



DEBATES

OF THE

LEGISLATIVE ASSEMBLY

FOR THE

AUSTRALIAN CAPITAL TERRITORY

HANSARD

1 June 1989

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MR SPEAKER (Mr Prowse) took the chair at 10.30 am, and read the prayer.

**AMALGAMATION OF TERTIARY INSTITUTIONS
Postponement of Notice**

MR KAINE (Leader of the Opposition): Mr Speaker, as Mr Humphries has been delayed this morning, I move:

That notice No. 1, private members' business, standing in the name of Mr Humphries, be postponed until a later hour this day.

Question resolved in the affirmative.

CORRUPTION - ADVISORY COMMITTEE

MR COLLAERY (10.31): I move:

- (1) That this Assembly supports the early establishment of an independent advisory committee against corruption.
- (2) That the committee include community and government members.
- (3) That the committee have defined terms of reference; powers established by statute; and a responsibility to the Attorney-General of the ACT.

The winners in and around the issue of corruption in both the public and private sectors are obviously those who gain out of the misdeeds and the quasi-illegality of corruption issues, and of course the real losers are the community.

There is always a gain to some people in corruption situations, and the great loss usually is in terms of social disruption and social problems arising out of a disruption to the morale of the public sector and also out of the very real situation that confronts us in the ACT, where there is a deep and unpleasant situation of innuendo and rumour which will affect business confidence in the ACT. Mr Speaker, the Residents Rally takes the view that there is sufficient evidence of partiality and insider trading within the administration to warrant the establishment of a commission against corruption.

Mr Whalan: Table it. Give us some evidence. Give us one bit of evidence.

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MR COLLAERY: Just hold on and you will get yours.

MR SPEAKER: Order!

MR COLLAERY: Clearly, it is an emotive situation. The Rally's view is that this Assembly cannot establish a body such as that on a recriminatory basis; on the basis that we look to the past necessarily and try to hunt down or track down, as it were, people who we think have been in situations of that nature.

The Rally simply wishes to indicate to the people of the ACT that there is a sufficient pattern of activity and there is sufficient precedent elsewhere in Australia and in the developed regions of the Western world to justify a type of standing committee, the terms of reference, powers and membership of which are to be determined - hopefully on a bipartisan basis - by this Assembly.

The Rally does not propose that the commission be a creature of this Assembly, that this Assembly turn itself into a Star Chamber of private investigation and crusader-like zeal on corruption.

Mr Whalan: Changed your mind, have you?

MR COLLAERY: The Rally's view has always been that we need a model corruption body, such as has been established in Hong Kong - undeniably successfully established - and is now under way in Sydney. I note reports in today's "Sydney Morning Herald" and today's "Canberra Times" indicating that there is some inquiry afoot in relation to activities of possibly a criminal or quasi-criminal nature in relation to Waverley Council. That is the type of issue which keeps morale high in the public administration. It means that all those innocent and hardworking public servants do not have to continue about their daily lives with the slur and the innuendo that comes about when there are individual breakdowns in good sense, conflict of interest situations and situations where the public servants involved have not been able to extricate themselves from situations that they should have declared initially.

In the Rally's view, in some situations it is clear that standards have not been set adequately at senior levels in the ACT Administration. The Rally believes that the model established in New South Wales is for a State with a large population and a very high industry and public sector infrastructure. The model for Canberra could be one with like powers and a like determination to see that wrongdoing is brought to book but not with that same structure, the same costs and the like.

If my friend, the Deputy Chief Minister, is to accuse the Rally of making unsubstantiated allegations and the like, he is attempting to do the very thing that no-one in this chamber wants to do. We will not turn this chamber into

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one where accusations will be made, with the old routine practised for so many years in Queensland, of put up or shut up, across the floor from the Deputy Chief Minister. The fact is that it is reputable people such as John Haslem, who first used the term Canberra Incorporated, who said on a celebrated program that some people in this city are just a little too friendly. White-collar crime is a particularly pernicious problem in society, and there is no reason to believe that Canberra is exempt. The Rally believes, as do many in this community, that those in government, who cannot speak out, know the details. There have been conflicts of interest, declared and undeclared, in the administration of the leasehold system, our prime revenue base.

The Rally asks the Canberra people to consider the implications of an official responsible for, amongst other things, business lease management - that is, regulating commercial landlord and tenant relationships - being a significant commercial landlord at the relevant times.

For example, did Ros Kelly, a subsequent Federal Minister, who promised so much to commercial tenants to regulate some oppressive commercial landlord practices in this city, know that one of the principal ACT Administration advisers was a commercial landlord? Why did the long-promised business leases review committee take so long to get through the ACT Administration?

We all know that the retail heart of this city is sick at the moment. There are pockets of desperate small traders facing ruin. I am sure the Deputy Chief Minister will appreciate my comments. In many cases, high commercial rents, not mismanagement, are a significant factor in ruined profitability.

Commercial retail rents in some parts of the ACT are significantly higher per capitalised dollar than in many other parts of Australia. In recent months the President of the Retail Tenants Association of Australia, John Bradford, has twice addressed significant protest meetings of Canberra retail tenants. The squeeze comes from artificially contained shopping areas and regulated releases of commercial development sites.

The result is that owners of modest little shopping centres sited in Canberra suburbs can demand rents comparable with interstate central business district rent levels. That is a disgrace. This is a commercial planning disaster which is costing the retail community of the ACT a lot of money. Why was the landlord contribution to the business leases review committee during those days not revealed? Why have some of the most iniquitous commercial tenancy lease clauses in Australia been allowed to flourish in the ACT?

Only 100 or so metres from here, there are retailers with lease clauses that require them to relocate, move out, if the landlord wants to renovate the premises, for instance,

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or relocate them to another floor. I know of a certain gelato bar proprietor who was moved from the top floor of the Monaro Mall to the ground floor under a relocation clause. Many of those clauses are not lawful anywhere else in the Western world. They have flourished in the ACT, and they are flourishing here in Garema Place.

In a reply on 24 May 1989 to a question taken on notice, relating to the developments of blocks 2 and 3, section 43, Turner, by Hamed Pty Limited, of which a Mr Tony Hedley is the director, the Chief Minister advised that the officer who took the decision did so on the basis that it was open to Hamed Pty Limited to take action through the Administrative Appeals Tribunal or courts to obtain the benefit of the erroneous previous decision.

The Rally's inquiries reveal that Mr Hedley's company, Hamed Pty Limited, purchased blocks 2 and 3, section 43, from two widows, in October 1987 and February 1988 respectively. The 99-year residential leases had 50- and 60-odd years to run respectively. They were surrendered by Hamed, and one commercial lease was issued for 99 years. No fee was paid for the extra term that was gained out of that conversion, the reason being that Mr Hedley had learnt that on several occasions in the past officials had forgotten to levy a premium for such an extended term. He claimed the benefit of the mistake and asked to be treated in the same way. An honest official handling the matter asked for clarification and was told by an intermediary of Mr Hedley that a note would be given to cover him. He never got the note. Both Hedley and the intermediary have since left the Administration on retirement packages.

Prior to leaving the Administration, Mr Hedley had an involvement in the tender process for the \$100m sale of the Belconnen Mall. One of the interested parties was Sterling Property Trust. Mr Hedley's company later purchased Thetis Court, Manuka, for a reported \$3.2m from Sterling Property Trust. Most rents at Thetis Court have gone up by 80 per cent since the purchase. One of Mr Hedley's subordinates has been involved in a back finance deal for a Braddon development for aged persons units and was departmental spokesman when the house at 10 Murray Crescent was demolished for APUs. The same official purchased land in Canberra Avenue which is likely to be rezoned, as we all know.

These matters may not be criminal; they probably are not, so my friend across the floor can get up and vouch for this official's honesty. I am not here to attack that official. He will be the only one named in this discussion. The fact is that, criminal or not, those dealings raise serious questions about partiality and conflict of interest in the ACT Administration. They are issues which have greatly concerned affected members of the ACT population for a number of years, and they have affected retail tenants in this city who thought fondly and naively that submissions that they were making to the business leases review

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committee would be heard objectively and processed properly by the committee, which never got off the ground effectively anyway.

Mr Speaker, we have seen attempts at containing fraud in the Administration, which is fraud at another level by the ACT Administration. It has issued the first report of its fraud control initiatives. This all deals to a great degree with blue-collar problems in the ACT Administration, such as those concerning concrete. Some of those prosecuted have been foremen and parties involved in actual civil works in the ACT. This gloss does not overcome the prospect that large national companies are wary about coming to the ACT. I looked this morning, Mr Speaker, at a list of projects that Concrete Constructions, for example, has undertaken in Australia since 1910.

It started with the Bong Bong Creek bridge at Bong Bong, New South Wales. Some of us know that. In 1950, amongst a whole list of other things costing \$875m, it built the Balgownie hostel at Balgownie, New South Wales. That is where I lived. I have no brief for Concrete Constructions per se. It bulldozed the farm on which I lived and built a migrant hostel there. I recall those days. The fact is that that company has not even managed to be on a tender list for a couple of matters in the ACT recently. I have no particular brief for Concrete Constructions.

Concrete Constructions has prepared a large inner city plan for discussion amongst community groups. The Royal Australian Institute of Architects, ACT chapter, co-hosted, with the help of the ACT Administration and a speech given by Mr Keith Lyon, a proposal for a design competition for the proper and orderly development of this city. The fact is that some local, preferred interests are attempting to proceed with the redevelopment of section 19 of this city to put a finger of development inside the perimeter of London Circuit and Vernon Circle without there being an overall city plan.

Mr Speaker, the Rally does not think that we can continue to encourage national developers to have an interest in this city when we have, as John Haslem says, Canberra Incorporated and some people who are a little too friendly. It is pretty hard to do business when one does not live in a town. We all know about small town deals and the rest. I have been in this town long enough and involved with business long enough to know how business works the world over. The vast majority of business people are honest. They really work towards the community interest, and it will be those people, properly represented on an independent commission, who will be probably more effective than any of us in ensuring that proper business practices arise in both the private and the public sectors.

This city has grown a little larger than, say, Tamworth. The fact is that some people in this city have had a preferred run. That is the view of the Rally, looking

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across a number of developments. The Rally applauds the initiatives taken by the Federal Labor Government to establish a Commonwealth fraud control committee. That committee identifies problems in public administration, principally in areas where there is substantial constant fraud - social security and the like - and it brings it to the attention of the Director of Public Prosecutions.

A body such as the ACT Assembly, or the ACT Government, needs an intermediary, a community interface, so that there is an independent commission which can, amongst other things, receive and consider complaints and foster public support in combating corruption.

MR KAINÉ (Leader of the Opposition) (10.46): I support the establishment of the advisory committee that Mr Collaery has proposed, but not for the reasons that he has put forward. Mr Collaery spoke at length about business people doing their business generally honestly, and I submit that the public servants in this city by and large do their business honestly. I do not accept unsubstantiated allegations that public servants in the ACT Administration have been or are corrupt. Nothing that Mr Collaery has said this morning has produced one scintilla of evidence to suggest that of anyone. What he has outlined perhaps suggests a lack of appropriate legislation and regulations as to how things are to be done, and perhaps it reflects in some cases some maladministration or some poor administration. But I do not accept that it in any way represents corruption of the kind that Mr Collaery has suggested.

However, despite that, I believe that in the interests of open government and assuring the ratepayers and the taxpayers of this community that business is being properly done on their behalf and that public money is being spent in the best interests of those people from whom the taxes come, we have to make sure that there is a body that can in future overlook the operations of the ACT Administration to make sure that there is no suggestion of corruption, let alone outright corruption. I support Mr Collaery's proposal.

I think it is unfortunate that the committee will be born under allegations of corruption on the part of certain public servants. I think it would have been better, if it is thought that corruption exists, to have put the evidence on the table, to have had it properly investigated - if necessary by the Australian Federal Police. But simply to keep asserting, without producing any evidence, that corruption exists, I think is unfair, and I would go almost so far as to say that it is improper, certainly from a member of this Assembly. However, I agree to the establishment of the committee as a safeguard against any future problem, and I reassert that my acceptance of the establishment of this committee in no way implies acceptance on my part of allegations about any current or past member of the ACT Administration. Let us be quite clear on that.

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To turn specifically to Mr Collaery's motion to establish the committee, it is non-specific as to when or how this body should be established. So, Mr Speaker, I propose an amendment to his motion:

That the following words be added:

"(4) That the composition, terms of reference and powers of the advisory committee be determined by the Standing Committee on Public Accounts."

MR STEFANIAK (10.50): Mr Speaker, Mr Collaery has put forward a motion and my leader has moved what I submit is a most sensible amendment to it. I hope that motion and the amendment will have the support of this Assembly.

As Mr Kaine, my leader, has said, there is no indication of any present corruption within the ACT Administration. Mr Collaery has indicated as well, from a report, some instances in the past, especially in relation to some concreting, where certain public servants at the foreman level were involved in a racket and were prosecuted, through the Australian Federal Police, by the Director of Public Prosecutions. I know of that personally because I was the prosecutor in several of those matters. That was, I think, some time ago.

During my time as a prosecutor I have had cause to look on odd occasions at matters referred to our then department by the Australian Federal Police. There certainly have been some allegations in the past, and certainly the concreting matter was before the courts some time ago.

Accordingly, Mr Speaker, there have been rare instances, but I reiterate what Mr Kaine has said, that we can be very proud of our public servants; the vast majority could have no allegations placed against them. But there is a perceived need for this body, and I support both the motion and the amendment.

MS FOLLETT (Chief Minister) (10.52): I wonder if we can have that amendment circulated.

MR SPEAKER: Yes.

MS FOLLETT: Thank you. Mr Speaker, the Government has listened very carefully to the points made by Mr Collaery in speaking to his motion this morning. Naturally, if matters raised by Mr Collaery ought to be investigated I can assure the Assembly that they will be so investigated.

But, on the broader issue raised by Mr Collaery, we are aware of course that there is some support within the community and the ACT public service for a clearing of the air on the corruption issue. I believe Mr Collaery and his party are largely responsible for the need to do that. The Government has nothing to hide. As Mr Kaine has said, we are interested in open and good government. We are also

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particularly interested in looking to the future, not being obsessed with the past and with past occurrences. I believe that the only way this Assembly can operate effectively is if we look to the future and behave accordingly and put behind us previous administrations which were totally beyond our control.

We are also aware, of course, that there is a considerable amount of distaste in the community and in the public service for the manner in which Mr Collaery sought to raise and promote allegations of corruption over the past year. The fact remains that he has not produced evidence to warrant prosecution of anyone, and the fact that he continues to raise these matters, I believe, is quite reprehensible.

But, consistent with the general approach that Mr Collaery has taken on the corruption issue, he has now put forward a hasty and somewhat ill-defined motion. He is asking us to support the creation of a committee with undefined terms of reference and a totally unclear statutory base. Frankly, Mr Speaker, we on the government side have been waiting for Mr Collaery to produce a much better defined and detailed proposal which we could debate on its merits. From the amount of discussion he has put forward on corruption we expected something rather more definitive than we have before us. I think it is fair to say that as usual Mr Collaery has played to the gallery; he has gone for a cheap headline on this matter, and he has left the serious work to others.

This is much too important an issue to be rushed into. I think it is fair to say that the Government now supports the need for some kind of inquiry into corruption. As I said before, we need to clear the air on the matter. There have already been some reports with which we dealt in our previous advisory committee capacity, for instance, from the Administration's investigations unit. I think it is appropriate now that we consider calmly and fully the form and approach of any other inquiry that we might want to set up in relation to corruption.

We would certainly be happy to discuss our approach with other parties in the Assembly, which Mr Collaery has not done, and to develop in time a considerate and workable proposal which is properly and effectively integrated with other administrative procedures and systems. I think it is important that this issue not overwhelm the work of the Assembly but rather become a part of our everyday work - something that we consider in general terms as a normal part of our procedures. But, unlike Mr Collaery, I think it is fair to say that the Government is prepared to do the work on this matter and to get it right.

MR DUBY (10.56): I think it is fair to say that there is not one person in this Assembly who does not find the concept of corruption in the Administration abhorrent. In that regard, the No Self Government Party supports the

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statements made by the other three party leaders here today.

The administration of this city must be done properly, and it must be seen to be done properly. Accordingly I think it is, as the Chief Minister says, a good idea that a committee of some kind be set up to clear the air. I support the amendment put by Mr Kaine, and I shall not say anything further on the matter.

MR MOORE (10.57): I think one thing to which we can look forward is a government which is open and which we and the people of Canberra feel is not corrupt. In this matter, to look backwards would be detrimental not only to this Assembly but also to the people of Canberra.

I support the amendment which was put by Mr Kaine and which came out of discussion with the Residents Rally, even though the Chief Minister suggested that there was no discussion on it. I hope that it will give clear guidelines that will ensure that this committee will make the people of Canberra feel comfortable that the various matters that are carried on throughout the Government will be conducted without corruption. There has been enough evidence, as far as I can see, of corruption or some form of maladministration. I think we would prefer to use the term maladministration rather than corruption, and perhaps the term is quite correct.

But even the building that we are in today, the building that is across the road, the Amdahl centre, and the churches centre are examples of what people refer to as maladministration of the leasehold system. It is the leasehold system that in my experience has been most significant in this area. It is my understanding that millions upon millions of dollars have been moved away from the people of Canberra, and when those millions of dollars are not passed into the public purse it means that they have to be made up from other sources, which are, of course, rates and fees.

So the people of Canberra, with the appropriate administration of the leasehold system and without any maladministration of it - let me not even use the word corruption - will ensure that appropriate funds go into the general purse. It is some of those areas of which Mr Collaery gave specific examples today. In mentioning Mr Hedley's name he did not at any stage say that Mr Hedley was corrupt; he pointed to things that involved maladministration.

Let me also refer to Mr Collaery's comments on the effects that such things have on commercial tenants. It is that commercial sector, including our small business sector, that will be significant in employment in this city. We have heard many people talk about how significant it is to our economic base that the commercial area is looked after appropriately and that those commercial operators can be

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sure that they are being dealt with in an objective way by the Government.

We can look forward to an open government which was promised during the election campaign and which the people of Canberra expect from this Assembly. Mr Stefaniak pointed to the fact that he had been prosecutor in a number of cases of blue-collar crime in the ACT. Mr Collaery defended one of those people, as Mr Stefaniak would probably recall.

Let me also draw attention to the fact that one of the things that has been most significant in the minds of people in Canberra is the tragic slaying of our police commissioner. In that case there have been a number of television programs and a number of indications that things are not right. To have an inquiry now that puts people's minds to rest so that they can feel that things are put right could well be a most appropriate way to go about it.

Let me refer now to some of the comments that the Chief Minister made about the allegations made by the Rally, about the general approach, about cheap headlines, and those other connotations that the Chief Minister put. It is exactly the same sort of line that was used in Queensland in the last few years.

Finally, when an inquiry came, there was a very different attitude. I sincerely hope that we will have no Queensland here. And I believe that that is not the case because, as many people have said and as the Rally believes, the vast majority of business people are honest. The vast majority of public servants are honest, and it can only be in their interest to ensure that they are seen to be honest. I think that is why we have such wide-ranging support for this motion today, because they need to be seen to be honest, not just to be honest.

With reference to the unclear motion, the Rally had discussed this and we are happy to accept the amendment that is put by Mr Kaine so that the Public Accounts Committee can set very clear guidelines on a consultative basis. But in terms of the motion being rushed, as Ms Follett has suggested, let us point out that over the next three weeks we are not sitting and there may be some reason to ensure that the air is cleared as quickly as we can and that the Government is seen from the beginning to start on a nice, clean, open basis, and I think that is in the interests of us all.

With reference to giving specific examples, if that was the case - and why this could appear to be rushed - why did the Minister and the Deputy Chief Minister not answer our questions clearly and categorically? I think Mr Pryor in this morning's paper made his view quite clear on how those questions were answered and I believe that it is appropriate that we go about it this way. We perceived it was appropriate to go about it this way, and I think that

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the result in the long term will be the best way to go about things.

I think what we have anyway at this stage, Mr Speaker, is a general agreement that a forward-looking committee that keeps this government, including ourselves, open and honest is the appropriate way to go.

MR KAINE (Leader of the Opposition) (11.05): Mr Speaker, it has been properly drawn to my attention that in my amendment I have used the word "determined" - that the Public Accounts Committee should determine. That is not within the ambit of that committee; it can only consider. The determination has to be made by the Assembly itself, so I seek leave of the Assembly to amend my amendment.

Leave granted.

MR KAINE: I move as an amendment to the amendment:

Omit "determined"; substitute "considered".

Question resolved in the affirmative.

Amendment, as amended, agreed to.

Motion, as amended, agreed to.

PERSONAL EXPLANATION

MR COLLAERY: Mr Speaker, I rise to make a personal explanation.

MR SPEAKER: Does the member claim to have been misrepresented?

MR COLLAERY: Yes, Mr Speaker. It was said, I think, by my friend Mr Kaine that I had implied or said that a Mr Tony Hedley was corrupt. I do not believe the Hansard record will reveal that I said those words, and I wish to make a personal explanation as to my words. I referred to conflict of interest issues and the like, and I did not make the judgment that Mr Tony Hedley was corrupt. That, of course, Mr Speaker, would not be a conclusion I would seek to reach in this house.

AMALGAMATION OF TERTIARY INSTITUTIONS Withdrawal of Notice

MR HUMPHRIES: Mr Speaker, I withdraw notice No. 1, private members' business, standing in my name.

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AMALGAMATION OF TERTIARY INSTITUTIONS - SELECT COMMITTEE

MR HUMPHRIES, by leave, (11.06): I move:

That:

- (1) A select committee be established to inquire into and report on the amalgamation of the Australian National University, the Canberra College of Advanced Education and the Canberra Institute of the Arts, including -
 - (a) possible alternatives to amalgamation; and
 - (b) the appropriate relationship between the ACT Executive and those institutions.
- (2) The committee report by 27 July 1989.
- (3) The committee consist of Mr Humphries, Dr Kinloch and Mr Wood.
- (4) A majority of members constitutes a quorum of the committee.
- (5) The committee be provided with the necessary staff, facilities and resources.
- (6) The foregoing provisions of this resolution, so far as they are inconsistent with the standing orders, have effect notwithstanding anything contained in the standing orders.

Mr Speaker, if I might speak to that motion, I will explain in due course why I have sought the leave graciously given by this Assembly to alter the thrust of my motion today. I will say, first of all, a few words about the reason for this issue being discussed today in the Assembly.

In the last two weeks we have discussed a range of issues that are important to Canberra. Most of them have been addressed in, I think, fairly general terms, and specific action has in most cases not been the order of the day. This matter is quite different. The two most important tertiary institutions of education in the ACT face a very real threat today. Despite the fact that the Assembly has no statutory power to interfere between those institutions and what I would call the threat to them, we nonetheless need to take immediate and effective action in respect of that threat.

Earlier this year the Federal Government introduced legislation into the Federal Parliament to begin the process of amalgamating the Australian National University, the Canberra College of Advanced Education and the Canberra Institute of the Arts. This amalgamation was proposed not in isolation but as part of a nationwide plan called the unified national system put up by the Federal Minister for Education, John Dawkins.

That system has been accepted in some places in Australia but rejected or modified in others, such that today it is not really either a national or a unified system. The Minister responsible, Mr Dawkins, has gone further than merely arguing for the merger of various tertiary institutions, including the three institutions proposed to be merged in the ACT.

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As well as a carrot there has been a stick, and that stick has been a threat that funding allocations might be less generous to unamalgamated institutions than to amalgamated ones. That stick has been necessary, Mr Speaker, because, broadly speaking, the amalgamations have not sold themselves on their own merits which, in academic as opposed to financial terms, have been extremely difficult to identify.

The argument for amalgamations has it that big is beautiful, that larger tertiary institutions will be more efficient and cost-effective. The evidence for this is scanty. In fact, an analysis shows very little correlation between the size of tertiary institutions and their efficiency. A research fellow at the ANU, Robert Hill - no relation to the senator - has examined the figures used to support the case for amalgamations. On average, he has found, Australia's five largest universities are 10 per cent more expensive - that is, less efficient if you like - on a student to dollar ratio than the nine smallest.

The "efficiency" of an institution is a feature of many factors, including the nature of its courses, its location, the age of its teaching staff, its student market and its status in the academic community. To assume that better quality education, or higher achievement, comes from great size is fallacious. Many tertiary institutions in the world are small yet are big achievers. One primary example is the California Institute of Technology which is known as Caltech. It has only 1,800 students, including graduates, yet it has to its credit some 12 Nobel laureates. It is much smaller than either the ANU or the CCAE. Under Mr Dawkins's unified national system Caltech would be shut down.

Another argument put forward to justify amalgamation is that bigger institutions offer wider course options to their students. There is some truth to this claim, although the benefit of wider choice can be more illusionary than real. In the case of the ANU-CCAE merger, how many law students, for example, would want to study engineering? How many foresters would want to study journalism? To the extent that there are such students who would want to engage in unusual cross-disciplinary studies, why can their needs not be accommodated merely by better course enmeshing and accreditation between the university and the college? I believe that is entirely possible and should be pursued.

I should point out that there is already considerable cooperation at this level between the institutions. Amalgamation, in my view, is not a necessary ingredient to achieve more of this. The savings that amalgamation is supposed to achieve, Mr Speaker, are relatively small and relatively long-term. It is estimated, for example, that the amalgamation will entail an outlay of some five and a half million dollars to cover costs such as the linking of

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library services, communication and computer equipment, the provision of intercampus transport and relocation costs.

After five years, the amalgamation is supposed to return annual savings of about \$1m per annum. That is a lot of pain but not much gain. What of the pain entailed in this amalgamation? I ask the question: How responsive will an administration which is located away from one or even both campuses, or all three campuses for that matter, be to staff and to students? It is interesting to note that "efficiency" appears to go hand in hand with reduced lines of communication between the administration of the merged institution and its clients - that is, the students and staff.

The councils of the ANU and the CCAE presently comprise 44 and 22 members respectively - a total of 66 members. The merged institution will be headed by a council, under the Dawkins proposal, of just 18 members. That may be appropriate, Mr Speaker, for a company or a corporation, but it is not necessarily apt for a large and complex institution such as a university administering a range of disciplines and semiautonomous schools. The proposed union of academic standards and commercial forces is worrisome and in my view not properly and fully thought through.

The impact of these proposals on the goals of these institutions is the most disturbing aspect of all. It is disturbing because it seeks to make uniform elements which are quite discrete and which suffer because of having to assume alien characteristics. The goals, for example, of economics teaching at the ANU and the CCAE are quite different. The process of amalgamation must entail, to a very large extent, the adulteration of the different aims of economics teaching at both those places, and indeed the impact of that proposed adulteration has been quite severe.

There have already been a large number of resignations from the ANU faculty of economics and commerce because academics at that level perceive a threat to their autonomy, to their capacity to conduct teaching and research at a level appropriate to a university as opposed to a level appropriate to some lesser institution in those terms, such as a college of advanced education. Those threats are real enough to have caused a very large leakage of academics to private enterprise, which is a matter of grave concern to me because the ANU faculty of economics has an international reputation. It is, I understand, one of the 12 most highly regarded such institutions in the world.

Mr Speaker, I have withdrawn the motion that appears on the notice paper in my name. The reason for that is very simple. It would be easy, I think, to put forward a motion to this Assembly today which carried the very clear condemnation of this place to the Federal Government of its legislation to amalgamate those institutions. That would be an easy victory. But I suggest, Mr Speaker, that there are other issues - in particular the issue of funding for

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those institutions and most particularly I have in mind, when I say that, the extensions to the school of engineering at the Canberra College of Advanced Education.

Those particular funding questions are ones which have been placed very firmly by the Federal Minister in connection with the amalgamation issues. The Minister has made it very clear that in his view institutions with less than 8,000 effective full-time student units will be liable to have a lesser funding allocation than institutions with more than that amount.

I have put forward arguments already as to why that is not a valid criterion, that small universities and institutions can achieve just as much as large ones. Nonetheless that is an issue which has been put there by the Federal Government and which must be addressed.

The point is, Mr Speaker, that no body, particularly not the Federal Government, has yet carefully analysed whether individual amalgamations make sense. That is the issue, and I believe it is incumbent on us to present in a clearly argued and demonstrated way that in the ACT there is no case for amalgamation of our tertiary institutions. I am not prejudging the result of such an inquiry by the committee that I propose be set up. I merely say that if the evidence is clearly examined I believe it will go in that direction but I, like the other members of that proposed committee, I am sure, will be open-minded on the question of whether it is the case.

I hope that the ACT Government will consider the results of this inquiry, assess the report open-mindedly in respect of the positions that any party took on the amalgamation during the election campaign, accept the results and, should it be the result of that inquiry that the amalgamation not go ahead, it will put before the Federal Government a strong argument against the amalgamation and it will also argue that funding should not be cut as a consequence of that failure to amalgamate. I hope that the ammunition will be there and that the Government will use that ammunition judiciously to ensure that it occurs. Mr Speaker, I commend the motion to the Assembly.

DR KINLOCH (11.19): Mr Speaker, I heartily endorse the remarks so excellently made by Mr Humphries, the proposer of this motion. First, I need to declare an interest: over five decades, beginning in 1946-47, I have been involved with universities in the United Kingdom, North America - that is, Canada and the United States of America - South-East Asia and Australia and New Zealand; also I have been involved with other tertiary institutions, including colleges of advanced education and theological colleges. I have a much better understanding, however, of universities than of other kinds of tertiary colleges.

In declaring an interest, in the past I and the Residents Rally have made clear a point of view about amalgamation.

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However, I very much echo Mr Humphries' remarks in saying this: it behoves me and it behoves us in this Assembly, on this issue, not to be partisan or one-eyed. I have in recent weeks made renewed direct contact with the Canberra College of Advanced Education, especially with the public relations unit and the department of media and communications. I have had direct involvement over the years with members of the staff of the school of education and, briefly, other schools of the CCAE.

While I was Dean of Students at the Australian National University, my office cooperated closely, directly and personally with our counterparts in the CCAE. One of the great joys of that exercise was travelling around schools in New South Wales: Dubbo, West Wyalong, the Sydney area and the New South Wales south coast. We did that by way of cooperation with other institutions such as the University of Wollongong, Mitchell CCAE, and the Albury, Wagga, and Riverina CAEs.

One clear message that we all gave to students at all those schools was that there are different types of institutions with varying philosophies and agendas and educational aims, and that students should seek to be part of the most appropriate of those institutions for each student.

In that long exercise, over several years, I felt that it was our brief not to compete with other universities or the CAEs but to put forward those areas in which the ANU offered special benefits. Think, for example, of the national and indeed international standard faculty of Asian studies; the forestry school; the equally distinguished faculty of commerce and economics - Mr Humphries has referred to that - and the faculty of law. There are many other areas of excellence which stand alone and which need no amalgamation with anyone.

Similarly, the CCAE has areas that are quite separate from the ANU - architecture, landscape architecture and city planning, the school of education, specialist training in library science, and many other areas. If the Assembly approves the setting up of this committee I would want it to look at those separatenesses as well as similarities and see how things could be put together or not put together and at what is appropriate to be done in terms of compromise and what is not.

I stress that the Assembly now has a much more direct concern with the CCAE than with the ANU. We need to be very clear about the future of both institutions, but particularly the latter, as well as the Canberra Institute of the Arts. I especially welcome this motion, because these vital matters are now put in the public arena of this Assembly. This will no longer be a series of enforced administrative arrangements emanating from the Federal Government but will be dealt with by the people of Canberra, by the representatives of the people of Canberra.

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I certainly look forward to working directly with staff and administrative representatives of both the ANU and the CCAE. If this proposed committee is set up, I undertake to give them all a very fair and full hearing and to try to deal with the kinds of issues that Mr Humphries has put forward. I urge members of the Assembly to support his motion.

MR WOOD (11.23): Mr Speaker, I rise, among other positions that I have, as the member for committees. I do not know whether to thank Mr Humphries for nominating me. I do, and indeed I thank him for this motion which I totally support. It reflects the sort of approach that I have been urging for a long time; I am very pleased with it. As a consequence I do not propose, in the 10 minutes that I have here - I could not, in any case, in that short space of time - to argue the issues about the local amalgamation. It is now good and proper that it will be done within that select committee.

I will make a few general comments. I have been concerned, because it seemed to me that the initial reaction to this proposal was one of shock and horror, that we cannot have change. Frankly I was surprised that, coming from our tertiary institutions, including the intellectual leaders of our community, we seem to have an automatic response against change. It was surprising because these are the areas from which we expect rigid inquiry, challenging of preconceived ideas, detailed examination of issues and, above all, considered, rational responses.

There was a time when we were not getting that. It was, perhaps not surprisingly, the election period. Sometimes it is not easy to get considered debate at such a time. I was very pleased after the election to see a sensible, logical, coherent debate being carried on in our media. That was excellent, and I followed it very carefully. I know that it will form part of the committee's inquiry.

But it frustrates me that from time to time, when any notion of change is suggested, the automatic response is, "No; not for it; don't want it". I hope that in this community that does not become a habit. There are longstanding problems in our tertiary sectors; let us not deny it. There are problems, and they have to be examined. For some time it has been clear that the binary system has been causing difficulties. It has been perfectly clear that governments, if not the institutions, would have to reconsider the roles of the colleges of advanced education and the universities, and the other tertiary sectors as well.

As far back as 1964, when the Martin report introduced a more practical, worldly aspect into our universities, it was clear that these tensions would come. We still hear today the arguments about the real place of universities - the centuries-long traditions versus the immediate urgent needs of today's society.

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We have these problems. They cannot be ignored; they have to be considered. Indeed, the CAEs had to be re-evaluated. After some 20 or so years it was clear that their role had to be redefined. We knew some time ago that we needed them because the universities were not providing that high level of vocational training that the nation needed; they were not proving to be the best that we wanted.

I do not have research staff available to me. I learnt of this motion only this morning. I have a notion that we spend something like \$3 billion a year on tertiary education. Does anybody want to say that the Government does not have the right to say to tertiary institutions that there are certain paths that they ought to be considering? Of course it does.

We allocate to our governments, along with all sorts of other matters, the right to assess national needs. Few national needs are more important than those surrounding the tertiary institutions. The Government has to guard its expenditure, and \$3 billion a year is a big reason for action such as it took.

There are, of course, very sensitive and very critical questions to be answered because the tertiary institutions have valuable traditional roles. We must never get away from them, and there is a balance to be established. I do not know the clear answer to that - nobody ever will - but we have to be very careful about what we do with these very important institutions.

I will not go into any sort of examination of what tertiary institutions are about, other than to say three things. First and foremost, tertiary institutions are there for the students they serve and for the personal worth of education to the student. Always the primary factor behind any level of education is the personal worth of the education to the student. We also have to consider the staff and the quality of staff at a tertiary institution. It is the combination of staff and students that brings out the excellence in universities and their courses and the standard of the student body as it graduates. These are important factors; these are the critical factors in which I am sure Dr Kinloch is intimately knowledgeable.

In this Assembly I will address the matter very closely in relation to one issue because I have been elected to do that - that is, what is in it for the ACT community, as a body, and for the individuals whom we send to those institutions. That is now my role. If, in this proposed committee and subsequently, I concentrate on that issue I am sure people will understand that it is not because I am unaware of the very important features of universities but that I have been elected to this body to represent the interests of the ACT, and I will do that on this proposed committee. What is in it for us? That is the role that I will be taking on this proposed committee.

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MR STEVENSON (11.31): Mr Speaker, I agree with the earlier speakers, particularly Mr Wood. The whole issue is specifically about benefits to students and, thus, the community. Mr Wood makes the point that quite often we do not want change for change's sake, and that is why it is much better to look at it in committee, to consider both sides because there certainly are questions on both sides.

The major benefit to students is that with amalgamation they would have the opportunity to use the services and facilities of both organisations. There could also be a benefit to do with economics. If the two establishments were amalgamated, it is highly likely that certain areas that are now duplicated could be lessened. Another point is that students would have the ability to use research facilities at both organisations, which would indeed be quite useful.

On the other side, the problems with amalgamation would perhaps most come down to the philosophy of both establishments. Of course the Australian National University has more of an academic philosophy while the Canberra College of Advanced Education has more of a vocational one. If these two organisations were amalgamated there could well be problems as to which way each course is looked at - does one increase a standard and is it looked upon as an academic standard, or does one decrease a standard into a practical or more vocational area?

Another problem with amalgamation is that students may have to travel between both organisations. If it is what they choose to do, in taking a course, that would be fine. If, because of amalgamation, certain units of courses are done away with and students have to travel between both, that could certainly be a problem. I think it is important that this Assembly look at the matter in committee. It is perhaps possible that the major advantage - that of students being able to use both facilities - could be achieved without amalgamation. I note that it is one of the points that is indicated as one to be considered. I commend the motion to this Assembly.

MR BERRY (Minister for Community Services and Health) (11.34): Mr Speaker, I agree with Mr Humphries, that this issue should be dealt with more sensitively than would have been the case if we had proceeded to deal with his original motion because had we - I think, to use his words - "crunched it through" it may have created some difficulties for us in the sensitive area of negotiating with the Commonwealth on education issues. I think that the alternative that he has proposed is a very sensible way of dealing with the matter.

I have been concerned about the attitudes of some of the opponents' public statements on amalgamation in the way that they enunciated their opposition to it. In some cases

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I regarded the statements as somewhat elitist and in others merely emotional conservatism; they just really did not want any change to the current situation. Of course there were others who reasoned their arguments very well as to why there should not be an amalgamation. But I think it is important that the consideration of it by this chamber should be well reasoned and that it should be beyond criticism when we come to a decision on the issue.

I must say, at this stage, that I do not have a final position and I hope that the consideration of the issue by the proposed committee would assist me in coming to a fair judgment on the matter, with regard to all of the issues of concern to the people of the ACT. From my party's point of view, any amalgamation which is decided upon would have our support only if a new institute is created rather than a takeover by one of the others which would present an image - in my view, anyway - that there are winners and losers in the amalgamation. I think it could be more sensitively approached than that way.

Any new institute should ensure an appropriate balance between the national research function and the ACT and regional tertiary education functions, for very obvious reasons, because of the interests of the people of the ACT which we, as an assembly, are required to serve. The ACT tertiary faculties should be developed as an identifiable unit and the important national research schools should form an identifiable unit and should be developed in accordance with national priorities. Of course, those national priorities would require the involvement of the Federal Government, I consider. Due recognition should be given to the need for an interface between the new university and the technical and further education systems in the ACT. Due recognition should be given to the social, political and cultural needs of the ACT community. That is a matter where we would want to have some considerable involvement, I think.

I raise this with some trepidation, given the discussion which has taken place in the chamber on previous occasions, but the principles of affirmative action, equal employment opportunity and industrial democracy should be enshrined in the establishing legislation. There may be some difficulties in putting together an agreeable package. Nevertheless I think it is an honourable objective. Due recognition should be given to the needs and the role of industry and the economic development of the ACT. I am sure that my colleague Mr Whalan would have an interest in ensuring that that situation occurs in any amalgamation.

There should be an interface at the undergraduate level with the needs of the ACT and the regional economy. Again, that is a matter in which I am sure Mr Whalan would be extremely interested and one which the Labor Government would be keen to support. The Canberra Institute of the Arts should remain an identifiable unit responsive to the requirements of the ACT community. I am quite certain that

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those in the arts community would want that to occur, and they would want the ACT Government to support it. The coverage of industrial organisations representing employees in the existing institutions should not be prejudiced as a result of the amalgamation. I think it a very important issue that, if any amalgamation were to take place, it should be smoothly implemented.

We also believe that the governance and management arrangements for the amalgamated body, or the new body, should include representatives of the ACT, appropriate staff associations, unions and students to make sure that there is an element of ownership of the new organisation by all those bodies and the people of the ACT.

The territorial functions of the new body should be transferred to the ACT Government, of course, because of its responsibility to deliver for the people of the ACT. I hope that the members of the proposed committee consider all of those matters which I have raised in coming to a decision on the amalgamation, and hopefully this Assembly will be able to endorse unanimously the way forward for the ANU and the CCAE. I support the proposal put forward by Mr Humphries.

MR WHALAN (Minister for Industry, Employment and Education) (11.41): This consideration of a select committee to consider the proposed amalgamation of the Australian National University, the Canberra College of Advanced Education and now the Canberra Institute of the Arts involves a very important question of future directions for higher education in the ACT. The committee inquiry would enable careful consideration of the issues. This approach is preferred to what I would describe as the knee-jerk reaction of the withdrawn motion which would have committed us to a firm position today. In particular, it enables an opportunity to develop an understanding of the rationale for the Commonwealth Government's new policy on higher education. Of no less importance is a clear identification of where the ACT interests lie in respect of possible future arrangements for higher education in the Territory.

I state quite clearly that these interests are not simply those that are asserted by those currently and directly involved in higher education institutions. These participants certainly have an important perspective but we do need to be aware that their closeness can cloud their vision. Their advice is thus a necessary but not sufficient input into our determination of our higher education policy.

Let me return to the background to the Commonwealth Government's policy. In December 1987 the Commonwealth Government initiated a process of consultations on future directions for Australian higher education in a context where it was clear that the former binary system of universities and colleges of advanced education had broken

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down. The old distinction between universities and the CAEs was clearly no longer valid. Following those consultations undertaken on the basis of a green paper, the Commonwealth Government in July 1988 issued a white paper on higher education.

This policy included as a cornerstone the concept of a unified national system of higher education which replaced the former binary division into universities and CAEs. The new policy also included changes in funding arrangements and research policy. The Commonwealth's policy provides a framework for a considerable expansion of higher education so that the opportunity for higher education would play a larger role in the economic and social progress of this action. Growth and access were the cornerstones of this policy. This Government supports these objectives and will take account of them in considering options for the future ACT arrangements.

In order to fund this expansion of higher education, the Commonwealth identified a number of supporting actions that needed to be taken. One was to achieve greater efficiency in the management of the very considerable public funds made available for higher education. This requires changes in the management practices and habits of institutions. Mr Wood has referred to the very substantial sums of money that are involved in higher education.

A further supporting policy was to advocate the amalgamation of smaller institutions into larger ones. It is important to recognise that this amalgamation policy was argued on both educational and financial grounds. The educational arguments have to do with widening choices for students in larger institutions and providing more opportunities for staff, in both teaching and research, in such an environment. The financial arguments relate to more efficient use of scarce resources in larger institutions.

These policies have radically changed the landscape of Australian higher education. Colleges of advanced education are disappearing around the country as they are absorbed in university amalgamations or converted into universities. Amalgamations are currently under discussion, or have been achieved, in all States. The current wave of amalgamations has created some very large institutions. The University of Sydney, for example, has grown to a student load of 22,000 equivalent full-time student units and Monash University has 21,000 student units. By comparison, the ANU has a student load of 5,614 student units, the CCAE has 4,836, and the Institute of the Arts has 513.

These are very small institutions in the new context of Australian higher education which is emerging. This smallness will have significant, and perhaps even serious, implications for the variety and availability of higher education courses in the ACT based institutions, as recent

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articles by Professor Ian Ross, the Deputy Vice-Chancellor of the ANU, have described. In these circumstances the territorial parliament should not take any precipitate action which will disadvantage the access of ACT students to higher education in the Territory.

To oppose the amalgamation without regard for the consequences is not only a dereliction of our duty as elected representatives but also dangerous to the well-being of our constituents, particularly children and young people who are still at school. This proposed select committee would advise the parliament on the options for the future organisation of higher education in the ACT and would give this question the serious attention that it deserves. The committee should actively seek to identify the ACT interests that should be met by higher education institutions located in the Territory.

We must not rule out the fact that such interests might be best met by some form of amalgamation of the ANU, the CCAE and CITA, but other options would also be considered. The timing is important. Members will note from the motion that the committee would be charged with the responsibility of completing its deliberations by 27 July. That is providing a fairly tight time frame but it would enable this parliament to indicate its views on the matter by the start of the budget session of the Commonwealth Parliament.

I understand that the Commonwealth Minister for Employment, Education and Training is expected to make a statement around mid-June on higher education amalgamations across Australia and on some resource aspects of the new policy. This follows the Commonwealth's consideration of responses to the report of a task force which reviewed the progress of amalgamations. That task force report was published in April of this year and the members were Dr G.A. Ramsey, the Chairman of the Higher Education Council; P.W. Hickey, Deputy Secretary to the Department of Employment, Education and Training; D.R. Linke, Councillor on the National Board of Employment, Education and Training; and I.W. Chubb, the Deputy Vice-Chancellor of the University of Wollongong.

That is a review of the progress of amalgamations around Australia. It highlights some important points as far as the ACT is concerned. I briefly draw members' attention to those. No doubt the proposed committee would examine this document in some detail. The task force supports the proposed consolidation and recommends, firstly, that the Commonwealth Government proceed with the draft legislation to establish the new university, and, secondly, that the amount set out in table 5.8 of the report be provided to support the amalgamation and to underpin the growth in assistance, so there is a funding element.

The following paragraph is important:

If the relevant legislation is not passed it will be necessary for the funding proposals already scheduled

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for the combined University for 1990 and 1991 to be reviewed.

There is a certain ominous flavour to that comment. It recommends:

In these circumstances the Commonwealth should reconsider the future development of the three existing institutions, taking into account the proposed external review of the Institute of Advanced Studies at ANU.

It is quite important that the proposed committee examine that document and try to establish just what is meant by that wording. It would clearly be premature for the Assembly to take a stand on the question today, and I am pleased that we will now have an opportunity for the committee to review all the issues. Higher education is vital for the economic, social and cultural progress of the Territory, and our Government is determined that the question of future arrangements will receive the serious consideration that it merits.

MS MAHER (11.51): I have been greatly concerned about the proposed amalgamation of the Australian National University and the Canberra College of Advanced Education, for a number of reasons. I am pleased that Mr Humphries has proposed the setting up of a committee to investigate this matter, and I support the comments of those members who have already spoken. It must be remembered that, by name, the ANU is a national institution while the CCAE is a Canberra institution.

In the amalgamation of the CCAE and the ANU, the CCAE would disappear. I do not think this would be a good thing for the Canberra people. Whatever happens regarding these institutions, the current position of the CCAE is untenable. It is the last college of advanced education in the Australian education system.

To my understanding all the other CAEs have become universities in their own right or have amalgamated with pre-existing universities. This is leading to great difficulties in recruitment of qualified staff and indeed attraction of local, overseas and interstate students to the CCAE. It places a great question mark on the value of a CCAE degree.

Therefore, I hope that this proposed committee will look not only into the amalgamation of the two bodies but also into the future of the CCAE, no matter what the committee's findings are.

MR HUMPHRIES (11.53): I will reply, Mr Speaker, very briefly. The comments that Mr Berry made in respect of industrial democracy were interesting. Of course, if industrial democracy had been a feature of the management of the Australian National University until now, the amalgamation would certainly not have proceeded.

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The comments that Ms Maher made were very timely, and I am glad that someone has raised in this debate the point about the unsatisfactory status of the Canberra College of Advanced Education pending a decision on this matter. Unlike the ANU, it is not able to ride out this period without some damage to its position. It needs some direction; it needs to know where it is going, and I hope that the two months that we have allowed this proposed committee would not in any way affect the capacity of the CCAE to make a quick reassessment of where it is going when a decision is finally made.

Mr Speaker, I have one last point. This select committee motion was not intended as an opportunity to let the Australian Labor Party off the hook. It may have that result for the time being, but I hope that the object is not lost on the Government - that is, that for this to be effective the Government needs to go in to bat for those institutions should the committee, and the Assembly subsequently, decide that the amalgamation should not proceed.

That is not prejudging the issue, but if that is the result I hope the Government will not hesitate to use every ounce of ammunition at its disposal to ensure that those institutions do not suffer as a result of their failure to amalgamate. That depends on goodwill on the part of the Government. I have had some indication that it is there, and I hope that an energetic case would be put by this Government to the Federal Government to ensure that no loss is suffered by those institutions should that be the case, notwithstanding the comments of the task force referred to by Mr Whalan.

Question resolved in the affirmative.

TEMPORARY DEPUTY SPEAKERS

MR SPEAKER: I wish to inform the Assembly that, pursuant to standing order 8, I have nominated Mr Jensen and Mr Wood as temporary Deputy Speakers. They will take the chair when requested by either me or the Deputy Speaker. I table my warrant nominating Mr Jensen and Mr Wood.

SPECIAL ADJOURNMENT

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

That the Assembly, at its rising, adjourn until Tuesday, 27 June 1989, unless the Speaker fixes an alternative day or hour of sitting.

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**SUPPLY BILL 1989-90
Postponement of Notice**

Motion (by **Mr Whalan** for **Ms Follett**) agreed to:

That notice No. 1, executive business, be postponed until a later hour this day.

**EXECUTIVE AND PRIVATE MEMBERS' BUSINESS
Temporary Order**

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

That, unless otherwise ordered, the following further amendment to standing order 77 be adopted for the remainder of this Assembly: Omit "Thursday", substitute "Wednesday".

BEHAVIOUR OF MEMBERS

MR SPEAKER: Again I would like to draw members' attention to standing order 41, which deals with members passing between the member speaking and the Chair, particularly when members towards the back of the chamber are speaking. I know it is difficult - we are in a difficult circumstance - but at times the member appears to be speaking only to the Chair, with other members involved in various discussions.

I consider it quite offputting to new members of this Assembly to be distracted in this manner. So would members please take note again of that and not move across the front of the floor when other members are speaking.

The second matter that I would like to put to members is that the speaker system in this Assembly is switched on about a minute before I enter the chamber and it remains on after I leave. Therefore, if members have an aside or a favourite joke that they are waiting to put across at the end of a tense sitting, be warned that it is being relayed throughout the building for that period.

Sitting suspended from 11.59 am to 2.30 pm

MINISTERIAL ARRANGEMENTS

MS FOLLETT (Chief Minister): I wish to advise the Assembly that Mr Whalan is travelling interstate this afternoon for family reasons. Questions relating to matters falling within his portfolio should therefore be directed to me this afternoon.

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QUESTIONS WITHOUT NOTICE

SCHOOLS AUTHORITY TRIBUNAL

MR STEFANIAK: My question is effectively to the Minister for Education, Mr Whalan, although it does have ramifications for the Chief Minister as representing the justice interest in the Territory. I received a phone call today from a concerned parent whose daughter was about to give evidence before a Schools Authority tribunal appeal held in Canberra. That related to a number of girls, some seven in all, who were called to give evidence in relation to the appeal by a teacher who had been suspended from the Scullin primary school for alleged sexual assaults last year.

Last year the Schools Authority took evidence, following the recommendations of the Law Reform Commission by way of video evidence, in relation to allegations these 12-year-old girls had made of sexual assault. The teacher was suspended as a result. He has appealed, and the case is now before a tribunal consisting of two teachers and a legally qualified representative from the Schools Authority. He is represented by a lawyer and the case for the Authority in respect of the allegations is being presented by the Australian Government Solicitor.

Mr Wood: We do not need the name of the school bandied around, do we?

MR STEFANIAK: I understand that school does not exist any more. My question is as follows: The girl's parents wish to remain in the court precincts when the evidence is being taken. That is normal judicial procedure in the ACT Magistrates Court and also in the Supreme Court. Despite the representations made by the Australian Government Solicitor that that be so - - -

MR SPEAKER: Order! I request the member to be brief with his question.

MR STEFANIAK: Yes, Mr Speaker. The tribunal has refused to allow that to happen. My question is: Would the Chief Minister, on behalf of the Government, ensure that for the remainder of this tribunal and in any future instances parents are allowed to sit in court whilst the evidence of their girls is being taken and whilst they are being cross-examined?

MS FOLLETT: I thank Mr Stefaniak for his speech on this matter. As Mr Stefaniak says, the current disciplinary appeal hearing arose from a former teacher's appealing against his dismissal by the Chief Education Officer on the basis of findings of misconduct. The Teaching Service Act

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provides for the formation of a disciplinary appeal board to hear any appeal against disciplinary action taken. A disciplinary appeal board comprises a chairperson nominated by the Minister and a nominee each of the Chief Education Officer and of the ACT Teachers Federation.

The board is a statutory body and is responsible for determining its own procedures. In this case the board decided that it would be preferable to obtain the children's evidence without their parents being present.

MR STEFANIAK: I ask a supplementary question of the Chief Minister. How can the board possibly decide that when that is contrary to all legal practice in the ACT Magistrates Court and the Supreme Court, unless the parents were witnesses to the incident?

MS FOLLETT: Mr Speaker, I consider that the question has been answered. I have said the board is a statutory body and is responsible for determining its own procedures.

SCHOOLS OFFICE

MR MOORE: My question is directed to the Deputy Chief Minister. Is it the case that a move is under way to integrate the non-government sector into the Schools Office?

MS FOLLETT: I will take that question on notice if I may, Mr Speaker.

MR MOORE: Mr Speaker, perhaps I can go a little further.

MR SPEAKER: Is this a supplementary question?

MR MOORE: I would have put a supplementary question on that, because if it is taken on notice we shall not be back here for three weeks. May I include in my question: What consultation process is envisaged for the government sector, non-government sector and the broader community?

CONFECTIONERY PRODUCTS

MR KAINE: I would like to direct a question to the Minister for Community Services and Health. Yesterday the Minister made a statement about No Tobacco Day and the fact that he is mounting a campaign to prevent smoking particularly amongst women. But in connection with that I would like to draw his attention to two products that are sold in the confectionery stores in Canberra. I have in my hand one - and I am quite prepared to have these incorporated in Hansard if that is possible - and there is another. That one is called "Fags" and is made up to look like a cigarette packet. They are sold to children, and I

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would submit that that does nothing to reduce the image of smoking. I ask the Minister whether he is prepared to take action to ban the sale of such products to children in the ACT.

MR BERRY: My position and that of the Government is pretty clear. We are going to take action to reduce the incidence of smoking, not only in young women but in the young generally. If this is a widespread practice, I would see it as encouragement to smoke or to take up eating lollies that are like cigarettes. If it would encourage cigarette smoking, we would examine it in the context of attempting to reduce the incidence of smoking amongst our young. I thank the Leader of the Opposition very much for bringing the matter to my attention.

CAR REGISTRATION RENEWAL

MR COLLAERY: My question is directed to the Minister for Housing and Urban Services. Is it true that she has initiated a policy through the Motor Registry to hold the registration renewals of motor vehicles for those people who have unpaid parking fines?

MRS GRASSBY: At the moment, rather than prosecuting people in the courts, we are looking at what is being done in New South Wales. There cars are no longer registered and licences are no longer valid if the people concerned do not pay their parking fines. There is an enormous outstanding amount in parking fines at the moment, with people running them up and not paying them, and we feel that this could be a way of collecting fines. It has not yet been decided. It is one of the suggestions that have been put up to me by my department to look at. At the moment it is one of the things we are looking at.

MR COLLAERY: I ask a supplementary question. If it was a suggestion put up to you by your department, why then does your Labor Party policy platform contain this sentence, "An ACT Labor Government will make car registration renewal conditional on payment of outstanding parking fines."? Is the Minister saying it has been put up to her by her department or by her party?

MRS GRASSBY: Also that is true in the platform, but in the last week it has been brought to my notice by the department that this is something we should be looking at in terms of collecting parking fines. There was an incident - and the member of the Residents Rally may have read it in the paper - where one of our parking inspectors was assaulted - - -

MR SPEAKER: Order! I think the Minister has answered the question.

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COACH TRANSPORT

MRS NOLAN: My question is also to the Minister for Housing and Urban Services. Two days ago I asked a question of the Minister in relation to ACT coach charter, and I will repeat the question. Given that the New South Wales Government does not allow the ACT charter to operate in New South Wales, why does the ACT allow New South Wales charter and tours to operate out of the ACT? I went on to talk about employment and revenue that was lost through this practice. The Minister gave me an answer yesterday, but talked about allowing ACT charter to operate in New South Wales. I am not concerned about what is going to happen in New South Wales; I am concerned about the fact that currently New South Wales charter operators are coming in and competing with ACT operators. Could I have an answer to that question, please?

MRS GRASSBY: The answer to that question is that we have always had an open-door policy on that which New South Wales has not had, and unless we decide to change the law on that that would be so.

Mr Kaine: Are you intending to?

MRS GRASSBY: At the moment it has not come up, no.

MRS NOLAN: I ask a supplementary question. So I take it that you are not concerned currently in relation to the plight of those ACT charters?

MRS GRASSBY: It is not that I am not concerned. It is the fact that we have not looked at it as yet. I am going on past policy of the ACT, and this is not something that has come up at the moment.

COACH TRANSPORT

MR JENSEN: My question is directed to the Minister for Housing and Urban Services and is on a related subject to the previous question. Is the Minister aware that local tourist bus operators, after having to pay ACT licence fees and insurance, find they are competing with operators from New South Wales who can hire a bus and run tours in competition with licence paying local operators, or New South Wales bus tour operators who obtain a temporary permit for \$24 to operate into the ACT which they continue then to operate illegally?

MRS GRASSBY: I would like to take that question on notice and check it all out with my department.

MR JENSEN: I put a supplementary question. In that case, will the Minister be prepared to have a meeting with local tourist bus companies in the ACT to discuss these and associated problems?

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MRS GRASSBY: I will take it up with the Minister responsible for tourism and let the member know about that.

HOUSING INTEREST RATES

MR HUMPHRIES: My question is addressed to the Minister for Housing and Urban Services. What representations has the Minister made or will the Minister be making to her Federal colleagues to mitigate the harsh impact of Federal Government monetarist policy on interest rates, particularly with respect to ACT home owners?

MRS GRASSBY: The member may remember that in my statement on housing I said that we will be looking into this and will try to give as much relief as we possibly can through the public housing system. We also intend to look into a system - that is why we were asking advice of all parties and all groups outside - of some way in which the public sector can be involved in the sale of houses in the private housing sector. The Chief Minister, as she is the Treasurer, will also be lobbying the Federal Government on high interest rates for housing in Canberra.

MR HUMPHRIES: I have a supplementary question, Mr Speaker. My question was: What representation specifically will the ACT Government be making on that question?

MRS GRASSBY: I will be making representations to the Treasurer who will be making those representations to the Federal Government.

MR HUMPHRIES: What are they? What are you going to say?

MRS GRASSBY: On loan interest rates.

ACT AMBULANCE SERVICE

MR DUBY: Mr Speaker, I act as your proxy in asking this question, as I know this matter is dear to your heart. Can the Minister for Community Services and Health advise as to the number of ACT Ambulance Service vehicles on call in the ACT? How does this compare on a per capita basis with other cities in Australia? Are there any proposals to upgrade the ACT Ambulance Service?

MR BERRY: I thank the member for the question. I will take some advice from my department on those statistics, and I will get back to the member and the Assembly as soon as I can.

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ASBESTOS SURVEY

MR WOOD: I direct a question to the Minister for Housing and Urban Services, who has already taken a number of questions this week on asbestos. I raise that issue again. In view of reports in the paper today, which would indicate that there remains considerable confusion in some people's minds - or the report sows a seed of doubt in the minds of people in the community - about the accuracy in this specific instance of the survey, can she comment on that?

MRS GRASSBY: I read that article in the paper about a lady in Red Hill, and I checked it out this morning. The lady had a green card which says that she does not have asbestos in her ceiling, but she apparently had her ceiling checked and a product called rock wool was mistaken for asbestos. She was sure that she had asbestos. Officers of my department went out early this morning and checked it. They gave her another green card and assured her that it was not asbestos. We have plenty of it, and if she really wanted some we could probably give her some.

BUSHFIRE FIGHTERS

MR KAINE: My question is directed to the Chief Minister and Attorney-General. I refer her to the fact that all States and Territories in Australia, except the Australian Capital Territory, have legislation providing indemnity cover for bushfire fighters should legal action arise from their work in bushfire suppression. Since the volunteer bushfire brigade in Canberra plays such a major role in protecting the public, often at considerable sacrifice to the private lives of its members, will the Government review the current legislation with a view to rectifying this deficiency?

MS FOLLETT: I thank the Leader of the Opposition for the question. I have no information currently on that matter, so my answer is: Yes, I will review the situation and advise him as soon as I can.

HERBICIDES

MS MAHER: Mr Speaker, I ask the Minister for Housing and Urban Services a question on your behalf. Will the Minister advise on the spraying of herbicides for the purpose of weed control along the edges of roads and nature strips? Apparently a pink dye is added to the herbicide to indicate the area sprayed. However, it is quite obvious to all members of the public that these toxins appear to be applied overzealously. Can the Minister advise on just what these toxins are, the life of the toxicity of the chemicals, and whether any research has been done as to the level of pollution to our streams by these chemicals during

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periods of heavy rain? In summary, is the activity considered safe to the public, and is the application of the toxic chemicals being correctly supervised?

MRS GRASSBY: Thank you, Mr Speaker, through Ms Maher, for your question. I cannot give those details but, like you, I am very worried about toxins being sprayed in areas near human beings, as I am in relation to your fluoride question. I will find that out for you, and I will give you the answer.

SECTION 52 DEVELOPMENT

MR MOORE: My question is addressed to the Chief Minister. Considering that there has been some suggestion that there are some irregularities in the method by which section 52 in Civic was allowed to go well beyond the statutory requirement for commencement of the building and the sale of the lease by the original leaseholder, will the Chief Minister assure the house that no discussions on this building will be taken during the proposed recess on approval to the Melbourne based owners to sell the undeveloped land? Section 52 is the site between the Boulevard lawns and the CAGA Centre.

MS FOLLETT: I thank the member for that question. Does he want me to assure him that there will be no - - -

Mr Moore: Decision taken while we are in recess.

MS FOLLETT: I might take that question on notice and get back to Mr Moore as soon as I can.

Mr Humphries: After the recess.

Mr Moore: That is the problem.

MS FOLLETT: May I add to that. Having the recess, Mr Speaker, does not mean that activity on Assembly matters comes to a halt. I think we should all understand that very clearly. It is my intention to answer questions at the first available opportunity. I have a number of answers to provide today. If I have the information today or tomorrow, it will be provided then.

MR MOORE: I have a supplementary question. Would the Chief Minister consider referring this development proposal, because of the irregularities, for consideration by the Planning, Development and Infrastructure Committee.

MR SPEAKER: Would members please make their questions obvious.

MS FOLLETT: I am afraid I am having difficulty understanding the nature of the question and some difficulty with the debate involved in the question. I

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have no information on whether there are irregularities in relation to this section being developed in Civic, so, if I may, I will take the whole question on notice.

PUBLIC SERVICE

MR JENSEN: My question is directed to the Chief Minister. In view of her decision to provide an answer to questions asked by my colleague Mr Collaery on Wednesday, 24 May, in relation to matters that took place before 11 May, is she now prepared to answer my question without notice about the reason for the compulsory retirement of the former first assistant secretary, Legislation and Legal Services Division, and formerly OIC Lands Branch, Mr Anthony Hedley, and the financial package attached to this compulsory retirement, about which I asked on 23 May?

MS FOLLETT: No, I am not.

BUS SERVICE

MR COLLAERY: My question is directed to the Minister for Housing and Urban Services. Would she please comment on the fact that the older ACTION buses, particularly the Leyland buses, are emitting large clouds of black smoke. Has that occurred since 11 May?

MRS GRASSBY: I am aware that we have a few problems with buses. They are getting very old, and we will have to look at either rebuilding them or buying new ones. I am not sure that they have had the problem mentioned only since 11 May. I think it has been around for quite some time, unfortunately. We inherited these buses. We intend to supply a very good bus service to Canberra, and at the moment my department is looking at whether we will buy new buses or pull down the old buses and rebuild them, as happens in Victoria. I will let him know exactly, when I have that information.

GLEBE PARK

MR MOORE: My question is addressed to the Minister for Housing and Urban Services. Considering that darkness now falls before 6 pm and that many people walk through Glebe Park in the dark, will the Minister advise what priority will be given to the installation of lights in that park?

MRS GRASSBY: I do not have the answer to that, Mr Speaker, but I will check with my department and get back to the member.

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LAND RELEASE

MR JENSEN: This question is directed to the Deputy Chief Minister via the Chief Minister. It is understood that arrangements have been made for the land being made available for a tourist development on the Monaro Highway near Gilmore not to go to auction but for it to be released as a direct grant. Can the Minister advise on the conditions of that arrangement, the method used to calculate the price to be paid by the party approved by the ACT Administration to develop the site and when this information will be made available to the public?

MS FOLLETT: I thank Mr Jensen for that question. I will take it on notice, Mr Speaker, and the Deputy Chief Minister will provide an answer.

DEATH OF BUS DRIVER

MS FOLLETT: Yesterday, Mr Stefaniak asked me about the arrangements for compensation for the dependant of Mr Trenholme, the ACTION bus driver who went to the aid of passengers allegedly being assaulted on a bus at the Woden Interchange. I inform the Assembly that in accordance with normal procedures the sole dependant of the deceased, namely his widow, has been visited on several occasions by representatives of the Office of City Management, which includes ACTION.

Yesterday morning Mrs Trenholme received a cash advance from the deceased's entitlement to unpaid wages, recreation leave and long service leave. The balance of that entitlement will be paid by cheque tomorrow. Also yesterday Mrs Trenholme was given the necessary forms to effect a claim for a spouse's benefit under the Commonwealth superannuation scheme, and at the same time similar forms were presented for a compensation claim to be handled by Comcare.

The personal financial life assurance provisions of the deceased are not, I believe, the concern of persons other than the immediate family, and I have not been provided with any information from that point of view. Mr Trenholme's funeral was conducted today, and many representatives of ACTION, including the general manager, attended. I am assured that Mrs Trenholme is being well cared for by associates and friends of her late husband, many of whom are members of ACTION staff.

INNER CANBERRA HERITAGE STUDY

MS FOLLETT: Mr Speaker, I am in a position to provide a response to a question asked by Mr Moore on the release of the inner Canberra heritage study. The answer to Mr

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Moore's question is: The Government will make material from the central Canberra heritage study available to the public on 9 June 1989. The study was commissioned and paid for by the ACT Heritage Committee. My advice is that the committee considers that the study is not in a form that is suitable for public release.

The Heritage Committee, in addition, further cautions that the report is not a definitive statement on the heritage values of central Canberra. The committee will release an opinion on the study by 9 June 1989. However, I have decided to release material from the report and to make the following qualifications. The study is in the form of a series of presentation panels. I propose to organise a briefing for interested members of the Assembly by Heritage Unit staff who have indicated to my office that this briefing can be provided immediately.

This presentation and a copy of the study panels will be of considerable benefit to all members of the Assembly in their consideration of central Canberra heritage matters. Members of the Assembly will recall that the Government has established a task force to pursue the identification of heritage sites in the central Canberra area. The task force will make recommendations to the ACT Heritage Committee on places for inclusion in an ACT heritage register.

The central Canberra heritage study will be used as one of the sources for the task force. It should not be regarded as a de facto heritage register in lieu of the official register to be developed by the task force.

JERRABOMBERRA WETLANDS

MS FOLLETT: On 23 May, Mr Moore asked me a question seeking an immediate report on the toxic leaching effect of recent heavy rain on the Mugga Lane dump and its effect on the Jerrabomberra wetlands. I have a report available and seek leave to have it incorporated in Hansard.

Leave granted.

(Document incorporated at appendix 1)

SHARE TRANSFERS

MS FOLLETT: Yesterday the Leader of the Opposition, Mr Kaine, asked me a question about changes to the stamp duty liability in respect of the sale of shares and units in landowning, unlisted companies and unit trusts. I have a report prepared for me by the ACT Treasury. I seek leave to have it incorporated in Hansard.

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Leave granted.

(Document incorporated at appendix 2)

PUBLIC HOUSING

MRS GRASSBY: I have an answer to a question asked of me by the Leader of the Opposition yesterday. I will repeat the question: How many Housing Trust houses are currently vacant, how long have they been vacant, how much longer will they remain vacant, and what are the reasons why they are not currently occupied?

The answer is: The Housing Trust has nearly 12,000 properties throughout Canberra. There is a large turnover in tenancies for various reasons, and there will always be some vacant houses in the system as a consequence of tenants vacating the houses. Many dwellings vacated require substantial maintenance before they can be reallocated. At the end of April, 120 dwellings, or about 1.5 per cent of the total stock, were vacant and unavailable for allotment. These dwellings were either recently offered or about to be offered to tenants.

At the same date, 65 substandard houses were being extensively upgraded or remodelled or, because of their poor condition, being assessed for future work. A further 200 houses were undergoing maintenance after the previous tenants left. At present there are 80 dwellings considered to be unfit to be allotted because of water penetration or fire and other damage. Seventy-four of these properties are at Melba Flats and are in no condition to be let at all.

The time for which a house or a flat is vacant varies widely, depending on the reasons for vacancy. The period can vary from a few days to many months, depending on the amount of notice given to the Housing Trust, the condition of the house or flat and the extent of the maintenance or upgrading required. Once a dwelling is ready for allocation, the median period for allocation is about 10 days.

The standard of some stock, especially in older areas, creates difficulties. These dwellings tend also to have a higher turnover rate than the newer houses. The Housing Trust is progressively upgrading or replacing such stock. With 525 dwellings vacant, which is a little over 4 per cent of the total public housing stock, it leaves room for improvement. Improvements can also be made in the time dwellings remain vacant. The Housing Trust is very conscious of this and has recently taken special measures in this regard.

These include obtaining a report on maintenance problems, engaging a consultant to advise on ways to reduce

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maintenance periods, restructuring the property management function, and commencing recruitment action to obtain an expert assets manager.

HOME AND COMMUNITY CARE PROGRAM Ministerial Statement and Paper

MR BERRY (Minister for Community Services and Health), by leave: Before I launch into my speech on this matter, unhappily I have to report that a couple of corrections have to be made to the copies of the speech which have been circulated.

Mr Kaine: It does talk about HACC, does it?

MR BERRY: It talks about HACC. On page 4 of the speech which has been circulated, if I can refer members to it, Mr Speaker, in reference to the Meals on Wheels service, the amount referred to there should be changed from \$33,500 to \$3,500. On page 7, in the paragraph which refers to the Woden Community Service, a grant of \$13,900 is mentioned; that should read \$13,000. On that page the paragraph which refers to Handyhelp ACT is a repeat of a paragraph elsewhere in the report and should be deleted.

Mr Speaker, I take the opportunity to tell the Assembly about another important program in my portfolio. The home and community care program, also known as HACC, is a Commonwealth-State cost shared program directed to three main groups of people: the frail aged, the younger disabled and the people who care for them.

The objective of HACC is to provide a comprehensive and integrated range of maintenance and support services to these people to prevent their premature or inappropriate admission to institutional care. The HACC program was established by the Home and Community Care Act in 1985, in response to reports which recommended a change in the balance between institutional and community based services.

The HACC Act incorporates four previous pieces of legislation: the States Grants (Home Care) Act, the States Grants (Paramedical Services) Act, the Delivered Meals Subsidy Act, and the Home Nursing Subsidy Act. Under these four Acts a limited range of community services was provided, such as senior citizens centres, meals on wheels, and community nursing.

Mr Speaker, the Home and Community Care Act enabled a much wider and better integrated range of services to be provided, such as innovative respite care and transport services. For too long aged or disabled people were simply placed in a hostel or nursing home, even though in many cases they would have preferred to stay in their own homes. With the types of services available under HACC many of them are now able to do so.

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HACC is a very cost-effective program compared with the cost of maintaining people in institutional care. Our largest HACC service, Red Cross Home Help, provided assistance to clients at an average cost to HACC of just over 80c per day. Compare this with the government subsidy for nursing home beds in the ACT of \$43 to \$81 a day, depending on the level of care.

Another refreshing aspect of HACC is the wide range of community consultation which occurred in developing the program and determining priorities for service development. In this respect my department has negotiated for some months with its Commonwealth partner, the Department of Community Services and Health, to set up an advisory committee for HACC.

I am very concerned that the negotiations on the composition of the committee have taken several months to finalise and that final nominations have still not been approved by Peter Staples, the Commonwealth Minister for Housing and Aged Care. This is a vital issue which I intend to take up with Mr Staples as soon as possible.

Mr Speaker, once the advisory committee is established its task will be to determine HACC priorities. My department will then call for applications for funding in 1989-90. These will be considered jointly by officers from my department and the Department of Community Services and Health. Peter Staples and I will then have the responsibility for considering those recommendations and approving the most deserving projects.

Mr Staples and I recently announced grants totalling nearly \$427,000 for HACC projects. I was particularly pleased to announce \$30,000 funding for the Community Programs Association to operate an innovative day respite service for younger disabled ACT residents between 25 and 60- - -

Mr Kaine: They are pretty young at age 60!

MR BERRY: Indeed - with severe to profound intellectual and/or physical disabilities. This will be a new service which will meet a great need in the ACT. There is currently no other form of respite care service for this target group. The annual operational grant for this project will be \$71,300.

A wide range of other organisations will also receive funding in the latest package. The Red Cross Society will receive \$7,500 to train its staff on the best use of the computer system to assist, monitor and administer Red Cross services and to purchase an answering machine.

The Meals on Wheels service will receive funding to purchase a van for use at the service's new meals distribution point in Tuggeranong and to purchase some items of furniture and equipment. This will involve a

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capital grant of \$18,000 and running costs for the van of \$3,500 per annum.

The ACT Home Help service will be provided with funding to upgrade the service's computing facilities, not only to cater to its current and future needs but also to assist two other services which cater to HACC clients - Handyhelp ACT and the ACT Council on the Ageing respite care program.

The three services will be collocated in the extension to the Hughes Community Centre. The capital grant for Home Help will amount to \$17,000. The ACT Council on the Ageing respite care service will receive funds to cover the cost of new computer facilities, furniture and equipment which will be required when the service moves into its new facilities at the Hughes Community Centre.

Funds will also be provided to translate its brochures, as well as those of Handyhelp ACT and the Red Cross Home Help service, into a number of languages. The total grant is \$24,000. Mr Speaker, Handyhelp ACT will receive funding to enable the service to purchase a photocopier, computer facilities and other items of furniture and equipment for use in its new office, totalling \$21,000. A one-off grant of \$3,000 is also being provided to assist in the provision of home maintenance services for ACT frail aged residents.

A grant of \$66,000 has been approved to enable Barnardo's Australia to build and furnish an extension to its office space. The new office will house workers employed to administer the respite care service.

The Uniting Church Chinner Crescent day centre will receive a grant of \$12,000 for the purchase of equipment and furniture for use in the existing day centre and in the new day centre expected to be completed early in 1990. It will also receive, Mr Speaker, a grant of \$70,120 as a contribution towards the cost of building the new centre and to make the garden area of the new day centre secure for its clients, including those with senile dementia.

The regional community services will receive funding for a variety of HACC projects. The Northside Community Service will be provided with a grant of \$3,100 to enable the service to purchase some small pieces of equipment. This will include a cassette player and sewing machine, which will enable a wider range of activities to be offered to clients.

A grant of \$4,000 has been approved for the Tuggeranong Community Service Inc. to enable the service to purchase computer furniture, to train its staff on the use of its new computer, and to fund one-off data entry into the new computer.

The Weston Creek Community Centre will receive a grant of \$18,500 to purchase new equipment for the proposed extension to the day centre; to purchase a computer for use

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by the service; to upgrade its telephone facilities; and to translate pamphlets for its home and community care services into several languages.

Mr Speaker, the Southside Community Services Inc. will receive funding of \$4,600 to purchase a photocopier. A non-recurrent grant of \$23,600 has been approved to extend the funding of the volunteer coordinator's salary from mid-April to the end of December 1989. A grant of \$8,500 has been approved for the Belconnen Community Service Inc. to purchase a computer package, consisting of a computer, computer furniture, training, a printer and software.

The Woden Community Service will receive a grant of \$13,000 to enable this service to purchase a demountable office for use by its HACC staff and to purchase a wheelchair for use by its special care transport service. Members will remember that I have already expressed my support for the Commonwealth-funded community options project under the sponsorship of the ACT Council on the Ageing.

I was pleased to announce, as part of the latest HACC package, a grant of \$12,280 for the Migrant Resource Centre of the ACT, to extend the pilot community options worker's salary from mid-May to the end of September 1989, when it is expected that the ongoing community options project will be established. A sum of \$2,820 has also been approved to assist in the provision of the service.

I also announced a number of small grants which will make a big difference to the organisations concerned. The Canberra Senior Citizens Club will receive funding totalling \$250 to purchase furniture for use by the welfare officers. The Woden Senior Citizens Club will receive funds of \$1,500 for the purchase of a typewriter and furniture for use in the welfare officer's office.

A \$1,000 grant has been approved to enable Koomarri to purchase some additional furniture for use by its support worker who assists people with intellectual disabilities living in the community. The Uniting Church Mirinjani day care centre has received approval for a \$4,000 equipment and furniture grant. This will include funds to provide curtains in the day care centre. Lastly, \$60,000 has been made available for a project that will assist all HACC services and their clients. The money will be used to employ a consultant to design a set of training packages to assist service providers to help provide even better HACC services.

Mr Speaker, while funding packages are the main thrust of HACC, also considerable work is being done in my department on a wide range of HACC issues, including monitoring of services, information provision and policy development. A major review of the program on a national scale was completed in January 1989 and the report "First Triennial Review of the Home and Community Care Program" was released in March this year. The report came up with 50

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recommendations to look specifically at options to improve the efficiency of the administration of the program; arrangements for funding those services currently covered by no growth restrictions or excluded under the program; links between residential and disability services programs and HACC; the basis for future review of the appropriateness, efficiency and effectiveness of a full range of services provided under HACC; and the impact of changes in various Commonwealth and State programs on HACC.

A team of officers in my department is working to implement the recommendations of the review, in consultation with the community and the Commonwealth Department of Community Services and Health. I expect that, once implemented, HACC will prove to be an even more receptive and effective community program. Another important initiative is a review of individual HACC services, which is nearing completion. A small team of officers in my department has been involved in interviewing each HACC service individually. The aim is to find out the extent to which the HACC objectives of cost-effectiveness, appropriate and accessible care, and appropriate targeting of services are being met by both individual services and the overall HACC program in the ACT.

Through the process of conducting the service reviews, we will be able to determine appropriate measures to increase both individual service and overall program efficiency. Information provision has long been an issue to HACC. To this end I am pleased to announce that the first ACT HACC newsletter is expected to be released in the next two to three weeks. The need for the newsletter has been highlighted by the service reviews, and I expect that, once services know more about HACC, what my department is trying to achieve and what other HACC services are doing, they will become better integrated, and a better quality service will be provided to the community.

Another important medium for information provision is the HACC strategic plan. The first ACT plan was released recently, and copies were sent to all HACC service providers. The plan outlined achievements of HACC in the ACT, its development, a list of all the types of services funded in the ACT, future directions for the program, and strategies and tasks for the future to help HACC meet its priorities. Priorities identified for HACC in the future include continuing to expand and improve the quality and availability of existing HACC services for the target population; improving access for younger disabled people; investigating options and implementing strategies to improve access by Aboriginal people and people from a non-English speaking background to HACC services; and promoting effective management of the program in a way which encourages contributions by service providers.

Already my department has worked towards achieving these priorities. A number of existing HACC services received expansion funds earlier this year, such as Barnardo's

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Australia for its respite care service for the young disabled, Belconnen Community Service for an aged persons drop-in centre, and Red Cross Meals on Wheels to enable it to open a new distribution point in Tuggeranong. Access to the younger disabled has also improved recently. I have already mentioned the innovative respite care service to be operated by the Community Programs Association and the expanded service run by Barnardo's Australia.

In addition, a number of capital grants that I have just described will go towards the needs of this group. The third objective outlined in the strategic plan - access and equity - has also been pursued by my department. A two-day training course is to be run next month for all HACC service providers on issues affecting people from a non-English speaking background. In addition, the funding that I recently announced will enable four services to translate and publish multilingual brochures on their services. To improve HACC services to the Aboriginal community, my department is investigating the possibility of running a training course on Aboriginal awareness issues, which I expect will take place later this year.

Contributions to the HACC newsletter will be sought from service providers as well as clients. This is only one of the ways in which my department plans to meet the fourth objective of the strategic plan - to promote effective program management in a way which encourages contribution by service providers. Other options include continuing to develop training strategies for carers and workers in the HACC field, and increasing the volunteer pool available to relevant HACC services. HACC is only one of the many areas under my portfolio, but it is a vital part of the overall approach required to provide a high quality and appropriate health and community service to ACT residents. I present the following paper:

Home and Community Care program -
Ministerial statement, 1 June 1989.

and move:

That the Assembly takes note of the paper.

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

STANDING COMMITTEES - AMENDMENTS TO RESOLUTIONS OF APPOINTMENT Motion Without Notice

MR STEVENSON: I seek leave, Mr Speaker, to move a motion varying the resolutions of appointment to the Standing Committee on Public Accounts and the Standing Committee on Social Policy.

MR SPEAKER: Is leave granted? Leave is not granted.

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Mr Moore: I move that so much of the standing orders be suspended as is required to do that. In fact, in the initial instance I will need to move so much of standing orders - - -

MR SPEAKER: Order, Mr Moore!

Mr Moore: On a point of order - - -

MR SPEAKER: Please be seated. Only a Minister can propose the suspension of standing orders.

Mr Moore: Mr Speaker, I move that so much of the standing orders be suspended as would allow just a Minister to suspend standing orders.

MR SPEAKER: I am afraid, Mr Moore, you cannot do that.

STANDING COMMITTEES - MEMBERSHIP

MR SPEAKER: I have been notified in writing of nominations of members to be members of the following standing committees:

Administration and Procedures -

Mr Humphries, Mr Jensen and Mr Wood

Conservation, Heritage and Environment -

Mr Humphries, Ms Maher, Mr Moore and Mr Wood

Planning, Development and Infrastructure -

Mr Collaery, Mr DUBY, Mr Kaine and Mr Wood

Public Accounts -

Mr DUBY, Mr Jensen, Mr Kaine, Mr Stevenson and Mr Wood

Social Policy -

Dr Kinloch, Ms Maher, Mrs Nolan, Mr Stevenson and Mr Wood

MS FOLLETT (Chief Minister): Mr Speaker, I move:

That the members so nominated to be members of the standing committees on Administration and Procedures; Conservation, Heritage and Environment; and Planning, Development and Infrastructure be appointed to those committees.

Mr Moore: Excuse me, Mr Speaker, I rise on a point of order. I seek leave to move a change in our nominations to those standing committees.

MR SPEAKER: Is leave granted? Leave is not granted.

Question resolved in the affirmative.

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STANDING COMMITTEE ON PUBLIC ACCOUNTS

MR SPEAKER: As I have received more nominations than there are places on the Standing Committee on Public Accounts, pursuant to standing order 222 the Assembly will proceed to a ballot to determine the committee's membership. The ballot papers will now be distributed. The members nominated are: Mr Duby, Mr Jensen, Mr Kaine, Mr Stevenson and Mr Wood. Will members please write on their ballot papers the names of four members - I repeat, four members - who they think should be chosen to serve on the committee.

Mr Stevenson: Mr Speaker, would you be good enough to read those out again.

MR SPEAKER: Certainly. For the Standing Committee on Public Accounts members nominated are: Mr Duby, Mr Jensen, Mr Kaine, Mr Stevenson and Mr Wood. Members, this could take some little time. Just bear with us while we run through the mechanics of that. After that, we will have a similar ballot for the members of the Standing Committee on Social Policy.

(Ballot papers having been distributed)

PRIVILEGE

MR COLLAERY: Mr Speaker, whilst you are doing that, might I raise a matter of privilege, with the Speaker's leave? Mr Speaker has of course written notice, as required under the relevant standing order, standing order 71. Mr Speaker, I draw to the attention of the Assembly an incident which occurred just after the sitting this morning, when the Chief Minister's staff refused access to the fifth floor media room for the media to interview a member of this Assembly other than a member of a Government party.

Mr Speaker, the precincts of this house come, in my respectful submission and on the basis of precedent set out in the relevant documents, within your jurisdiction. I bring that matter of an apparent breach of privilege to your attention. I move that the apparent breach of privilege be referred to the incoming Standing Committee on Administration and Procedures as an early item on its agenda and for it to report to you, Mr Speaker, before the house resumes.

MR SPEAKER: Thank you, Mr Collaery. That notice should be in writing.

MR COLLAERY: With respect, it is. You have it.

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MR SPEAKER: Thank you for putting me on the spot. I do have it in writing from Mr Collaery. I certainly will consider the matter and report back.

MR COLLAERY: Thank you, Mr Speaker.

STANDING COMMITTEE ON PUBLIC ACCOUNTS

(A ballot having been taken)

MR SPEAKER: The result of the ballot for membership of the Standing Committee on Public Accounts is as follows:

Mr Jensen - 16 votes
Mr Kaine - 16 votes
Mr Wood - 16 votes
Mr Duby - 9 votes
Mr Stevenson - 7 votes.

The following members are declared to be chosen in accordance with standing order 267: Mr Jensen, Mr Kaine, Mr Wood and Mr Duby.

STANDING COMMITTEE ON SOCIAL POLICY

MR SPEAKER: Again, as I have received more nominations than there are places on the Standing Committee on Social Policy, pursuant to standing order 222 the Assembly will proceed to a ballot to determine the committee's membership. Ballot papers will now be distributed. The members nominated are: Dr Kinloch, Ms Maher, Mrs Nolan, Mr Stevenson and Mr Wood. Will members please write on their ballot papers the names of four - I repeat, four - members who they think should be chosen to serve on the committee. The names again were Dr Kinloch, Ms Maher, Mrs Nolan, Mr Stevenson and Mr Wood.

(A ballot having been taken)

MR SPEAKER: The Standing Committee on Social Policy ballot result is as follows:

Dr Kinloch - 16 votes
Mrs Nolan - 16 votes
Mr Wood - 16 votes
Mr Stevenson - 9 votes
Ms Maher - 7 votes

The following members are declared to be chosen in accordance with standing order 267: Dr Kinloch, Mrs Nolan, Mr Wood and Mr Stevenson.

1 June 1989

SUPPLY BILL 1989-90

MS FOLLETT (Chief Minister) (3.41): I present the Supply Bill 1989-90. I move:

That this Bill be agreed to in principle.

The Supply Bill 1989-90 is an interim Bill appropriating moneys from the consolidated revenue fund which is the general account for the Australian Capital Territory.

Expenditure in relation to the general administration of the ACT is presently occurring through a trust account established under the Audit Act 1989. This was always intended to be an interim measure to last only until 30 June 1989. The result of the transition from the trust account arrangement is that expenditure can be made from the consolidated revenue fund only in accordance with an Act.

Supply Bills are the traditional means of continuing government services pending passage of the budget, and the ACT has little choice but to follow this practice.

The Bill authorises an amount of \$614,856,600 to be issued from the consolidated revenue fund. The amount to be issued is expected to cover payments necessary for the continuing operation of government services for six months, by which time it is expected that the Appropriation Bill will have come into force.

Consistent with the traditional approach taken on supply Bills, no provision has been made for new initiatives. Such initiatives are currently being addressed by the Government as part of the 1989-90 budget formulation process and will be included in the Appropriation Bill which I expect to bring forward in September.

The Government will undertake an extensive consultative process prior to bringing forward the Appropriation Bill. This will be facilitated by an initial statement in July outlining the broad budget strategy and proposed new initiatives. The Assembly will have the opportunity to consider further these measures when the budget is introduced.

The Supply Bill is set out in line with the broad program structure developed by the ACT Administration for 1989-90. Within each program a distinction between recurrent and capital expenditure has been made, to limit the application of the moneys appropriated.

A provision of \$30m has been included for the Treasurer's advance. This item can be used to advance moneys only for expenditure which is urgently required and which was

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unforeseen at the time the Bill was drafted. Section 47 of the Audit Act 1989 prescribes the conditions for use of this advance. I now present the explanatory memorandum for the Bill.

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

ADJOURNMENT

Bureaucracy - Legislative Assembly

Motion (by **Ms Follett**) proposed:

That the Assembly do now adjourn.

MR KAINE (Leader of the Opposition) (3.44): Mr Speaker, in speaking to the adjournment motion, I draw the Government's attention particularly to a case of an elderly lady with respect to whom I think government should be showing its human face rather than its bureaucratic one.

I think that there are many cases to which one could draw attention where the strict letter of the law and the strict intent of government might be pursued but where the simple face of humanity is not presented. I think that this case is a classic one of that kind.

It is a case of a lady who is almost 80 years old and in frail health and who lives in a townhouse unit which is one of three. At the back of these three units is a common fence which apparently has deteriorated and which perhaps needs to be replaced.

I hate to use the word "harassment", but she certainly has been given the bureaucratic treatment, let me put it that way, over about eight or nine months. Although she has asked for an explanation from the department as to what the regulations and rules are and what her rights and entitlements are, she has not at this stage received any such advice. My understanding is that, as recently as 3 May, there was some threat of prosecution if she did not comply with the departmental order.

The fact is that the lady is uncertain as to the exact situation. She does not know, for example, what building standards apply. She does not know what kind of fence must replace the one that is there already. She does not know whether each of the three blocks has to have the same kind of fence. There is a series of questions to which she has been seeking answers. She has not only not succeeded in getting answers but, as I said, she has been threatened with some form of legal action.

I submit, Mr Speaker, that this is a case where the human face of government could be presented. This lady is in frail health and is quite disturbed by the things which are

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happening to her and over which she appears to have no control. It is a case where perhaps the Chief Minister or one of her Ministers could undertake to have a look at this matter and see whether something cannot be done to make it a little easier for this lady.

I do not believe that she has any objection to doing whatever is required to be done, but I think somebody has to talk to this lady and explain to her what needs to be done and why. I am quite sure that if that is done she will agree to it. As I prefaced my remarks, I believe this is a case which is not at all uncommon. There are people in this community who do not understand the bureaucracy. They do not understand the rules and regulations which are often not explained to them fully. I believe that we have to take care to protect the interests of people such as this lady.

I will pass the details of this to the Chief Minister. I feel sure that she will take the same view as I, that this lady's problem requires a little care and attention rather than to be threatened, as she appears to have been so far.

MR COLLAERY (3.48): My colleagues have suggested that I speak at the end of this first historic segment of the Assembly, generally and extempore, to draw to the attention of you, Mr Speaker, the general manner in which the Assembly has worked to date, which from the Residents Rally's point of view is effective. There have been some teething problems.

Even this afternoon, in the balloting for the committees, there was some lack of definition and resolve in voting patterns. But I suggest, Mr Speaker, that, for better or worse, caucusing, as it is known, will get better. Perceptions will improve as to the overall functions, role and responsibilities of the Assembly.

As you are aware, Mr Speaker, the Rally has already moved an amendment to expand a committee so that Ms Maher, or anyone else who wishes to be included again, can be considered. She lost out in the last round of votes through certain peculiarities about arrangements falling astray. I hope that situation, Mr Speaker, can be rectified.

I rise to congratulate the Chief Minister on her performance to date as the leader of this house. I also rise to congratulate all my colleagues in the chamber for the effective manner in which we have all, in difficult circumstances - sometimes strained circumstances - managed to attend to what, to those who have not sat in a parliamentary chamber before, seems confusing business of the house. As the leader of the Residents Rally, I thank my colleagues in this chamber for their patience with us.

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I promise them that we will attend to government and that we will attend to active debate in the resumed sittings of this Assembly.

Question resolved in the affirmative.

**Assembly adjourned at 3.50 pm until
Tuesday, 27 June 1989, at 2.30 pm**

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APPENDIX 1

(Incorporated in Hansard on 1 June 1989 - see page 364)

R E P O R T

Pollution control works protecting Jerrabomberra wetlands with particular reference to Mugga Lane
Landfill Park

Urban Services Branch

31 May 1989

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1 June 1989

JERRABOMBERRA CATCHMENT POLLUTION CONTROLS

There are a number of sites in the Jerrabomberra Creek catchment area which are recognised by the Pollution Control Authority as potential sources of pollution and for which licences controlling their operation have been issued. The licence conditions are set to reduce the level of pollution to the lowest practicable level.

Within the catchment area there are sources of pollution which are typical of semi urban catchment and include:

Construction works and soil disturbance, Urban litter, Localised discharges, Sewage treatment, Extractive industries, Landfill, Commercial point sources, and Animal park and zoo facilities.

The controls on these sources are as follows:

Construction Works

- The water Pollution Act requires that construction sites be licenced and have pollution control measures installed and operated to the satisfaction of the Pollution Control Authority. Recently, a breach of a licence resulted in prosecution. Except during the recent major floods in Jerrabomberra Creek, (one with a return frequency of approximately 1 in 50 years and another with a return frequency of 1 in 10 years) the waters were barely affected by these works.

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Urban Litter

- Paper from Mugga Lane Landfill Park and other areas does get blown, on occasions into a tributary of Jerrabomberra Creek. There are currently no trash removal devices on Jerrabomberra Creek outside the landfill site.

Localised Discharges

- This includes accidental chemical spills and industrial cleaning activities. Minor effects are occasionally detected in the creek, but their source can rarely be detected due to the small quantities involved.

Sewerage Treatment

- The Hume Sewerage Treatment plant is licensed and as a consequence of the licence conditions was upgraded this year so that discharges comply with the Water Pollution Act.

Extractive Industries

- BMX quarry is not yet licensed. Little is known about the quality of discharges. However, they are distant from the creek and no serious environmental adverse impacts have been noticed.

Landfill Uses

- Mugga Lane Landfill Park is licensed and, following recent upgrading, has a state-of-the-art pollution control strategy. This is discussed in more detail below.

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Commercial Point Sources

- Concrete hatching plants, fuel outlets, motor trade, and other premises have been known to dump their wastes into the stormwater system. The Pollution Control Authority is regularly involved in policing these sources. A Gross Pollution Trap is being constructed as an integral part of the Eastern Parkway project which will control discharge for the major part of these commercial areas.

Animal Park and Zoo Facilities -

- These are not yet licensed. While quality of discharges to the creek is not known, these discharges are also well removed from the creek and have some pollution control facilities on site.

Mugga Lane Landfill Operation

Potential water pollution from the tip is controlled by on site collection facilities and tip management procedures.

The Mugga Lane landfill has recently been extended, and as part of the civil works a system of cut-off drains which direct runoff around the actual tip area and a Teachers collection system have been constructed.

Water Management System

The water management system can be divided into three categories:

Uncontaminated Stormwater Runoff.

This water is diverted around the perimeter of the site using cut-off drains and channels.

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Sediment Contaminated Stormwater Runoff.

Stormwater runoff is contaminated by erosion of the workforce and access tracks. These waters are collected and treated to remove silt within a sediment retention pond before release to the Woden creek.

Teachers Contaminated Waters.

A Teachers collection system is installed. This consists of a series of channels and embankments which lead to a Teachers collection pond. The Teachers and runoff collected in the system is directed to a Teachers holding pond. The Teachers is entirely disposed of by irrigation within the grassed areas on the site so that no contaminated water leaves the facility.

This system was installed due to the changed landfill procedures to replace the previous system which collected mainly surface water for treatment before release.

Water Pollution Licence

The Mugga Lane Landfill Park is licensed by the Pollution Control Authority. This licence requires the park to manage its waters in accordance with a pollution control plan and to monitor waters within the water management system.

Recent heavy and prolonged rains have taxed the waste management system.

The rain has prevented normal covering of the tip face with suitable dry soil.

The rain has to percolate through the layers of rubbish so that the water quality in the Teachers dam has deteriorated.

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Evapotranspiration from the irrigation area has been reduced also during the lengthy wet periods and the operation has resulted in return of water to the collection system.

Analysis of this obviously contaminated water coming from the tip face has been carried out. Officers from the Chemical Control Unit of Environment Protection Section have monitored the treatment of this water before it was of a suitable standard for release. The treatment has consisted of chemical removal of sulphides and flocculation to precipitate other chemicals.

After treatment of these Teachers ponds the water has been (and continues to be) discharged to the pollution control ponds.

As a result of these extreme rainfalls it is being considered necessary for the collection channels to be modified and additional interceptor ponds to be constructed so that the Teachers can be kept separate from other water running off the site.

The water management procedures for the Mugga tip are comprehensive and as a consequence there is no detrimental impact on the Jerrabomberra wetlands.

Future of Mugga Landfill Site

The most recent study of landfill requirements indicated that the Mugga Lane tip has about another seven years of operational life. Development works are being undertaken at the tip which will enable it to function for that period.

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Future development of landfill sites in the south of Canberra is likely to be concentrated in the Mugga Lane area because of its advantages in being centrally located, well served by road access, not visible from current or proposed residential developments and is geologically suitable. Several possible sites could be examined adjacent to the existing tip site which would enable the environmental protection measures which have been established in the area to be used.

The present Mugga site was chosen after extensive investigations by the Bureau of Mineral Resources into the suitability of the ground conditions. It was considered to be the most suitable site available and replaced many smaller tips which compromised future land development and potentially polluted adjacent streams. The location of future landfill sites is still a long way off and will require further environmental studies before a decision is made to extend it.

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APPENDIX 2

(Incorporated in Hansard on 1 June 1989 - see page 365)

R E P O R T

Changes to the stamp duty liability in respect of the sale of shares and units in landowning unlisted companies and unit trusts.

ACT Treasury

1 June 1989

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1 June 1989

STAMP DUTY ON SALE OF LAND OWING COMPANIES AND UNIT TRUSTS

Background

Stamp duty in the ACT on the sale of realty is assessed on a graduated scale between 1.51 (on conveyances up to \$14,000) and 5.5% (where the value exceeds \$1 million).

However, land ownerships can be effectively transferred by way of sale of shares/units in predominantly land owning private companies and unit trusts. This has resulted in stamp duty being payable at the much lower marketable security rate of 0.6% with significant losses to the Territory revenue.

Victoria, NSW and WA introduced legislation in 1987 to close off this avenue of stamp duty avoidance by imposing stamp duty liability at conveyancing rates on the sale of shares/units in private companies/unit trusts where the company/unit trust has predominately realty based assets. Queensland and the NT have since followed.

In late April 1989 media reports indicated that negotiations were underway in respect of a major real estate sale in the ACT. The Commonwealth Minister responsible for the ACT (Mr Holding) moved to bring the ACT into line with the States/NT to ensure that the revenue of the ACT was not disadvantaged by the lack of appropriate legislation.

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Issues

On 5 May 1989 the Minister made a Determination under section 99 of the Taxation (Administration) Ordinance 1987. (Attachment 1.)

The Determination imposes duty at conveyancing rates in respect of the transfer of any interest in land in the ACT held by a company or unit trust which is not listed for quotation on an Australian or prescribed stock exchange.

There are differences in the detailed application of the ACT law and that of the corresponding laws in the States/NT. The ACT Determination is not restricted to companies or unit trusts where realty represents a given percentage of the total assets of the business or to any specified value of the realty and applies to any interest transferred. While the States/NT are not entirely in harmony, in general their laws apply to companies/unit trust where land represents 80% or more of the business assets, exceeds \$1 million in value and (in respect of companies) a majority share holding is involved.

The arbitrary limitations introduced in the States/NT reflected policy considerations applicable to those jurisdictions and the desire to limit administrative workloads in taxation offices. It is understood that because the provisions were initially introduced as an anti-avoidance measure to prevent large scale duty losses from movements in property ownerships, they were targeted at the major and more obvious avoidance arrangements.

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With the benefit of the early experience of the States/NT it was decided that administrative difficulties being encounter by the use of arbitrary limits (eg they can be easily avoided) and a more equitable approach to the fundamental issue achieved, if the restrictions were not included in the ACT laws.

In matters of taxation policy it is not always possible or prudent to engage in consultation which gives early notice. of the Governments intentions. Conventions precludes giving retrospective effect to tax laws (unless notice of the intention has been given) therefore strict secrecy must, on occasions, be maintained to avoid revenue losses.

For reasons of urgency and the potential revenue significance of the measure no consultation was undertaken with relevant bodies w before the Determination was made.

The ACT Revenue office has issued a detailed circular (Attachment 2) explaining the operation of the Determination.

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Commonwealth of Australia Gazette

AUSTRALIAN CAPITAL TERRITORY
TAXATION (ADMINISTRATION) ORDINANCE 1987

AMENDMENT OF DETERMINATION

NO. OF 1989

Under section 99 of the Taxation (Administration) Ordinance 1987 I AMEND the Stamp Duties (Marketable Securities) Determination 1987 notice of which was published in the Gazette on 31 July 1987 (Gazette No 5193) by inserting after paragraph 5 the following:

Transfer of unlisted Marketable Securities

6. Notwithstanding paragraphs 4 and 5 the determined amount of stamp duty for the purposes of section 44 or 50 of the Ordinance is, in respect of the transfer of a marketable security that is not listed for quotation in the official list of an Australian stock exchange or a prescribed stock exchange, the sum of:

- a) the determined amount of stamp duty that would have

been payable for the purposes of section 17 of the Ordinance with respect to the transfer of any interest in land in the Territory held by the company or unit trust which issued the marketable security on the assumption that that interest had been transferred on the date on which the marketable security was

b) 15 cents or each \$25 or part of 525 of the unencumbered value of the marketable security.

For the purposes of paragraph (a) it shall be assumed that the value of the interest in the land bears the same proportion to the value of the company's or trust's interest as the marketable security bears to the total number of marketable securities issued in the company or unit trust.

For the purposes of paragraph (b) the unencumbered value of the marketable security shall be calculated disregarding the value of the company's or unit trust's interest in any land

ALLAN CLYDE HOLDING
MINISTER OF STATE FOR
THE ARTS AND TERRITORIES
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1 June 1989

ACT Revenue Office ,
PO Box 293.

Civic Square ACT 2608

INFORMATION CIRCULAR SDI/89

ASSESSMENT OF SHARES IN PRIVATE COMPANIES AND UNIT TRUSTS

Introduction

In accordance with Section 99 of the ACT Taxation (Administration) Ordinance, a Determination was made by notice in the Gazette (No. 5155 of 5 May 1989) which changed the method of assessment of duty on the transfer of private company shares and units in private unit trust schemes where that company or trust owns an interest in land in the ACT.

Method of Assessment

The amount of stamp duty payable in respect of the transfer of shares or units in private companies and trusts executed on and after 5 May 1989 will be assessed as follows:

1. duty at conveyance rates on the value of the interest in land transferred -deemed to be proportional to the total number of issued shares or units;

PLUS

2. duty at marketable security rates on the unencumbered value of the shares or units (arrived at by normal--- - - share valuation methods) less the value of the interest in the land.

Transfers of shares or units in private companies or unit trusts that do not hold interests in land in the AC. will continue to be assessed in the normal manner.

Interest in Land

The term "interest in land" can be interpreted very broadly and includes:

1. a Crown Lease over, or estate in fee simple in land in the ACT;
 2. a lease, sub-lease or an interest in a lease, sub lease over land in the ACT
 3. a beneficial interest in land in the ACT such as a contract for sale or a successful bid at auction;
 4. an interest as beneficiary of a trust which owns land in the ACT;
- S. ownership of shares/units in unlisted companies/unit trusts which own land or an interest in land in the ACT.

In the context of these provisions it would not usually be interpreted as including a mortgage or other security over land in the AC:.

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Value of Interest in Land

The value of the interest in the land is considered to be the value at the date of transfer and

1. IGNORES all encumbrances over the land, but
2. INCLUDES the value of all chattels which are capable of being regarded as relating to the land (refer section 19, Stamp Duties and Taxes ordinance 1987)

In relation to 2, in all cases buildings and other improvements, furniture and fittings and equipment such as air conditioning central heating which forms part of the land and buildings, will be included.

Values leases (other than Crown Leases)

The value of leases and sub-leases held by private companies and trusts is interpreted to be the value of the unexpired term of the lease. In most cases this will be the sum of the periodic rent times the remaining periods making up the unexpired lease term.

Assessing Procedures

As a result of this amendment it will now be necessary for this office, when assessing private share/unit transfers to establish

1. whether or not the company or unit trust holds an interest in land in the ACT and, if so
2. the value of the interest in ACT land, plus
3. the value of the shares or units (excluding the value of the interest in land)

For this purpose it will be necessary for all transfers to be accompanied by a completed "Request for Information" Form (conattached) signed by the transferee or, where expressly approved, the lodging party.

This is in addition to copies of the latest financial statements (including explanatory notes) required under current arrangements . for normal share valuation purposes.

A. Companies/Trusts which do not hold interests in ACT land

Where the transferee declares on the Form that the company or trust does not own interests in ACT land, transfers will usually be assessed under existing procedures.

However, prior to making such a declaration all transferees should be fully aware of the companys /trusts assets and the penalties for making false declarations (see reverse of Form).

B. Companies/Trusts holding interests in ACT land

Where the transferee declares that the company or trust owns interests in land, the transfer must also be accompanied by evidence of the current value of each interest in ACT land.

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Determination of the Value of the Interest in Land

Copies of agreements for sale and other related documentation will be accepted as evidence of current value where the interest in property was acquired by the company or unit trust within the previous 12 months.

Where the interest was acquired more than 12 months previously a formal valuation report from a licensed valuer or real estate agent is the most acceptable evidence of value and the lodgement of such a report with the share or unit transfer will expedite the assessing of the transfer.

Other alternatives may be accepted by this office for the purpose of interim assessment such as:

recent newspaper advertisements loan application documentation insurance policies over the property

where the Office is satisfied that urgent registration of the transfer is necessary.

However, in most cases only formal valuations will be treated as sufficient evidence of current value.

In the case of leases, a copy of the lease agreement should be enclosed for valuation purposes.

Further Information

Copies of the Determination (Special Gazette No. 5155 of 5 May 1989) may be purchased from the Commonwealth Government Bookshop, 70 Alinga Street, Canberra City.

Further copies of this Information Circular and the Request for information form can be obtained at the Stamp Duties and Taxes Counter, 7th Floor, Wales Building, Wynna Street, Canberra.

Telephone enquiries for clarification of lodgement and assessing procedures will be answered on

46 2441 -
46 2265

Enquiries on matters of interpretation should be in writing and addressed to the Commissioner.

COMMISSIONER FOR AC: REVENUE

May 1989

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1 June 1989

ACT Revenue Office

PO Box 29..
Civic Square ACT 2608

TRANSFERS OF MARKETABLE SECURITIES
IN PRIVATE COMPANIES AND UNIT TRUSTS
REQUEST FOR INFORMATION PURSUANT TO SECTION 18
TAXATION (ADMINISTRATION) ORDINANCE 1987

Name of Company

Name of Trustee (It applicable):

Address:

On the date of execution of the transfer/s did the company/unit trust -

- (a). Hold a sown lease over land in the ACT? reline
- (b). Hold a lease (not a crown lease) over ACT land? . reams
- (c). Own an interest in land in the ACT ether came
- (i). as beneficiary of a trust, and/or
- (ii) as purchaser under a are for sale or auction? resume
- (d). Own shares/unas in a private company/trust which owns or holds an interest in ACT land? resins

IF "YES" TO ANY QUESTION ABOVE, LIST BELOW -

Type of
Donorship (a, b, a or 0)
Block Section Suburb

Included In latent balance sheet? YIN
value
Basis of valuation

Have any interests in land been solcitransferred since the lea annual report?

IF "YES", LIST BELOW .

declare that the above information is true and correct

Please note that it is an offence to make false or misleading statements under Section 50 of the
Taxation (Administration) Ordinance 1987.

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