



QUESTION TIME
OF THE
LEGISLATIVE ASSEMBLY
FOR THE
AUSTRALIAN CAPITAL TERRITORY

HANSARD

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Thursday, 6 June 2019

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Questions without notice

Budget—rates

MR COE: My question is to the Treasurer. Minister, are you aware of any Canberrans that are suffering hardship because of your increases to residential rates?

MR BARR: Yes, the government is aware that increases in rates put some financial pressure on some sections of the community, and we have in place a range of measures to address that, including access to concessions and deferral of payments as well as a range of individualised and tailored circumstances where any ratepayer who is experiencing financial difficulty can engage with the revenue office in relation to how rates may be paid—there is a great degree of flexibility in annual, quarterly, monthly, fortnightly payments—in order to meet the individual circumstances of ratepayers. We recognise, through our concession schemes, that further government assistance can be provided to assist those who may be particularly asset rich but income poor.

MR COE: Treasurer, how many households in Canberra will see their rates increase in the next financial year?

MR BARR: Most. Some will receive very modest increases, or potentially a decrease, depending on the respective valuation of their properties. I would note that this is no different from every other year in the history of the city. Rates have gone up under every government, conservative or Labor, in the history of Canberra. There is no world in which rates have not gone up each year. There are, of course, differences in the level of increase from year to year and from property type to property type. As a result of the tax reforms that we have been progressively introducing, other taxes and charges either have been abolished or are going down.

It is not a new debate; this is the eighth year that we have debated this very topic. It is very clear that we are abolishing or have now abolished taxes on insurance products. We are phasing down stamp duty; from 1 July, first homebuyers will no longer pay stamp duty on their first purchase. And we have increased the payroll tax free threshold. On the commercial stamp duty side, we have now exempted 70 per cent of commercial property transactions that take place below \$1.5 million and we have reduced the top tax rate from over seven per cent to under five per cent.

What if we had left the tax settings alone? Stamp duty was 22 per cent of total own-source revenue back when tax reforms began. Stamp duty now would be raking in \$450 million. Rates would also have increased, by the wage price index. The total tax take would be the same. The point is that it has shifted away from stamp duty, away from insurance taxes and away from payroll to rates. *(Time expired.)*

MS LAWDER: Treasurer, when will the yearly rate increases stop in Canberra?

MR BARR: The yearly rate increases will reduce in size as we progress further through tax reform, as they have been doing since the reform commenced. The heaviest lifting is now behind us.

Mr Coe: It means it is every year now.

MR BARR: One tax is already abolished: insurance taxes. So everyone who has comprehensive motor vehicle insurance and everyone who has home and contents insurance is not paying insurance tax every year, Mr Coe. They are paying less. Everyone who buys a house is paying less stamp duty.

The simple point here is that we all consume services in Canberra every year and we should all contribute every year, not just extortionate amounts when we buy a house. Why should seven per cent of the population be contributing 25 per cent of revenue because they buy a house, because they have a child or another child and need a bigger house, because they are buying their first home or because their family have left home and they are downsizing? Why is it okay to hit those people with \$50,000, with \$60,000, with \$70,000?

If we had not reformed those tax rates, we would be like New South Wales; we would be in a position where we would be gouging homebuyers. We are not, because we have shifted our tax base. It is fairer because it means that everyone contributes every year to the services that we all consume. That is the simple and fair proposition.

Community housing—land release

MS LE COUTEUR: My question is to the Minister for Housing and Suburban Development and relates to land release for community housing. How many of the 34 dwelling sites identified for community housing in 2017-18 and the 20 dwelling sites in 2018-19 have been offered and then sold to community housing providers so far?

MS BERRY: I do not have that detail in front of me. I will have to get that and bring it back to the Assembly for Ms Le Couteur's information. Of course, working with the community sector is important for the ACT government. In our partnership now with Community Housing Canberra, and particularly HomeGround, we are providing opportunities for people to get into below-market rents. For people with investment properties who want to contribute to that program, it has been an important way forward for the ACT government. I look forward to seeing the outcomes of that program that we are working on with Community Housing Canberra.

MS LE COUTEUR: What, if any, price discount was offered when these blocks were offered for sale?

MS BERRY: I do not believe there were discounts on the blocks but I will check and get some advice. If there is a different response to that then I will provide it to the Assembly.

MS LAWDER: Minister, what process do you and your department go through to determine which blocks will be up for sale and how?

MS BERRY: There are a number of processes that are gone through around what land is available and then what parts of that land would be appropriate for community housing, including other housing opportunities, whether that is public housing, community housing or affordable housing through the indicative land release process.

Housing ACT works with EPSDD and the planning minister to make sure that we get the balance right and that the land that is provided to those organisations meets the needs of those organisations.

Budget—employment

MR PETTERSSON: My question is to the Chief Minister. Chief Minister, how is the ACT government investing to boost local jobs and growth through the 2019-20 ACT budget?

MR BARR: I thank Mr Pettersson for the question. Our economy has grown by 12 per cent in the past three years, and that has supported the creation of more than 16,000 new jobs. Ongoing strong economic growth delivers more good jobs and opportunities for Canberrans and local businesses.

Through this budget we are delivering the territory's largest ever infrastructure program. That will support thousands of jobs in our construction industry and across a range of professional scientific and technical service areas. The budget outlines \$3 billion worth of infrastructure investment, with a strong focus on health, education and transport infrastructure, investing now to meet our city's future needs. We are also supporting a more diverse territory economy by supporting the growth of key local industries that build on our territory's strengths.

Over the next four years there will be a nearly \$16 million investment in supporting continued business development activities in sectors like defence, higher education, cybersecurity, space, renewable energy and agri-technology. There is an investment of \$5 million in the CBR Innovation Network, which assists small to medium businesses with grants, partnership arrangements and access to venture capital. Since its launch five years ago, the Innovation Network has assisted more than 1,000 entrepreneurs and businesses.

We are releasing land for 15,600 new dwellings over the next four years as well as more land for commercial, industrial and mixed-use projects across the city. Delivering a strong pipeline of land will help to maintain activity in the construction sector and ensure we can meet the demand for land created by new and expanding businesses.

MR PETTERSSON: Chief Minister, what does a re-elected coalition government mean for our economy and local jobs? How is the ACT government responding through the budget?

MR BARR: I hope that we can move the debate about our city beyond it being a bubble. It would be useful if Capital Hill could be separated from the rest of Canberra. There is a concern, given the election eve announcement of a further \$1.5 billion worth of job cuts coming to the Australian public service and a decentralisation agenda that is principally driven by the National Party. That clearly remains a concern not just for this side of the chamber but also potentially for those opposite.

I do not think there is any prospect of the Nationals giving up their agenda of wanting to shift jobs out of Canberra into their own electorates. We recognise that reality. We will continue to campaign against decentralisation and APS job cuts. At the same time

we will step up our own efforts to invest in Canberra because the federal government will not. They have made that pretty clear through the election campaign. We will invest in our schools, hospitals and transport infrastructure. We will continue our focus on building infrastructure to meet our city's future needs. Where we can partner with the commonwealth government, like on the Monaro Highway, we will. But that is it; that was their project. We do not even get anywhere near our per capita share of commonwealth infrastructure. That is a decision that the coalition took prior to the federal election. If they stand by that, we will not get our per capita share. We will need to do more, and we will.

MS CODY: Chief Minister, what steps is the ACT government taking to improve job security for workers through the 2019-20 budget and set an example for the ACT labour market as a whole?

MR BARR: We have taken some very deliberate decisions through this budget round, leading by example to ensure more secure jobs within our own ACT government service. This year's budget also invests in a task force focusing on improving job security by reviewing the use of casual and temporary employment across ACT government directorates. This will identify work currently being undertaken by temporary staff which can be transitioned to secure and permanent roles over time.

We will also transition externally contracted school cleaning services to a territory-run service by establishing a cleaning workforce within the Education Directorate. This will deliver better job security and working conditions for our hardworking school cleaners. Transport Canberra and City Services will increase the ratio of permanent staff to contract staff over several years. This year's budget advances this aim by converting temporary and contract roles within the city presentation unit to permanent positions. We are also working within Access Canberra to convert labour hire contractors to ACT public service staff, giving more security to the workers who are the public face of many of our government services. We do so because we are committed to improving job security for our staff and setting a standard for the ACT workforce.

Budget—rates

MR WALL: My question is to the Treasurer. Treasurer, have you been contacted by any businesses in Canberra that are struggling to keep up with increases to commercial rates?

MR BARR: I have not had any direct personal approaches. There may have been some emails; I will need to check. I have certainly heard through the media and had a letter or two over the years, particularly related more to revaluation of properties, as has obviously been discussed through the commercial rates review, and we have instituted the beginning of a government response in relation to those questions and highlighted that in the budget papers.

But I note that we have 3,000 more businesses operating in the territory than we did a few years ago. Our stamp duty cuts, our insurance tax cuts and the lifting of the payroll tax free threshold to the highest in the nation, which means 90 per cent of businesses do not pay payroll tax in the ACT, make us a very competitive place to do business, and we are seeing that in the growth in the number of businesses operating in Canberra.

MR WALL: Chief Minister, why are businesses struggling to keep up with the increases in commercial rates, from what you have heard in the media?

MR BARR: There are a range of factors in the broader economy that impact on profitability for business. ACT taxes and charges are a relatively modest part of total business expenditure. We are making the transition away from taxing capital and taxing labour. There are three factors of production: land, labour and capital. Labour is quite mobile; capital is extremely mobile; land is not. The simplest, fairest and most efficient form of taxation available to our level of government is land. That is why we have the lightest taxation in Australia of labour and capital. That is why we have 3,000 more businesses operating in the ACT.

Opposition members interjecting—

MR BARR: That fact is very inconvenient for the Leader of the Opposition and his campaign of mistruths but it is a fact. There are more businesses operating now than there were three years ago. That is a fact.

Mrs Dunne: Madam Speaker, I raise a point of order. I ask that the Chief Minister withdraw the assertion that Mr Coe has a campaign of mistruths. It is accusing him of lying and it is unparliamentary.

MADAM SPEAKER: Among the interjections and the noise from your side, I did not hear that word.

MR BARR: I will withdraw, Madam Speaker.

MADAM SPEAKER: Thank you, Mr Barr. Continue.

MR BARR: Mr Coe's campaign is not backed by the facts. The facts are that there are more businesses, 3,000 more, operating in the ACT now than there were three years ago.

MRS DUNNE: Chief Minister, what percentage of commercially rateable properties will see an increase in their rates this year?

MR BARR: It is similar to my answer to the earlier question in relation to residential—a very similar proportion that has received an increase every year in the history of the city. Unless the opposition are proposing that they will never increase a tax or charge ever again in the future, every year there is an increase in rates and in other taxes and charges. Every year people pay more income tax as well. The economy grows. People pay more tax to government as the economy grows. It is the same at this level as it is federally.

Mr Wall: And that's why there are tax cuts by a coalition government: to put more money in people's pockets.

MADAM SPEAKER: Mr Wall, that is enough.

MR BARR: That the coalition at a federal level is handing back some bracket creep is a good thing.

Mr Wall: Money back in people's pockets.

MR BARR: They are handing back some bracket creep. Hurrah to them! A round of applause; fantastic! We are cutting stamp duty. We are handing back more in payroll tax concessions than any other government in this nation. We are handing back more.

Ms Lawder: A point of order, Madam Speaker.

MADAM SPEAKER: Mr Barr, resume your seat. There is a point of order.

Ms Lawder: It goes to relevance. The question specifically asked what percentage of commercially rateable properties will see an increase. He has not answered the question.

MADAM SPEAKER: There is no point of order, Ms Lawder. Mr Barr made reference to that at the beginning of his answer.

MR BARR: We are making deeper stamp duty cuts than almost every government in this nation. Only South Australia, which, under the former Labor government, phased out commercial stamp duty altogether over a period of time, has done more than this government on the commercial stamp duty side. Small and medium-sized businesses that want to invest in Canberra do not have a \$70,000 stamp duty hit when they make that investment to buy commercial property in Canberra. That is a big difference. And they do not payroll tax here either. *(Time expired.)*

MADAM SPEAKER: Before I give Ms Cody the call, I remind members that there are rules on interjections. Can you please remain silent?

Budget—emergency services

MS CODY: My question is to the Minister for Police and Emergency Services. Minister, how are you supporting the ACT Ambulance Service?

MR GENTLEMAN: I thank Ms Cody for her interest in a safer Canberra. Keeping Canberrans safe is one of this government's highest priorities, and that is why the government is making ongoing investments in our emergency services. The 2019-20 budget that the Chief Minister handed down just the other day provides funding for our emergency services, including ACTAS and ACT Fire & Rescue.

The investment in ACTAS builds on the funding in the 2018-19 midyear budget review in which the government announced it would recruit two additional ambulance crews to help ensure the ACT's emergency response times remain the best in the country. The ACTAS fleet will also be expanded, with five new ambulances fitted with state-of-the-art electronic stretchers, power loaders and defibrillators. I was recently contacted by a constituent who was attended to by two paramedics and was the beneficiary of these new state-of-the-art stretchers. My constituent was grateful for the ease and care with which she was transferred to hospital and she was also extremely appreciative of the professional, efficient and compassionate treatment which she received from the

attending crew.

I add my own gratitude to that of my constituent and thank the women and men of ACTAS for the important work they do in our community.

MS CODY: Minister, is there additional support for ACT Fire & Rescue in the budget?

MR GENTLEMAN: Yes, there is additional support. The government is delivering more firefighters, emergency services vehicles and stations to keep Canberra safe as our city grows.

The 2019-20 budget will help to recruit 36 more firefighters through two new recruit colleges. These firefighters will replace retiring staff and continue strengthening our firefighting workforce. The government will also purchase a new aerial firefighting appliance that will be able to navigate urban areas more effectively and provide a better response at multistorey building fires.

The government will purchase a new pumper for ACT Fire & Rescue, augmenting the agency's existing vehicle replacement program. The government will help to keep our first responders safe at work by providing new structural protective clothing to firefighters, including the latest generation outer tunics and overpants.

Work will commence to establish new stations in Ms Cody's electorate. The budget provides funds to complete due diligence and undertake preliminary design for new fire and ambulance stations in the city and the Molonglo Valley.

Through these investments in emergency services, the 2019-20 budget builds on our commitment to ensuring the safety of our community and our first responders—now and in the years to come. These investments will also help to keep our city safe from the threat of bushfires.

MS ORR: Minister, how is the government supporting bushfire preparedness?

MR GENTLEMAN: I thank Ms Orr for her interest in the safety of Canberra, particularly around bushfires. We will continue improving the ACT's preparedness for bushfires, including by upgrading the ACT's aerial bushfire fighting aviation fleet to include a specialist intelligence gathering enabled helicopter. Through the 2019-20 budget, we are delivering \$2.2 million to contract this helicopter to enhance the early detection and suppression of bushfires in remote locations across the ACT and surrounding region. This will enable livestreaming of video and still images so that the Emergency Services Agency can accurately map fires, inform the deployment of firefighting resources and assess emerging risks.

The government is also upgrading workspaces for the ACT Rural Fire Service and ACT State Emergency Service. Through the budget the ACT Rural Fire Service volunteers and staff will benefit from upgraded workspaces, with the refurbishment of a multipurpose room at the Hume heli-base and modernised change areas for the Hall brigade through a \$178,000 investment. To cater for a growing volunteer membership base, we are also investing \$1.9 million to refurbish the ACT State Emergency Service Majura unit facility.

Identifying and tackling bushfires before they threaten lives or homes in Canberra's urban areas are a critical part of our work to keep this community safe. As our city grows, we are better prepared to tackle the threat from bushfires.

Government—fees and charges

MRS DUNNE: My question is to the Treasurer. Treasurer, how many people have asked for tax concessions because they cannot keep up financially with your rates, taxes, fees and charges?

MR BARR: Asked for tax concessions? I am not quite sure that is what you mean.

Mrs Dunne: To clarify: how many people have asked for a deferment or any other means of spreading the cost of their taxes?

MR BARR: If you mean specifically deferments, I believe that that number is in the low hundreds, but I will get that checked. Obviously, it changes. It has increased in recent times as people have become more aware of that option—that it is available. It is a very sensible and rational option that, when I reach that age, I will certainly be taking up.

MRS DUNNE: Treasurer, how many households are expected to be pushed into financial hardship because of your changes in rates, taxes, fees and charges in 2019-20?

MR BARR: None.

MS CHEYNE: Chief Minister, how many households are going to benefit from changes to stamp duty this year?

MR BARR: Everyone who buys a house in Canberra and has bought a house over the last seven years has benefited—some to the tune of up to \$25,000 and soon to be even more. Every single person who has bought a property in Canberra has paid less stamp duty in recent years. That means they are not paying mortgage interest if they had to borrow for that stamp duty and it also means that more property is more affordable for Canberrans.

That stands in marked contrast to what has been occurring in other jurisdictions where the stamp duty that is being charged, particularly in New South Wales and to a lesser extent in Victoria, has been astronomical. Billions and billions of dollars have rolled in to the New South Wales government, to the point that they were embarrassed by how much money they were gouging out of homebuyers and they had to do something about it. We have seen, in the property market collapse in Sydney, that their stamp duties are now starting to tank, and that is causing them a great deal of difficulty in budgeting for the long term.

The other side of this equation is that when you are in government and you have responsibility to deliver services for people, you have to do it every year. You cannot just guess how many houses and at what value they will transact and try and set long-

term budgeting on that basis.

One of the advantages of the tax mix shift is more predictability and stability in revenue, which allows for better long-term service delivery planning. That is an important element as well. It is fair because everyone who consumes services every year contributes. In what world is it fair that we ask people who buy a house to pay so much—25 per cent—of our own-source revenue? How is that fair? If you were designing a tax system from scratch, you would not do that. *(Time expired.)*

Housing—rental

MR PARTON: My question is to the Minister for Housing and Suburban Development. Minister, the most recent ACT Council of Social Service cost of living report indicated that rents in Canberra have increased by three per cent whereas nationally they have only increased by half a per cent. Why is this?

MS BERRY: This is a question that goes to the state of the market in the ACT, where there are more people with means to pay more to purchase a home. Unfortunately, for people on low incomes, that means their rent goes up because the market value of the home that they rent goes up. That is not a problem that is unique to the ACT; it is a problem that the whole country is grappling with around affordable housing and how we work with the sector.

Mr Parton: A point of order.

MADAM SPEAKER: A point of order, Mr Parton.

Mr Parton: It is on relevance. The question was about why the rents have increased in Canberra six times higher in terms of the percentage than nationally. I would ask the minister to be relevant and refer to Canberra rather than the national picture.

MADAM SPEAKER: I do not believe there is a point of order. The minister was referencing pricing of the market within Canberra. Minister, you have a minute to go more directly to that.

MS BERRY: That is right, and the market in Canberra has influenced that. Of course, population growth in the ACT has been significant as well, and that is probably one of the primary reasons for the increase in the price of homes and therefore rent for low income earners.

For the ACT government, working with community housing organisations, making sure that we provide, through our indicative land release program, affordable housing, having an affordable housing purchase database where people can apply for affordable housing, and having stamp duty not existing any more for first homebuyers from 1 July will make a difference to people being able to get into a home of their own. And there is the government's significant investment in public housing.

MR PARTON: Minister, are you aware that earlier this year Canberra overtook Sydney as the most expensive place to rent a house in Australia, and the second most expensive place to rent a unit? Why is this?

MS BERRY: I responded to the second question in my answer to the first question, on the reasons why rents and house prices in the ACT are high. It is an issue that the whole country is grappling with. Population growth has played a significant role.

MRS KIKKERT: Minister, how will increasing residential rates affect the cost of renting in Canberra?

MS BERRY: I refer to the Chief Minister's many responses about changes to our taxes and rates in the ACT. More people will be able to get into homes of their own after 1 July, particularly first homebuyers. This will make a huge difference, with more people being able to buy a home of their own and perhaps get out of the private rental market.

Mr Parton: Madam Speaker, I have a point of order on relevance. The question was about how the residential rates will affect the cost of renting in Canberra. It was not about home ownership; it was about the cost of renting. I ask that the minister be relevant to the question.

MADAM SPEAKER: In the minute and 15 seconds that you have left, Ms Berry.

MS BERRY: I have completed my answer, thank you.

Building—quality

MS ORR: My question is to the Minister for Building Quality Improvement. Can the minister update the Assembly on the recent budget announcement on the expansion of the building inspectorate?

MR RAMSAY: I thank Ms Orr for the question and for her very clear interest in the quality of buildings in the ACT. Just over a week ago, alongside two of our city's hardworking, excellent building inspectors, I was very pleased to announce the biggest expansion of the building inspectorate in recent history. Sixteen additional officers across a number of functions will be working to improve the quality of buildings in Canberra because of the investment that will come from this year's ACT budget. This more than doubles the current number of people who are on the ground working in this area for the people of Canberra.

There will be eight new inspectors to boost the rapid regulatory response team. They will be delivering over 1,000 extra inspections per year to ensure that what is being built is being built up to code. That means more assets on the ground undertaking more inspections and holding more builders to account.

There will also be four extra staff to run our builders licence exams. These staff will be ensuring that the high bar we have set to entry into the building industry will be maintained and enforced. They will be making sure that only those with the required skills and knowledge are able to obtain a licence. They will also be holding to account those renewing their licence and those who are required to sit the exam, to ensure that only those who should remain in the industry do remain in the industry.

Finally, there will also be four extra staff to undertake community and industry

engagement and education. They will be crunching the numbers to look at the issues in the ACT and working with industry to make sure that industry lifts standards. They will be working with the community, developing resources and helping people to navigate buying and renovating homes. They will be making it easier and simpler for the people of the ACT to navigate our building system and increasing the level of knowledge in the community.

MS ORR: Can the minister explain how this expansion will increase building quality in the territory and help to inform consumers?

MR RAMSAY: I thank Ms Orr for the supplementary question. These new staff for the building inspectorate will have a substantial impact on building quality in the territory. The new staff for the rapid response team will turn this very successful trial into a permanent feature of the inspectorate. The team will be expanded by four and will be on the ground responding to building complaints within hours or days.

They will have the power to shut down building sites where they see an issue and they will work with builders and consumers to ensure that the issues are fixed before the work is completed—when it is far more cost effective to do so. They will work hand in hand with our inspectors to ensure systemic issues are stamped out, major compliance breaches are investigated and appropriate action is taken. There will be, as I say, around 1,000 extra inspections every year.

The team running examinations will help to hold those seeking a licence or renewing their licence to the highest standard. They will ensure that people have up-to-date knowledge of how to interpret the building code and to ensure that those who are not able to work in this sector do not do so as a builder.

The engagement staff will be doing a lot of hard work behind the scenes to do the data analytics to get the increased data collection that Access Canberra has been undertaking over the last year. They will be looking for patterns in what is occurring and they will be creating resources and working with the community to address those patterns. They will be creating resources to help the community to understand how to navigate the system. They will be working with builders to ensure that they are building the highest quality buildings, and they will be working directly with consumers to ensure that they are armed with the information they need to ensure they have what is necessary when they are seeking to build, buy or renovate.

MR PARTON: Minister, how much will these changes add to the cost of every construction in Canberra?

MR RAMSAY: Obviously, the investment by the ACT government is strong. The way that it will work is that the investment in the inspectorate will be partially offset through a small increase in the costs associated with the building levy. For an average home, that is probably \$400 in terms of the cost of the levy.

We know that investment and savings can be made at the time of building. It is far more cost effective if we are able to deal with matters quickly rather than allow issues to be present and to grow, and then have to deal with issues afterwards. We are making sure that it is far more cost effective and far more efficient, so that the investments that

people make in their homes are of the highest quality and so that they can rely on those with great certainty.

Housing—finance

MRS JONES: My question is to the Minister for Housing and Suburban Development. Minister, the Australian Bureau of Statistics figures published in May indicated that during March this year only 146 lending commitments were made to first homebuyers in Canberra, the fewest recorded since October 2016. At the same time the cost of living report from the ACT Council of Social Service published in May says that the cost of new dwellings rose 3.6 per cent, double the national average. Minister, why did the cost of new dwellings in Canberra rise at double the national average?

MS BERRY: Madam Speaker, that sounded very similar to the question that Mr Parton asked me about the cost of housing and rentals in the ACT. I refer Mrs Jones to my previous answer—that the population growth in the ACT has been significant, particularly in Gungahlin, one of the fastest growing areas in the country. That means that when there are more people buying homes, particularly—

Members interjecting—

MADAM SPEAKER: Mr Barr! Mr Coe! Members, I ask that the minister who is on her feet is able to finish.

Members interjecting—

MADAM SPEAKER: Mr Coe! Mr Barr! “Outside, gentlemen,” I think is the phrase.

Mrs Jones: I have a supplementary.

MADAM SPEAKER: Before I go to your supplementary, Ms Berry, did you have anything to add?

MS BERRY: No, I think it was resolved.

MADAM SPEAKER: A supplementary, Mrs Jones.

MRS JONES: Minister, why are lending commitments to first homebuyers in Canberra at the lowest recorded level since 2016?

MR BARR: I will take that question. There are a number of factors, not least of which has been the crackdown on lending practice from APRA, in relation to the rules and regulations they require of the banks to be able to lend. Another very significant factor has been the banking royal commission. Mrs Jones, I note that this very issue was one of the reasons why your federal leader introduced ScoMo bank, the mortgage lending insurance 15 per cent gap cover.

This is an issue that faces the nation. One other factor clearly would be that our stamp duty goes to zero on 1 July. That would be a very sensible decision for some people, depending on the sort of purchase they are seeking to make—to wait until then.

MADAM SPEAKER: Just before I give Mr Parton the call, could we refer to Mr Morrison or the Prime Minister? I am not quite sure if there is a ScoMo bank.

MR PARTON: Madam Speaker, I am sure the Prime Minister would be chuffed. My supplementary is to the Chief Minister, based on the answer to the previous question. Why have so few first home owners been able to afford to buy new dwellings in Canberra?

MR BARR: If you look at the long run, as in over the last four or five years, we have in fact generally been above the national average in terms of our share of home owners entering the market. The reasons that there has been a dip largely relate to the banks clamping down on lending and certainly not being prepared to lend to people who have only a five per cent deposit. One contributing factor to people being unable to save both for a deposit and for stamp duty is that stamp duty is one of the biggest inhibitors. If you have to find a deposit and you are expected to pay significant stamp duty then it is very hard to get into the market.

What is one practical thing we could do to help first home owners to get over that hurdle? Let us get rid of stamp duty—and that is exactly what we are doing. Those opposite who profess to care about first homebuyers and who ask questions like this want to slug them with stamp duty. That is the irony of this line of questioning. You are the party of stamp duty. You are the party that want people to have to borrow for their stamp duty and pay mortgage interest on that for the rest of their lives. That is what you want. That is your policy position.

Members interjecting—

MADAM SPEAKER: Members, towards the end of Mr Barr's answer I had trouble hearing him. There were two sides going at that end and two sides going at this end. Can you please refrain and have a bit of regard and respect?

Budget—housing and homelessness

MS CHEYNE: My question is to the Minister for Housing and Suburban Development. Minister, what investments is the government making in public housing in this year's budget?

MS BERRY: I thank Ms Cheyne for the question. Under the new housing strategy the ACT government is taking action to grow and renew public housing in the ACT. This investment begins in this year's budget with the first \$20 million of a \$100 million investment. The program will build 1,200 new homes right across Canberra, including 200 extra homes to be made available for people who are in need of housing. This is the single largest per capita investment in public housing in the country. If this investment were being replicated nationally, we would see almost \$6 billion invested into growing and renewing public housing.

This investment builds on the current renewal program, which will soon finish around 1,288 dwellings across Canberra—new, energy-efficient homes that better suit the needs of our tenants. Together the current renewal and the incoming growth and

renewal programs will see around 20 per cent of our public housing replaced with new homes for our tenants over a period of 10 years. This year's budget also allocates funding for Common Ground Dickson, which will provide 40 units of social and affordable housing for people who are experiencing chronic homelessness.

MS CHEYNE: Minister, how will this investment under the housing strategy affect the lives of current and future tenants?

MS BERRY: Moving into new homes can significantly improve the lives of tenants and give the best possible chance for them and their families to thrive. I have seen firsthand the change in tenants' lives when they get the keys to their new home and become connected with a new community of neighbours, schools and services. This new program will be slightly different to the current program but will maintain the care and understanding of tenants' needs as well as their preferences.

The initial focus of the growth and renewal program will be on renewing and replacing the homes of tenants who themselves have indicated that they would like to move. Housing ACT will continue to work with all tenants affected by the program to understand their needs and preferences, to figure out where they want to live their lives, and even to return to the same site of the redevelopment if they want to.

During the current renewal program and this new program, a team of officers support tenants before and after their moves to assist them in any way and cover all the moving costs. In both the investment in public housing as well as the construction of Common Ground Dickson, more people will be supported into long-term affordable housing. This investment is a clear expression of the values of the ACT government.

MR PETTERSSON: Minister, what other ongoing investments are being made under the housing strategy to address homelessness and housing affordability?

MS BERRY: Investments under the housing strategy are continuing into this year's budget, with the two largest investments being for the growth and renewal of public housing and Common Ground Dickson. Other initiatives include the \$5.7 million initiative to improve the energy efficiency of public housing and upgrade approximately 2,200 public housing properties to help tenants reduce their power bills and provide more energy efficient appliances. As at 28 May, as part of this program, 333 public housing properties had benefited from this scheme.

More funding for front-line homelessness services will continue, with a \$6.5 million investment in early crisis interventions to prevent chronic homelessness for groups, including women and children escaping domestic and family violence; older women; young, pregnant women at risk of statutory intervention; and migrant families. At least 10 more dedicated and culturally appropriate homes for Aboriginal and Torres Strait Islander tenants are being built, working closely with the elected body. A second site will soon be under construction.

These budget-funded initiatives are on top of the day-to-day operations of Housing ACT, which is providing housing options to around 21,000 Canberrans, providing \$150 million a year in rental rebates to tenants and \$24 million a year to front-line homelessness services.

Housing—affordability

MR MILLIGAN: My question is to the Minister for Housing and Suburban Development. Minister, figures collected by Anglicare on rental affordability show there are no affordable rental houses for a single person on a single, low income in the ACT. Why are there no affordable rentals for single people on low incomes in Canberra?

MS BERRY: I think it is like the questions that have been asked previously by the opposition during question time today, around rental affordability in the ACT. Yes, rental affordability is a challenge that the country is facing at the moment. There are a number of reasons why rental affordability is an issue.

I believe that removing stamp duty for first homebuyers will provide opportunities for people to get into homes of their own. It is something that Mrs Dunne and I actually agree on: people should have that opportunity; it should not just be left to the rental market, for people to have to rent for the rest of their lives. Just like the rest of us in this place, except for Mr Pettersson, and everyone else in the community, people should be able to aspire to get into a home of their own. That is often provided for really low income or no income families, or families on modest incomes, by public housing. More needs to be done to provide opportunities to other people in our community on low incomes to get into homes of their own and to provide opportunities to rent.

Of course, population growth in the ACT means that there are more people in the ACT who want to purchase and live in our community, which is a good thing, but that places pressure on other people in our community who might not have the same opportunities.

MR MILLIGAN: Minister, how many individuals have contacted the ACT government regarding housing affordability issues or housing stress over the last year?

MS BERRY: I do not think that data would be available in the form Mr Milligan has asked for it. Information on the number of people who have applied for public housing is available on the website; that is public information. The ACT has its affordable housing database now. A number of people have signed up to that. I think close to 1,000 people have registered on that database to access affordable homes that meet their needs. It has been a really successful program in matching up families and individuals to houses available on the market that meet with their income.

The ACT government is continuing to provide opportunities, particularly around rental bonds as well, making sure that people can access a rental bond loan. This means they can get their rental bond loan straightaway rather than that being a barrier to their getting into a rental property of their own. There are a number of initiatives available for people trying to rent a property or trying to get into a home of their own.

MR PARTON: Minister, how much is this lack of affordable housing contributing to Canberra having Australia's highest rates of repeat homelessness?

MS BERRY: The repeat homelessness data that Mr Parton is referring to is not a very clear dataset to refer to, because it might apply to, for example, someone who has been

in a crisis service, then ended up in the AMC and then come back out of the AMC and ended up back in a crisis service. So there is some—

Opposition members interjecting—

MS BERRY: I am explaining the data and how it works. It is often not a single repeat of homelessness; it is often a number of different periods of homelessness because of circumstances surrounding particular individuals.

On the strong sign-up to the affordable home purchase database, that will provide opportunities for people to, as I said, get into homes of their own in ways that they have probably not been able to before, because they are matched up to a home within a new area of the ACT that is releasing properties.

Issues around the availability of good homelessness services drive that data as well. In the ACT we have the best homelessness services in the country. That is the reason why in the ACT homelessness figures have gone down when nationally homelessness figures have risen.

Planning—land release program

MR HANSON: My question is to the Minister for Planning and Land Management. Minister, why have your government's monopolistic practices in relation to land release caused land prices to more than double since 2011?

MR GENTLEMAN: I do not agree with the premise of Mr Hanson's question. Our land release program has been set in relation to the amount of opportunity for land purchases—that is the way we look at land release in the future—and how many blocks would be available for those people wishing to purchase land in the ACT. The rates are set by the appropriate measures.

MR HANSON: Minister, how much further are land prices expected to increase in 2019-20?

MR GENTLEMAN: I do not have a figure on how much land prices will increase in the time period. I can say that there are still around 400 blocks available on the SLA sheet at the moment, remaining unsold, so there is an opportunity for people wishing to buy land in the ACT to do so. That is on top of what we are releasing.

MISS C BURCH: Minister, what is the average cost of land per square metre in the ACT?

MR GENTLEMAN: That varies depending on the area concerned, and the block of land.

ACTION bus service—network

MISS C BURCH: My question is to the Minister for Transport. Minister, last year the *Canberra Times* reported that Canberra households spend the most in Australia on owning and running vehicles. Minister, why do Canberrans spend the most in Australia

on owning and running vehicles?

Ms Cheyne: She is not the minister for private vehicles.

MS FITZHARRIS: I am not the minister for private vehicles; thank you, Ms Cheyne.

MISS C BURCH: Minister, why are your changes to the bus network forcing more Canberrans to use their cars when Canberrans already spend the most in the nation to use and maintain them?

MS FITZHARRIS: I disagree with Miss Burch.

MR WALL: Minister, how many Canberrans have contacted you stating that they now have to use their cars because of the network 19 changes?

Opposition members interjecting—

MADAM SPEAKER: Members, you have asked the question. Allow the minister to provide an answer.

MS FITZHARRIS: I will take the question on notice. I am not aware of too many at all.

Child care—costs

MRS KIKKERT: My question is to the Minister for Education and Early Childhood Development. Did you know that Canberra has the most expensive child care in Australia, and why is that?

MS BERRY: There are a number of reasons why the cost of early childhood education in the ACT is more expensive.

Opposition members interjecting—

MADAM SPEAKER: Members, please allow the minister to answer.

MS BERRY: It is in some way due to how the country looks at where early childhood centres sit. If you consider the ACT as a region as compared to states and territories and other regions, that makes our early childhood education more expensive. Also there are a number of private operators in the ACT who charge significant fees for early childhood education.

Of course, the ACT government's announcement to provide universal access for three-year-olds in preschools will make a huge difference for families in the ACT, particularly for the development of children from the ages of three to four. They will be able to access free universal early childhood education from three years, which will provide significant opportunities for those families but particularly for those children's development as they head to primary school education in the ACT.

That has been a significant investment by the ACT government in the future of our

children and our families in this city—something that was never, ever able to be committed to by the federal Liberal Party and was still not committed to after the election by the federal Liberal Party. Had the Labor Party been elected we would have been able to phase that universal access to early childhood education in much sooner. But we are still going to provide universal access for three-year-olds and four-year-olds in the ACT—something that the ACT government is incredibly proud of.

MRS KIKKERT: Minister, why do people in the ACT pay \$70 more on average for the same service than those in New South Wales and Victoria?

MS BERRY: The ACT government does not set the price of early childhood education in the ACT. We have recognised and listened to the evidence.

Mrs Dunne: Successive ministers have been saying that for far too long.

MS BERRY: Well, it is the truth.

Mrs Dunne: It's your only excuse.

MS BERRY: It is not an excuse; it is a fact.

MADAM SPEAKER: Members, it is not a discussion across the floor.

MS BERRY: What we are doing, that the Liberal Party has never done, and that the federal Liberal Party has never done and would not commit to, is expand early childhood education and universal access to four-year-olds and three-year-olds as well. That will make a significant difference to a child's early learning. It will provide opportunities for families to access preschool like they never have before.

MR WALL: Minister, what is the impact of Australia's highest childcare costs on families in Canberra who are on low incomes?

MS BERRY: Again universal access for three-year-olds and four-year-olds in the ACT will make a difference for families in the ACT.

Mrs Jones: Madam Speaker, I raise a point of order on relevance. The question was about why the policies are making—

Opposition members interjecting—

Mrs Jones: Sorry, the question was—

Mr Wall: What is the impact—

MS BERRY: I can answer it. I cannot really but I can say again—

Opposition members interjecting—

MADAM SPEAKER: I make the point that you raised a point of order 10 seconds into the answer.

MS BERRY: The point is that the ACT government does not actually set the price of early childhood education fees. I agree that they are too expensive. I agree that it should be more affordable. But no state or territory government sets the fees. If there were some way that the federal government wanted to subsidise the wages of the workers in those centres so that those centres could charge less and more families could access those services, that is something I would absolutely get behind. What we are doing is using the levers that we have responsibility for: providing universal access and expanding it from four-year-olds to include three-year-olds as well, which is more than the Canberra Liberals have ever done.

It being 3 pm, proceedings were interrupted pursuant to the order of the Assembly.