

MR LAMONT: Madam Speaker, Mr Kaine alleged that I was uninformed in speaking about the proposed moves by the Civil Aviation Authority to change the airspace control systems in the ACT. The comments that I made were based upon comments directed to Mr Peter Evans, the Assistant General Manager, Air Traffic Services, by the Civil Air Operations Officers Association of Australia. For the information of this Assembly, Madam Speaker, those persons are the air traffic controllers who currently reside in all airports around Australia.

14 October 1993

The substance of this document refutes all of the arguments put by Mr Kaine and indeed those that were put by Mr Evans in last week's *Canberra Times*. I now seek leave to table that document.

Leave granted.

MR LAMONT: I would additionally seek leave to incorporate it in *Hansard*.

Leave granted.

Document incorporated at Appendix 4.

Question resolved in the affirmative.

TOTALCARE INDUSTRIES LTD - STATEMENT OF CORPORATE INTENT Paper and Ministerial Statement

Debate resumed from 15 June 1993, on motion by **Mr Connolly:**

That the Assembly takes note of the papers.

MR DE DOMENICO (5.09): Madam Speaker, Totalcare Industries Ltd was incorporated in 1991 as an unlisted public company and it is, I think, the only government owned corporation left operating in the ACT. The success of the corporatised Totalcare is testimony to the undeniable fact that corporatisation does produce a better government business. This leaves many people still gasping and wondering why the ACT Government was so violently opposed to corporatising government operations. It was so passionately opposed, Madam Speaker, as to move, as we have mentioned here before, to return a perfectly successful ACTTAB to the fold of the public service. The orgy of ideology which dictates to the Government that corporatisation is morally wrong is not borne out by the facts of the situation. Both ACTTAB and Totalcare were, and are, delivering back to the public purse via increased efficiency and service delivery and via paying taxes and profits back to the Government.

Madam Speaker, Totalcare's statement of corporate intent shows projected revenue from the core operations of sterilising, linen hire and waste management at \$10.48m in 1992-93, growing to \$10.925m in 1993-94 and more than \$11m in 1994-95. Profitability is forecast to triple over the next three years, with subsequent returns to the public purse growing proportionately. Tax payments - including payroll tax, company tax, motor vehicle registration, sales tax and land taxes - are forecast to increase from \$585,000 in 1992-93 to \$683,600 in 1994-95. Madam Speaker, from 1 July 1992 to 30 June 1995 net profit after tax is expected to increase from \$61,000 to \$188,000. The long-term aim is to return a dividend to the Government, ensuring a commercial return on the Government's investment.

On the other side of the balance sheet the projected trading loss of more than half a million dollars forecast in May 1992 was actually reduced to \$96,000. This is despite the fact that some employees are under public service award conditions and that many of Totalcare's operations are run on a break even only expectation of performance. As more and more of the work force is employed on a contractual basis or other bases the savings will be higher, as will the returns to the ratepayer. Imagine what could be possible if other government services underwent similar transformation.

Madam Speaker, the Government's objections to corporatisation are nothing more than codswallop, proven by the success of the Totalcare operation, which has been corporatised. Totalcare is now aggressively selling and marketing its services to New South Wales, with mixed success and great potential business sales to be achieved. This is not visionary; it is not new. No-one needs to reinvent the wheel. Totalcare is proof that changes to limited corporatisation work well in the ACT and can be very successful.

We all know, Madam Speaker, that the shareholders of Totalcare are the Chief Minister, Ms Follett, and the Minister for Urban Services, Mr Connolly. These shareholders hold the only voting rights protecting the interests of the owners of the company, the Territory's people. It is a mystery, therefore, and a contradiction in fact, given that success of Totalcare as a Territory owned corporation, why the Government has just changed ACTTAB, once a Territory owned corporation, back to a statutory authority. The success of Totalcare puts paid to all and any of the Government's weak arguments used to support what was only a cynical political move in regard to the treatment of ACTTAB.

I must congratulate Mr Connolly and Ms Follett, the two shareholders of Totalcare, on the wonderful way in which they have directed Totalcare, with the help of the board, ably led by Mr Denis Page from Ernst and Young. One wonders, therefore, that perhaps the only reason why Totalcare continues to remain a Territory owned corporation and ACTTAB has gone back into the fold is that, whereas Ms Follett is aided by Mr Connolly in Totalcare, she is joined as an ACTTAB board member by Mr Berry. I dare say that perhaps the reason is that Totalcare is in such able hands, whereas perhaps ACTTAB was not - but I am sure that it was, in fact. The success of Totalcare puts paid to arguments why governments should not look into corporatisation. Corporatisation can and does work, and Totalcare is testimony to that.

MR CONNOLLY (Attorney-General, Minister for Housing and Community Services and Minister for Urban Services) (5.14), in reply: Madam Speaker, Totalcare is indeed doing extremely well, as was indicated in the tabling of the statement of corporate intent. Employment levels have in fact gone up by some 15 staff since corporatisation. The Government had a statement of policy which was formulated through a Labor Party policy committee on the corporatisation of government business enterprises. The basic philosophy that came out of that - which was endorsed, I think uniformly, throughout our party - was that where you had an organisation that was competing with the private sector in a business sense it was acceptable and indeed sensible to corporatise it; that where you had a natural monopoly it was not sensible to corporatise it. Thus we were happy to proceed with the corporatisation of Totalcare, which has in fact since picked up business from competing private sector organisations. We stopped the corporatisation of ACTEW and, indeed, we brought back the corporatisation of ACTTAB.

It is interesting that Mr De Domenico says that Totalcare is doing well because it is corporatised and that therefore, if you corporatised other organisations, they would also do well. There is a report that I will be happy to refer to in some more detail next week. In fact, someone may care to ask me a question about it. It relates to the performance of water authorities over the last couple of years. It shows that there are two water authorities that have had an outstanding reduction in costs per customer over the past few years. One of those is the Hunter Water Board. The Hunter Water Board is much lauded - - -

14 October 1993

Mr Humphries: A Liberal government?

MR CONNOLLY: Under a Liberal government. That board is much lauded by the proponents of corporatisation, because it was the first water board to be corporatised. The Hunter Water Board has done very well, and so has ACTEW. This demonstrates that it is not the corporatisation or the form of ownership that matters. Whether it is a statutory authority or a corporatised body, it is the people who run it and the enthusiasm for reform and change that matter. This ideological hang-up that corporatisation somehow means that things will inherently be more efficient can be demonstrated to be unjustified in that we can show that, of the two water authorities with the best performance in reducing costs, one is corporatised and one is not. You can achieve reform in public enterprises without corporatising. Totalcare was corporatised because it is not a natural monopoly; it competes with the private sector, and it is doing very well.

Question resolved in the affirmative.

BUSHFIRE (AMENDMENT) BILL 1993

Debate resumed from 16 September 1993, on motion by **Mr Connolly:**

That this Bill be agreed to in principle.

MR DE DOMENICO (5.17): Madam Speaker, the Liberal Party will not be opposing this legislation. The Bushfire (Amendment) Bill 1993 makes changes in a number of areas. It changes the name of the Act from the Careless Use of Fire Act to the Bushfire Act; it enables certain fires to be lit under conditions during fire bans; and it changes sexist language. The name change is simple and self-explanatory. The proposal enabling fires to be lit under conditions during fire bans will bring the ACT into line with New South Wales regarding fire bans and the conditions which apply during a fire ban. It will mean that certain businesses do not have to halt during a total fire ban if carrying out their activities in an approved manner.

The changes made in this Bill were initiated, I am told, by Mr Kaine, when he was Chief Minister, with the former New South Wales Premier, Mr Greiner, in January 1990. The Bill covers prescribed periods and total fire bans, and is part of seven amendments which were identified in the discussions with New South Wales to bring the ACT into line with New South Wales. This amendment is time sensitive. It needs to be introduced before the next bushfire season to be effective. The bushfire season starts in the ACT on 1 November - the only inconsistency with New South Wales, which starts its bushfire season on 1 October. This is quite obviously because New South Wales covers a larger range of country than the ACT, where because of our smaller size and reduced types of country the fire risk is more homogeneous.

The ACT legislation is old - 1956, I am told - and in obvious need of modification. There is one warning, though. The legislation allows changes to the regulations. Although we have been assured that all the regulations will do is bring the ACT into line with New South Wales, careful consideration should be

given to the regulations when they are tabled, to avoid a silly "Tilley's people per metre" regulation being introduced. I am sure that in the able hands of the Minister for Urban Services this will not happen.

The Liberal Party consulted widely with ACT Fire and Emergency Services; the director, Glen Gaskill; and the chief fire control officer, Peter Lucas-Smith. I want to thank the Minister and the officers of his department for the in-depth briefings we were given on this and for their courteousness and always being available to answer questions. It is good legislation. The Liberal Party will support it. That is all I need to say.

MR CONNOLLY (Attorney-General, Minister for Housing and Community Services and Minister for Urban Services) (5.19), in reply: I thank the Opposition for their support. It is important that we get this Bill through this week so that it is in place for the bushfire season. Members will be aware, through the Estimates Committee, that there has been considerable change in this area in the last year or so. The urban and rural fire services and the emergency services have been amalgamated under the control of a civilian director. Their administration has been amalgamated, although they retain separate corporate identities. The bushfire groups in the ACT are in high spirits. They have trained well over the break period. They face a potentially difficult bushfire season because we have had good bushfire seasons for the last couple of years and there is a lot of fuel out there. I believe that the Government's changes and reforms have put them in a very healthy state, and I am sure that we wish them all well for the coming bushfire season.

Question resolved in the affirmative.

Bill agreed to in principle.

Leave granted to dispense with the detail stage.

Bill agreed to.

ADJOURNMENT

Motion (by **Mr Berry**) proposed:

That the Assembly do now adjourn.

Ms Virginia Nicholls

MR HUMPHRIES (5.20): I wish to make some short remarks on the movement of a journalist from one part of the press gallery to another part of the press gallery. I understand that this is the last day that Ms Virginia Nicholls is serving the ABC as a reporter on Assembly affairs. Ms Nicholls will be well known to all of us. She is one of the more longstanding journalists in the ACT press gallery. Indeed, members who recall the beginnings of self-government will probably recall, as I do, that she was there, if not from the very beginning, then certainly from shortly after the beginning of ACT self-government. She has covered Assembly affairs in the meantime very well.

14 October 1993

We all have been interviewed at various times by Ms Nicholls. We all are used to her penetrating questions and her very informed approach to issues that have been before the Assembly.

Mr Connolly: Gary, this will not get you a good run on tonight's ABC news.

MR HUMPHRIES: I can always try, Minister. Something has to do that. We are not, however, to lose the benefit of Ms Nicholls's contribution to journalism in the ACT. I understand that she is to move over to become a presenter of news on Capital and, as a result, will be enabling members of the ACT community to enjoy her talents both visually and aurally as we have been able to enjoy them, whereas members of the public have been able to enjoy them only aurally in the past. We all wish her well and hope that she will continue to make an outstanding contribution to our politics in the ACT.

West Belconnen Leagues Club

MRS GRASSBY (5.22): I rise to congratulate the West Belconnen Leagues Club on their initiative in undertaking a survey in Belconnen to identify community support for a proposal to build a \$2m sporting complex. If the right results are obtained from the survey, it is the club's intention to cater for sports such as netball, basketball, indoor cricket and indoor bowls and a range of other community activities. The club is sending out survey forms this weekend to residents in most parts of Belconnen. It is hoped that residents will return the survey forms so that the indoor recreational and sporting needs of West Belconnen residents can be identified. The survey will determine the facilities required, the potential utilisation of the complex, an age profile of the likely users and its financial feasibility.

Madam Speaker, I would like to urge all residents who receive a survey form to fill it in and return it by Tuesday, 2 November 1993. By returning the forms, residents not only will be helping the club in its planning for these important facilities but also will stand the chance of winning a cash prize of up to \$3,000. If the club can meet its timetable and the survey supports anecdotal evidence, then it is likely that construction of the complex could begin next financial year, which will give a lot of work to the building industry in Canberra. This complex would be an excellent contribution to the facilities in Belconnen and would allow Belconnen youth to put their talents to skilful and productive use. Not only will the complex add to the facilities in Belconnen, but it will be a very socially useful contribution to alleviating the problem of young people with too much time on their hands resorting to vandalism and other unproductive pursuits.

The leagues club has been a significant contributor to the region over the last decade, and I would like to point out some of these investments and achievements: \$400,000 on two new car parks, \$500,000 on club extensions, \$28,000 on a gym and equipment, \$84,000 on ground lighting, \$83,000 on oval development and \$286,000 on plant and equipment. All up, in the last five years, the club has spent over \$1,368,000 on sporting and community facilities.

14 October 1993

Apart from these dollar amounts invested, I would also like to point out one of the club's other major achievements. This, of course, was when the club put up the marquee on their grounds for the 4,000 Vietnam veterans during the opening of their national memorial. Madam Speaker, may I congratulate the club on its community spirit since its inception and also congratulate it on the initiative of a survey for its proposed \$2m sporting complex.

Question resolved in the affirmative.

Assembly adjourned at 5.25 pm until Tuesday, 19 October 1993, at 2.30 pm

14 October 1993

Blank page.

ANSWERS TO QUESTIONS

**MINISTER FOR INDUSTRIAL RELATIONS
LEGISLATIVE ASSEMBLY QUESTION**

QUESTION NO. 858

Community Services Award

Mr Cornwell - Asked the Minister for Industrial Relations upon notice on 17 August 1993:

- (1) What is the status of an ACT Community Services Award
- (2) Who would be covered by such an award

Mr Berry - The answer to the Members question is as follows:

- (1) The development of such an award would occur within the jurisdiction of the Federal Industrial Relations Commission, and would involve the relevant industrial parties. It is not the responsibility of the ACT Government. On that basis I am not in a position to advise the member of developments in such an award.
- (2) The question of the coverage of such an award again would be up to the parties, within the overall parameters of the Commonwealth Industrial Relations Act. It is not a matter in which the ACT Government would become directly involved.

14 October 1993

**MINISTER FOR URBAN SERVICES
LEGISLATIVE ASSEMBLY QUESTION**

QUESTION NO 966

Tennent Creek Dam

Mr Cornwell - asked the Minister for Urban Services:

- (1) What is the current situation with the Tennant Reservoir upgrading.
- (2) Is it a fact that a fault has been identified that could preclude the completion of the upgrading.

Mr Connolly - the answer to the Members question is as follows:

- (1) ACTEW has no record of a "Tennent Reservoir" or dam in the ACT region, nor of any reservoir or dam currently being upgraded. The Tennent Creek has been flagged as a possible dam site (see pp 22-23 The Water Future of the ACT, Community Discussion Document). However, no decision concerning this can be made until a future water supply strategy for the ACT has been finalised.
- (2) 1\T/A

**MINISTER FOR URBAN SERVICES
LEGISLATIVE ASSEMBLY QUESTION
QUESTION NO 974**

ACTEW - Appointments

Ms Carnell - asked the Minister for Urban Services:

(1) How many appointments have been made in ACTEW under Section 32(B)

over the past 12 months.

(2) Were these positions advertised.

(3) Who has the authority to make such appointments.

(4) Were these appointments subject to the usual interview panel process.

(5) What is the procedural practice followed in such appointments.

(6) How many of these appointees have been reappointed to positions after the initial 3 month period.

(7) How many appointees have received more than 2 reappointments.

(8) In relation to 32(B) appointees (a) how many are now in full time positions;

(b) what selection process was applied to these appointments; (c) who has the authority to make such appointments; and (d) what is the formal process for such appointments.

Mr Connolly - the answer to the Members question is as follows:

(1) ACTEW does not make appointments under section 32(B) of the ACT

Electricity and Water Act.

(2) - (g)

N/A.

3539

14 October 1993

**MINISTER FOR URBAN SERVICES
LEGISLATIVE ASSEMBLY QUESTION
QUESTION NO 982**

Wright Corporate Group Companies

Mrs Carnell - asked the Minister for Urban Services:

(1) Has the ACT Government or any of its agencies had any business or other dealings

with any of the following companies or organisations (a) Cinnavon Pty Limited ACN 061 141 295; (b) Canberra Mail and Print Pty Limited ACN 008 537 406; (c) Canberra Mailing and Print Company Pty Limited ACN 008 537 406; (d) Canberra Mailing Co. Pty Limited ACN 008 537 406; (e) The Wright Corporate Group Pty Limited ACN 008 557 668; (f) Austwide Communications Pty Limited ACN 008 557 668; (g) Professional Fund Raising Services Pty Limited ACN 008 557 668; (h) Envelope House; and (i) Wright Anderson Pty Limited ACN 061 340 010.

(2) On what dates did these dealings or transactions take place, and what was the value, of the transaction.

(3) What was the nature of the dealings or transactions. ,

(4) How was any work or contract awarded and who approved it.

(5) If the tender was not the cheapest, why were any of the above entities selected and who approved it.

Mr Connolly - the answer to the Members question is as follows:

(1) (a) No; (b) Yes; (c) No; (d) Yes; (e) No; (f) No; (g) No; (h) No; (i) No.

(2) & (3)

Date Value Nature of Transaction

Canberra Mail and Print Pty Limited

June 1992 \$515.00 Printing of forms for ACTEW

1991-Aug 1992 \$40.00/fortnight Enveloping of pay slips for Fire and Emergency Services (FES)

November 92- August 92 \$560.00 Processing pay slips for ACTION

July 1992 \$1300.00 Printing envelopes

July 1993 \$2565.00 Printing letterhead

August 92-May 1993 \$14 946.44 Processing bulk mail and payslips for Central Registry, Corporate Services Bureau

Canberra Mailing Co Pty Ltd

October 87 - September 89 \$82 266.50 Enveloping/mailing of electricity accounts

June 92-September 93 \$757.12 Processing pay slips for FES

(4) Canberra Mail and Print Pty Limited - awarded through tender process or after calling for quotations.

Canberra Mailing Co Pty Ltd - ACTEW had a month by month arrangement which was approved by the then General Manager Administration under delegated powers or work was awarded and approved by the Publications and Public Communication Section following an open and competitive quotation process. Because of the relatively small value of their requirement, Fire and Emergency Services have used the company providing services to other areas of the Government.

(5) Canberra Mail and Print Pty Ltd - cheapest.

Canberra Mailing Co Pty Ltd - ACTEW - prior to the arrangement with Canberra Mailing Co Pty Ltd enveloping/mailing services were carried out "in house". The arrangement was necessary to overcome internal staff shortages due to RSI: When it became evident that staffing shortages would not be overcome ACTEA (as it was then) called tenders.

14 October 1993

**CHIEF MINISTER FOR THE AUSTRALIAN CAPITAL TERRITORY
LEGISLATIVE ASSEMBLY QUESTION
QUESTION NO. 986**

Wright Corporate Group Companies

MRS CARNELL - Asked the Chief Minister upon notice on 14 September 1993:

- 1 Has the ACT Government and any of its agencies had any business with or other dealings with any of the following companies or organisations.(a) Cinnavon Pty Limited ACN 061 141 295; (b) Canberra Mail and Print Pty Limited ACN 008 537 406; (c) Canberra Mailing and Print Company Pty Limited ACN 008 537 406; (d) Canberra Mailing Co. Pty Limited ACN 008 537 406 (e) The Wright Corporate Group Pty Limited ACN 008 557 668; (f) Austwide Communications Pty Limited ACN 008 557 668 (g) Professional Fund Raising Services Pty Limited ACN 008 557 668; (h) Envelope House; and (i) Wright Anderson Pty Limited ACN 061 340 010.
- 2 On what dates did these dealings or transactions take place, and what was the value of the transaction.
- 3 What was the nature of the dealings or transactions.
- 4 How was any work or contract awarded and who approved it.
- 5 If the tender was not the cheapest, why were any of the above entities selected and who approved it.

MS FOLLETT - The answer to the Members question is as follows:

The following transactions were conducted by the Chief Ministers Department in the last two financial years.

1. The Economic Development Division dealt with Canberra Mail and Printing Company Pty Limited.
 2. This transaction occurred on 26 August 1992 and was to the value of \$182.85.
 3. The nature of this transaction was to print and supply Economic Development Division with 6,000 D/L white envelopes.
 4. The transaction was organised by the Public Affairs Branch and approved by the Director, Employment, Policy and Program.
 5. The Treasury Directions provide that tenders are not required for purchases amounting to less than \$5000. The purchase cost in this case fell below that amount.
-
1. The Social Policy Branch dealt with Canberra Mail and Printing Company Pty Limited.
 2. This transaction occurred on 28 August 1992 and was to the value of \$107.93.
 3. The nature of this transaction was to insert 4,906 child care flyers into Government employees payslips.
 4. Central Registry was responsible for contracting out the work.
 5. The Treasury Directions provide that tenders are not required for purchases amounting to less than \$5000. The purchase cost in this case fell below that amount.

3542

In addition the following transaction was conducted by the Chief Ministers Department immediately prior to the 1991-92 financial year.

1. Social Policy Branch dealt with Canberra Mailing Co. Pty Limited.
2. This transaction occurred on 21 June 1991 and was to the value of \$744.57.
3. The nature of this work involved collating items connected with "Seniors Card", inserting into folders and then inserting folders into envelopes and sealing.
4. The transaction was organised and the expenditure of funds approved by the appropriately authorised officer in accordance with Regulation 25 of the Finance Regulations.
5. The Treasury Directions provide that tenders are not required for purchases amounting to less than \$5000. The purchase cost in this case fell below that amount.

3543

14 October 1993

**CHIEF MINISTER FOR THE AUSTRALIAN CAPITAL TERRITORY
LEGISLATIVE ASSEMBLY QUESTION
QUESTION NO. 990**

Chief Minister Portfolio - Advertising

MR HUMPHRIES - Asked the Chief Minister upon notice on 14 September 1993:

In relation to the 1992-93 financial year

1. What services were advertised by (a) the Chief Ministers department; or (b) each of the agencies under the Chief Ministers control.
2. What was the total cost of advertising of these services by (a) the Chief Ministers Department; or (b) each of the agencies under the Chief Ministers control.
3. In what publications were advertisements placed by (a) the Chief Ministers Department; or (b) each of the agencies under the Chief Ministers control.
4. How many advertisements were placed for positions vacant by (a) the Chief Ministers Department; or (b) each of the agencies under the Chief Ministers control.
5. What was the total cost of advertising positions vacant by (a) the Chief Ministers Department; or (b) each of the agencies under the Chief Ministers control.
6. How many positions vacant were filled by external applicants with respect to advertisements placed and detailed in (4) and (5).

MS FOLLETT - The answer to the Members question is as follows:

1. Advertisements for services were placed by the Chief Ministers Department in the following classifications for the 1992-93 financial year: Public Notices and Tenders. In addition the following services were advertised: Business Promotion and Incentive Schemes and Employment Incentive Schemes.
2. For the 1992-93 financial year, the total cost of advertisements for the services indicated in 1. was \$51,372.76.
3. The publications in which advertisements were placed for the 1992-93 financial year were: The Canberra Times; The Chronicle; The Valley View; The Monitor; The Australian; The Real Estate and Community Times; The Town/Country Magazine; The South East Magazine; The Financial Review; The Sydney Morning Herald and The Koori Mail.
4. The number of advertisements for positions vacant placed during 1992-93 was 57.
5. The cost of advertising positions vacant during 1992-93 was \$31,238.25.
6. It is possible to identify the number of persons appointed from outside of the ACT and Commonwealth Public Services in the 1992-93 financial year. However, it would be an expensive and time consuming exercise to ascertain whether these positions were necessarily filled as a result of advertisements placed in the 1992-93 financial year, or alternatively through base level recruitment or advertisements placed in the previous year. Accordingly, I am not prepared to authorise the use of resources for this purpose.

3544

**TREASURER FOR THE AUSTRALIAN CAPITAL TERRITORY
LEGISLATIVE ASSEMBLY QUESTION**

Question No 991

Treasury Portfolio - Advertising

MR HUMPHRIES - Asked the Treasurer upon notice on 14 September 1993:

In relation to the 1992-93 financial year

- (1) What services were advertised by (a) the Treasurers department; or (b) each of the agencies under the Treasurers control.
- (2) What was the total cost of advertising of these services by (a) the Treasurers department; or (b) each of the agencies under the Treasurers control.
- (3) In what publications were advertisements placed by (a) the Treasurers department; or (b) each of the agencies under the Treasurers control.
- (4) How many advertisements were placed for positions vacant by (a) the Treasurers department; or (b) each of the agencies under the Treasurers control.
- (5) What was the total cost of advertising positions vacant by (a) the Treasurers department; or (b) each of the agencies under the Treasurers control.
- (6) How many positions vacant were filled by external applicants with respect to advertisements placed and detailed in (4) and (5).

MS FOLLETT - The answer to the Members question is as follows:

- (1) The services that were advertised within the ACT Treasury were for Reminders to ratepayers and Legal Notices.
- (2) The total cost for advertising these services for the ACT Treasury was \$23,916.00.
- (3) Names of publications the advertisements were placed in are The Canberra Times; AGPS Gazettes and The Australian.
- (4) The number of advertisements placed for positions vacant for the ACT Treasury was AGPS Gazettes ...68; The Canberra Times ... 13; The Australian ... 3 Financial Review ...2; totalling

86.

14 October 1993

- (5) The total cost of advertising positions vacant for the ACT Treasury was \$12,222.00.
- (6) It is possible to identify the number of persons appointed from outside of the ACT and Commonwealth Public Services in the 1992-93 financial year. However, it would be an expensive and time consuming exercise to ascertain whether these positions were necessarily filled as a result of advertisements placed in the 1992-93 financial year, or alternatively through base level recruitment or advertisements placed in the previous year. Accordingly, I am not prepared to authorise the use of resources for this purpose.

3546

MINISTER FOR THE ARTS

LEGISLATIVE ASSEMBLY QUESTION

QUESTION NUMBER 998

Arts Portfolio - Advertising

Mr Humphries - asked the Minister for the Arts - In relation to the 1992-93 financial year -

- (1) What services were advertised by (a) the Ministers department; or (b) each of the agencies under the Ministers control.
- (2) What was the total cost of advertising of these services by (a) the Ministers department; or (b) each of the agencies under the Ministers control.
- (3) In what publications were advertisements placed by (a) the Ministers department; or (b) each of the agencies under the Ministers control.
- (4) How many advertisements were placed for positions vacant by (a) the Ministers department; or (b) each of the agencies under the Ministers control.
- (5) What was the total cost of advertising positions vacant by (a) the Ministers department; or (b) each of the agencies under the Ministers control.
- (6) How many positions vacant were filled by external applicants with respect to advertisements placed and detailed in (4) and (5) .

Mr Wood - the answer to the Members question is as follows:

The amount of time and resources required does not permit the total breakdown as requested by the Member.

I would refer the Member to the Answer prepared for Question on Notice Number 999. The information and answer provided related to the Department of the Environment, Land and Planning as a whole, including the Arts and Sport portfolios.

14 October 1993

MINISTER FOR THE ENVIRONMENT, LAND AND PLANNING

LEGISLATIVE ASSEMBLY QUESTION

QUESTION NUMBER 999

Environment, Land and Planning Portfolio - Advertising

Mr Humphries - asked the Minister for the Environment, Land and Planning - In relation to the 1992-93 financial year -

- (1) What services were advertised by (a) the Ministers department; or (b) each of the agencies under the Ministers control.
- (2) What was the total cost of advertising of these services by (a) the ministers department; or (b) each of the agencies under the Ministers control.
- (3) In what publications were advertisements placed by (a) the Ministers department; or (b) each of the agencies under the Ministers control.
- (4) How many advertisements were placed for positions vacant by (a) the Ministers department; or (b) each of the agencies under the Ministers control.
- (5) What was the total cost of advertising positions vacant by (a) the Ministers department; or (b) each of the agencies under the Ministers control.
- (6) How many positions vacant were filled by external applicants with respect to advertisements placed and detailed in (4) and (5).

Mr Wood - the answer provided relates to the Department of the Environment, Land and Planning as a whole, including the Arts and Sport portfolios. The amount of time and resources required does not permit a total breakdown as requested.

The answer to the Members question is as follows:

- (1) It is not possible to determine the services advertised. The Advertising Services Unit placed advertisements for the Department of the Environment, Land and Planning in the following classifications:

Public Notices; Early General News; Arts Pages; Entertainment; Pets & Livestock; Sports Pages; Tenders; Supplements: General; School Holiday Guide; Gallery Pages; Gardening; Positions Vacant.

3548

(2) The total cost of the advertisements indicated in question 1 for the 1992-93 financial year was \$90,671.49.

(3) The publications utilised for the placement of advertisements during 1992-93 were:

The Canberra Times; Queanbeyan Age; Chronicle; Valley View; Cooma/Monaro Express; Sydney Morning Herald; Australian; Melbourne Age; Australian Local Government Job Directory; Brisbane Courier Mail; Public Eye; West Australian; The Land; Real Estate and Community Times.

(4) The number of employment advertisements placed by the Department of Environment, Land and Planning during 1992-93 was 69.

(5) The total cost of the employment advertisements indicated in question 4 for the 1992-93 financial year was \$48,242.43.

(6) This part of the question could not be answered due to the considerable time and resources that would be involved in providing the information required.

3549

14 October 1993

**MINISTER FOR HOUSING AND COMMUNITY SERVICES
LEGISLATIVE ASSEMBLY QUESTION
NUMBER 1001**

Housing and Community Services Portfolio - Advertising

MR HUMPHRIES: Asked the Minister for Housing and Community Services in relation to the 1992-93 financial year -

- (1) What services were advertised by (a) the Ministers Department; or (b) each of the agencies under the Ministers control. .
- (2) What was the total cost of advertising of these services by (a) the Ministers Department; or (b) each of the agencies under the Ministers control.
- (3) In what publications were advertisement placed by -(a) the Ministers Department; or (b) each of the agencies under the Ministers control.
- (4) - How many positions were placed for positions vacant by (a) the Ministers Department; or (b) each of the agencies under the Ministers control.
- (5) What was the total cost of advertising positions vacant by (a) the Ministers Department; or (b) each of the agencies under the Ministers control.
- (6) How many positions vacant were filled by external applicants with respect to advertisements placed and detailed in (4) and (5).

MR CONNOLLY: The answer to the member question is as follows -

- (1) The Advertising Services Unit of the Corporate Services Bureau advises that advertisements for the Housing and Community Services Bureau were placed under the following categories: - Public Notices -Early General News -Supplements (General) -Land Use Notifications -Real Estate -Tenders -Positions Vacant
- (2) (a) The Advertising Unit advises that the total cost of advertising to the Bureau . was \$57,603.84c during 1992-93.

3550

(3) The Advertising Unit advises that the following publications were utilised by the Bureau in 1992-93: -The Canberra Times

- The Australian -
- The Sydney Morning Herald
- The Financial Review
- The West Australian
- The Courier Mail (Queensland)
- The Age (Victoria)
- The Mercury (Tasmania)
- The Advertiser (South Australia)
- The Valley View.
- The Real Estate and Community Times
- The Chronicle
- Canberra Doctor

(4) The Advertising Unit advises that the Bureau placed 47 advertisements during 1992-93.

(5) The Advertising Unit advises that the Housing and Community Services Bureau . spent \$28,292.20c on employment advertisements during 1992-93.

(6) Given that applications can be attracted from a number of sources, the Corporate Services Bureau would have to review every file for which external advertisements were placed. Each successful application would then have to be examined to distinguish if the applicant indicated a response to an external advertisement. I do not feel I can responsibly devote the considerable Government resources required to obtain this information.

3551

14 October 1993

Blank page.

APPENDIX 1:

(Incorporated in Hansard on 12 October 1993 at page 3307)

**CHIEF MINISTER FOR THE AUSTRALIAN CAPITAL TERRITORY
LEGISLATIVE ASSEMBLY
QUESTION WITHOUT NOTICE TAKEN ON NOTICE**

26 AUGUST 1993

MR HUMPHRIES: I refer the Chief Minister to her comment yesterday quoted in the Western Australian in fact that Mr Charles Wright had been appointed to the ACT Tourism Advisory Board on the basis that. I quote "He has an excellent record as a businessman and is well respected". I ask the Chief Minister, can she confirm that Mr Wright is the same Charles Wnght who was a director of Canberra Publishing and Printing and Canberra Mail and Print Pty Ltd. Did those companies go into liquidation? Did they at the time owe the ACT Government hundreds of thousands of dollars in unpaid payroll tax, general rates, water rates or sewerage rates? Had the same companies not paid group tax to the Australian Taxation office for their employees? Did the employees of those companies not receive accumulated long service and recreation leave entitlements as a result of the companies collapse.

Does the Government believe that a person who has run two companies into the ground, owing hundreds of thousands of dollars, is a fit and proper person to advise the ACT Government on the business of tourism? In light of the Chief Ministers comments yesterday that Mr Wright had an excellent record as a businessman, and I assume you were accurately quoted, were you aware of any of the difficulties that his companies, companies he was associated with, had been in when you made the appointment of him as the head of the Tourism Advisory Board?

MS FOLLETT: I confirm that Mr Wright is the same Charles Wright who was a Director of Canberra Printing and Publishing; and Canberra Mail and Print. Those companies did go into liquidation. At the time Canberra Printing and Publishing went into liquidation Mr Wright was not a Director of that company.

3553

14 October 1993

Questions relating to an individuals taxation affairs are confidential and I am not prepared to canvass them publicly. I am advised that the companies have not accrued liabilities in respect of general rates, water rates or sewerage rates.

Mr Humphries asked did the employees of those companies not receive accumulated long service and recreation leave entitlements as a result of the companies collapse. As I have explained 1.4r Wright was not associated with Canberra Printing and Publishing when it went into liquidation. Regarding the employees of Canberra Mail and Print, that is a matter for the Liquidator and you will have to ask him as he has the only legal powers to handle it.

Mr Humphries also asked whether I was aware that the companies referred to had experienced difficulties when I appointed Mr Wright to the Chair of the ACT Tourism Commission Advisory Board. I was aware that these companies had experienced difficulties.

The Government believes that Mr Wnghts overall record as a businessman is a good one and that his contribution to the Tourism Advisory Board will be to the benefit of the ACT community.

3554

APPENDIX 2:

(Incorporated in Hansard on 12 October 1993 at page 3307)

CHIEF MINISTER FOR THE AUSTRALIAN CAPITAL TERRITORY

LEGISLATIVE ASSEMBLY

QUESTION WITHOUT NOTICE TAKEN ON NOTICE

24 AUGUST 1993

MS FOLLETT: On 24 August 1993 Mr Kaine asked me a number of questions relating to the International High School Band Festival held in Canberra from Friday 20 August 1993 to Sunday 22 August 1993: the level of ACT Government support for the event; whether Government support for the Festival was contingent upon Mr Lamont being "the principal" behind the event; and details of the "principals" behind the Festival and their backgrounds.

MY ANSWER IS: Mr Lamont has already indicated to the Assembly on 24 August the extent of his involvement with the Festival and clarified that he was not a "principal". ACT Government support for the Festival was limited to the ACT Tourism Commission assisting with its promotion. This involved the display of printed matter prepared by the Festival organisers in the Visitor Information Centre, the inclusion of the Festival in the Commissions listings of current events, and the provision of Canberra tourist information to the Festival organisers for distribution to visitors. This support is consistent with that routinely given to events of this nature which have a potential tourism benefit for Canberra. In relation to Mr Kaines question about the "principals" and their backgrounds, the limited extent of Government support for the Festival meant that the Tourism Commission did not require such information from the organisers.

3555

14 October 1993

APPENDIX 3:

(Incorporated in Hansard on 12 October 1993 at page 3307)

MINISTER FOR URBAN SERVICES

LEGISLATIVE ASSEMBLY QUESTION

QUESTION WITHOUT NOTICE

On Tuesday, 14 September 1993 Mr Westende asked me about the number of staff allocated to the ACT Supply and Tender Agency and the cost to the community of running the Agency.

The Government's aim in establishing the Agency is that the Territory's purchasing policies and procedures should serve to stimulate growth and development by affording local industry every opportunity to compete for government business.

To date one additional full time officer has been allocated to the Agency assisted by other staff within the Supply Policy Group as necessary. This has been supplemented by support from computing staff within Public Works and Services and a consultant to assist in the development of the concepts for a computerised supply information system.

The costs incurred by the Agency since November 1992 are approximately \$92,800 made up of salaries \$57,300, consultancies \$12,000, computing costs, \$16,000 and other administrative support costs \$7,500. These costs have been absorbed within the Department of Urban Services budget and no additional funding was provided.

3556

APPENDIX 4:
(Incorporated in Hansard on 14 October 1993 at page 3530)

REGISTERED & FEDERAL OFFICE

202 Berkeley Street,

Carlton, Victoria, 3053.

Telephone: (03) 348 1899 Fax: (03) 348 1846

CIVIL AIR OPERATIONS OFFICERS ASSOCIATION OF AUSTRALIA

13th October 1993

Mr. Peter Evans
Assistant General Manager
Air Traffic Services
Southern District
Civil Aviation Authority
Building 190
Store Street
MELBOURNE AIRPORT VIC 3045

Dear Peter,

I write to take issue with a number of points raised by you in a letter published in the Canberra Times on Saturday 9th October 1993.

Your statements in the third and sixth paragraphs about enhancing safety will be construed by the public to imply a deficiency in existing safety standards and as such reflect badly and unjustly on the professionalism of Canberra controllers.

It is true that post TAAATS implementation, the majority of ATS facilities will reside in Melbourne or Brisbane. Nevertheless the time frame you suggest is as curious as your concept of "major Air Traffic Control".

The statement that Canberra Tower will be left in control of the airspace within 30 mile of Canberra after the ACU has been consolidated is an entirely new and radical concept in a radar environment.

The suggestion that the consolidation move will inhibit Canberras development as an international airport is a complex one. Civil Air has consistently argued that the procedures required to operate such a consolidated system will reduce the flexibility enjoyed by terminal airspace users. The viability of the third level operators at a terminal w311 undoubtedly be considered a planning factor by potential

AFFILIATED WITH

14 October 1993

OCT 13 93 16 55 CIVIL AIR 03 3481846 P.3

operators of international freight or passenger flights. It is these very third level operators that rely most heavily on the flexibility of terminal airspace management for the cost effectiveness of their operations.

It is timely to remind you that Civil Air has never explicitly agreed with the principal of the consolidation of Canberra ACU to Melbourne. We have merely accepted the probability that the move was marginally justified on cost benefit grounds given the deficiency of the existing building and problems in providing adequate radar facilities.

We are receiving consistent indications that more staff will be required to operate the Canberra ACU in Melbourne than is currently required in Canberra given an equal potential for rationalisation of functions.

Now that the problems with the Sandras View RASPP feed have been solved, Canberra would seem to be an ideal candidate for the installation of a TAAATS IRDS display system in the existing facility.

The high cost, high risk processor upgrade for the Melbourne RDP system must certainly be on the critical path for the consolidation of the Canberra ACU to Melbourne. Indeed a closer examination of priorities may well show that the move is in turn a prime driver of the processor upgrade project.

All of the above suggests that it is past time for a reassessment of the cost benefit parameters applied in the decision to consolidate the Canberra to Melbourne.

I await your comments with interest.

Yours sincerely,

BARNEY PINNEY
VICE-PRESIDENT TECHNICAL

Ref:Evans.90ct:sg