DEBATES

OF THE

LEGISLATIVE ASSEMBLY

FOR THE

AUSTRALIAN CAPITAL TERRITORY

HANSARD

25 October 1989

Wednesday, 25 October 1989

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Wednesday, 25 October 1989

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

PETITION

The Acting Clerk: The following petition has been lodged for presentation, and a copy will be referred to the appropriate Minister:

Pearce Primary School

> To the Speaker and members of the Legislative Assembly for the Australian Capital Territory.
>
> The petition of certain residents of the ACT draws to the attention of the Assembly the draft proposal for public comment for the Pearce Primary School site, section 27, blocks 1 and 8 (part).
>
> Your petitioners therefore request the Assembly to allow Pearce Primary School to be established as the Canberra Youth Performing Arts Centre.

by **Mr Whalan** (from 533 citizens).

Petition received.

MEMBERS' STAFF BUDGET ALLOCATION

MR STEVENSON (10.31): I move:

> That the Assembly is of the opinion that members should be able to use the funds allocated to them for staffing to employ staff or engage consultants as determined by the member.

Previously, this Assembly passed a motion which was the same in all respects except that it said "until the LA(MS) Bill is passed". The reason for this motion today is that it has become evident to me that I will receive no assistance in this matter, nor will this Assembly, from the Chief Minister or the drafting section. So what we need to do is to request that the Chief Minister do the will of this Assembly.

What are we driving at here? Why are we concerned? We talk about productivity, efficiency and service to the people. Every member in this Assembly has been elected by a great number of people. He or she is sworn to serve those people in the best way that he or she sees fit. The LA(MS) Bill allows the Ministers or the Chief Minister to use ministerial consultants, but restricts the right of other members in this Assembly to do the same. That is not okay. Even if it did allow the members to do the same, there are major differences in the use of consultants, as I am proposing, by members and in the use of ministerial consultants, as proposed by the Chief Minister in the LA(MS) Bill.

The difference is that my proposition says that the members are able to employ consultants within the allocation of moneys for staff. Of course, the Chief Minister has separate moneys allocated - not for staff, but for consultants, one would assume - and consultants under those circumstances receive an extra 15 to 30 per cent on top of what they are paid as consultants to handle the problems of superannuation, the fact that they do not receive paid leave, holidays, et cetera. The consultants I talk about hiring for members in this Assembly do not receive any extra money, not one cent. They are totally limited. They can only be paid within the staff budget allocation that has been allowed by the Chief Minister for Assembly members.

Here is a good example. At the moment I want some advice on computer programming. I have someone whom I can hire as a consultant. It would be, in that case, just a short-term consultancy that would benefit the Coalition and, accordingly, the people of Canberra. Initially, I heard that Mr Duby also was going to use moneys from the staff allowance - this was prior to his hearing the debate about the use of consultants - to hire a consultant. Possibly he had not looked at the fine legal details or details within the Act at that time, but he may have looked at a commonsense situation and arrived at a commonsense result, that his group should be allowed to use consultants within the budget allocation for the Assembly.

They deemed that it is the members' responsibility within this Assembly to so choose how they can best represent the people who elected them, and not only the people who elected them but all people in Canberra. I think the interests of people in Canberra would be better served by allowing that. In the meantime what we should do is govern properly. We should not have a situation where the Chief Minister or the Government take unto themselves opportunities that should be allowed to everyone in this Assembly.

Yesterday we passed a motion to require the Chief Minister or the Government to give a forward legislative program. This will allow us in advance to consult on the various Bills that come before this Assembly, with plenty of time

to allow us to do that. The fact that we have not had that time has caused problems in this Assembly, and we will be talking later on today, after lunch, about some of those problems that have been caused by Bills not being made known and people not having the opportunity to consult in those matters early enough.

I believe that the Government is doing this to back us into a time corner. I believe that is exactly the same thing that has happened in the "Lambs" Bill - and I spell it L-A-M-B-S, not L-A-M-S. I believe the former is more relevant. What I believe has happened here - and I have proof of this - is that the Chief Minister knew full well what my requirements were and what the requirements of this Assembly were in the motion that was passed, and she has done nothing but give me personally the run-around since that time.

When I first brought this matter up, nothing was done. I put in another report. That report was with the Chief Minister's office for one month, with no contact from her or her staff on that report. When my staff finally followed it up again, we were told by Mr Webb that he understood that they had received it but he had lost it. At that time one would assume that he would have hurried, or staff would have been detailed to handle the matter. But that did not happen. That was some month and a half ago, and I was not contacted on that matter at all by the Chief Minister's office.

Since then I have put in other communications, requesting that this matter be handled - that was on 16 and 17 October, a few days ago - as a matter of urgency. Yesterday I put in another one, saying that I am appalled that the Chief Minister would allow the situation where I am being given conflicting data by two sections of her department.

The drafting section said that no member in this Assembly can move such a motion to allow members to use consultants and it does not increase any money. All it does is direct where they may be used under a specific allocation. I was told by the drafting office that that cannot be done. In a meeting with Rosemary some week or so ago, Richard Webb mentioned that he did not feel that was the case. Did the Chief Minister get back to me and explain what the case was? No, that has not been done. There has basically been no communication coming from the fifth floor to my offices on the first floor. It has all gone the other way and it has been going on for over two and a half months.

This Assembly has already given its indication that we requested the Government to bring into being the opportunity for members to use consultants. My party is small in numbers in the parliamentary wing, to say the least. Mr Moore, who is not here at the moment, is also perhaps a new party. I do not know whether there is a name for it there. So we might have another ally. What I need

is a range of skills. I certainly cannot do it all myself. Obviously my staff - one and a half of them - cannot do it all themselves, or Quona cannot do it all herself.

What I need, when I need it, is a range of skills. That comes with hiring consultants. One could say, "Well, you could put them on the staff". One could equally say that tens of thousands of consultants who are used by governments throughout Australia, by the public service in Canberra and by the Government here, could also be hired as staff. But that they would argue as being nonsense, on whatever lines they said it, to back up the way they already do it. I would agree that it is nonsense and that they should be allowed that right. I would suggest there should be perhaps more checks and balances.

So we should have the freedom of choice within our allocated budget. The Government has not addressed this matter; it has allowed this matter to be put on the notice paper to be heard this afternoon, with no feedback whatsoever to me, with no solutions. As I said, this has gone on for months and I find it appalling. I move the motion to allow this Assembly to inform the Government that we should have the right to determine how we use our staffing funds for the benefit of the people of Canberra. I commend the motion to this Assembly.

DR KINLOCH (10.43): I have listened with interest to Mr Stevenson, and I recognise it as a fair-minded presentation of a case we have heard before. I hope this will not be - it certainly need not be - a contentious matter and I would ask any of you who think it is contentious please to rethink that. There is no need, surely, for this to be a party matter. Surely this kind of frustration of one member's wishes is worth accommodating. I will certainly support this fairly simple request for backup staff appropriate to a member's needs. I would also agree that with the peculiar arrangements in this Assembly, we are a most unusual body, and where there are individual members then those individual members should be able to meet their staff needs. I commend that, too, in the case of Mr Moore or anyone in the Assembly. I agree also about the freedom of choice. I hope that we will meet this member's staff needs.

MR JENSEN (10.44): I rise to speak very briefly to the motion, but what I am proposing to do is to move the following amendment:

> Omit "the Member", substitute "in accordance with the same procedures set down for the employment of ministerial consultants in the Legislative Assembly (Members' Staff) Bill 1989".

I think it is appropriate in this matter to look very carefully at the reason why we have moved this particular amendment to the motion. The Rally considers that the motion put forward by Mr Stevenson is too wide-ranging and

needs some guidelines in relation to its implementation. As far as the Rally is concerned, we believe that, in order for us to be able to do our job within this particular Assembly, of supporting the interests and the requirements of the people of the ACT - the people of the ACT elected all of us, not just me, not just Rosemary Follett but all of the members in this particular chamber - we must be able to represent those people fully.

Each member on the opposition side has been given one or 1.5 staff members to carry out a particular role. I would suggest to you, Mr Speaker, and the members present that it is very difficult to find a person with the necessary experience to cover such a wide range of responsibilities in relation to assistance in research and development of programs for members.

In relation to the preparation of private members' Bills, the Government's legislative program is so great that the Government drafting office is unable to give us the necessary support to enable us to bring forward motions in relation to private members' business.

I sent a letter a week ago, or maybe a little longer ago, asking for some amendments to a particular piece of legislation to bring in one element of Rally policy in relation to the Unit Titles Ordinance. I have yet to see that particular proposal put before me. It is suggested that in this situation organisations like the Rally, the Liberal Party, Mr Duby's No Self Government Party, Mr Stevenson, or even Mr Moore for that matter, may wish to have and employ a consultant solicitor, a person or a group of persons in a firm who have considerable expertise, knowledge and experience in drawing up legislation.

I think it is highly appropriate for us to be able to do that. Normally, I understand, when you employ a firm of solicitors to do a particular job you are not necessarily employing an individual; you are employing a firm. Therefore, you are effectively giving a consultancy to that firm of solicitors to prepare a Bill. It is highly appropriate, I would suggest, that we be able to do that.

We are not asking for anything more than the requirements that have enabled the Chief Minister to employ consultants in exactly the same way, with the same rules, conditions and standards of employment that are applied. We have no request to go beyond that, only the particular requirements that are set down in that Bill. That is why, during discussions on the LA(MS) Bill, we sought from the Government an indication of support in that particular area. But the Government was intransigent on that. It decided it would not assist, for whatever reason. It made some claim related to problems associated with tax evasion or tax dodging, whatever you want to call it. They were the sorts of arguments that were put before us as to why the Government would not assist.

We have been advised, as Mr Stevenson has been advised, I understand, that it is not possible - in fact, Mr Stevenson has a letter from the drafting office saying that it is not possible - to draft for Mr Stevenson an amendment to the LA(MS) Bill that would enable consultants to be employed by members. It has something to do, so we are told, with increasing the Government's budget and that would turn it into a money Bill. That is an interesting idea, and we have yet to establish that quite clearly, but that does not mean to say that they should not draft it. That is one of the reasons the Government is going to indicate to the drafting office why they cannot do that sort of business for us - that we should not be able to employ a firm of solicitors experienced in this particular role to do that job for us.

On that basis the Rally asked for and supported this concept in the past. We will continue to support the proposal because we believe that it is most necessary for all members in this Assembly to be able to do their job effectively. We are but 17. We have a major responsibility to the people of Canberra to make sure that the very best legislation is prepared and the very best service is given to the people of the ACT.

We are not asking for any more or less than the Government is entitled to. We are not asking for any more money. We are requesting to be able to do that in accordance with the staffing allocation that is provided to each member and group within the Assembly. We are asking for nothing more, nothing less. We do not want any more money spent. We want to do it within our allocation.

Therefore, we cannot understand why the Government refuses to support what we consider to be a most reasonable request. We will listen with great interest to the arguments that we expect to be put forward by the Chief Minister and the Deputy Chief Minister in this particular matter. I reiterate that the Rally moves this amendment to ensure that there is no doubt and no argument as to the terms and conditions of employment of consultants by members of this Assembly for all people within the Assembly.

MR KAINE (Leader of the Opposition) (10.51): I will be quite brief. The Liberal Party will not support this motion, for some very simple reasons. Mr Jensen has spoken eloquently, but most of what he said is totally irrelevant to the argument. The fact is that there is a motion on the books passed by this Assembly only a matter of weeks ago that allows to be done what Mr Stevenson is now seeking to be done. We do not need a second motion to achieve it. All that is required is for you to determine how consultants can be paid from the money that you have.

I know that simply requires that you go back to the Chief Minister, from whom the original allocation was made, and she can determine that some of the salary vote that you

have can be moved from the salary vote to the consultancy vote. It is as simple as that. That will allow Mr Stevenson to continue to pay his consultant because money will be provided. I can see a member of the Minister's staff in the gallery shaking his head. He is always giving me advice by signals from down there, Mr Speaker, and I am getting a bit sick of it. I just stated quite simply what has to be done. The only reason why you cannot pay consultants is that you have no money provided by the Chief Minister for that purpose. It is a simple machinery thing for a Minister to change the allocation of the money. You have got a salary vote. You can say, "Within that salary vote we will take a couple of hundred thousand and we will call it consultants' fees". It is a simple machinery matter.

This motion is not needed. In no way is it needed. I did not think that I had to give anybody a simple lecture on government accounting in order to achieve this, but it seems to be so. The government staffer sitting in the gallery might for once go and read up and be familiar on the subject instead of giving me gratuitous advice by body language. I am sick of it.

Mr Stevenson's motion is not required. There is a motion on the books already. There needs to be only one motion to achieve this. It is now an administrative matter to achieve the ends that Mr Stevenson requires. I request that it be done and that members stop wasting the time of this Assembly by debating this issue which no longer needs to be debated.

MR STEVENSON (10.52): Mr Speaker, I take Mr Kaine's point - - -

Mr Berry: I rise on a point of order, Mr Speaker. I do not know how many times a member can speak. My understanding of it is that, when he speaks next, it will close the debate.

MR SPEAKER: I believe he is entitled to speak to the amendment and then to close the debate. Were you making a point of order or were you wishing to speak, Mr Stevenson?

MR STEVENSON: I was speaking on the amendment, naturally enough.

MR SPEAKER: Yes, you can only speak to the amendment.

MR STEVENSON: Thank you. I take Mr Kaine's point and I would agree with it totally. I am concerned that the Government has not the slightest intention whatsoever of allowing that to happen. It is prepared, in my belief, to use every means at its disposal to ensure that it does not happen. What I am suggesting is that the motion we had expires immediately we pass the LA(MS) Bill. The Government will not introduce such a measure unless it gets a strong message from this Assembly that that is what we

want to happen, because we are told that members cannot move such an amendment to the Bill. That is my concern. If it had anything whatsoever to do with fairness, democracy, parliamentary behaviour or anything else, I would totally agree, but that was my concern and that was the reason for the motion.

MR WHALAN (Minister for Industry, Employment and Education) (10.55): Mr Speaker, the one thing I will say about Dennis is that he is pretty persistent. In the whole period that we have been here as an Assembly he has stood up here on two issues only. One of those was on fluoride, and he pressed that quite enthusiastically. The other issue that he has spoken on, ad infinitum and ad nauseam, is his right to structure the payment to his staff in such a way as to minimise the tax that is paid by them.

Mr Collaery: I rise on a point of order. Mr Speaker, there is an imputation there. I do not think it is correct in this chamber to be making allegations of that nature when no evidence has been put forward by the Minister making that allegation. I ask him to withdraw the allegation of tax avoidance against Mr Stevenson.

MR SPEAKER: Minister, I would agree. Would you withdraw that statement?

MR WHALAN: I will withdraw that, but in withdrawing it, Mr Speaker, I would say that the person who raised the point of order is a person who has used parliamentary privilege here to blacken the character of people in this chamber and outside this chamber consistently.

Mr Stevenson: I rise on a point of order. I suggest that that is not a withdrawal. It is an attack on Mr Collaery.

MR SPEAKER: Mr Stevenson, your objection is overruled. The Minister will proceed with the debate, please.

MR WHALAN: It is interesting to see the defender of the faith come to your defence, Bernard. This matter has been debated before in this Assembly, on 24 August, in what we all know as the 30 pieces of silver motion. That was supported by the Residents Rally. You might recall, Mr Speaker, the Residents Rally with their 30 pieces of silver that they awarded to Mr Stevenson for giving support for this, in return for Mr Stevenson's becoming a de facto member of the Residents Rally party. He was the fifth member, and is now the fourth member of the Residents Rally party.

Mr Kaine: He is getting better.

MR WHALAN: Well, he is getting higher up on the list. With a bit of luck, given the internal problems that they have got - I take up the interjection - he is probably in line for the leadership of the Residents Rally party. Indeed, he joins a very happy group of people, Dennis Stevenson, Katharine West and - - -

MR SPEAKER: Order! Minister, would you please remain relevant.

MR WHALAN: Yes, Mr Speaker. The motion that was carried on 24 August in its original form said that the Abolish Self Government Coalition increase its funding and that it be able to use the staff budget to hire a consultancy. We know that what came out in that debate was evidence of the manner in which Mr Stevenson used his funds, and that was to evade tax. The evidence was that the staff that were employed were the clerical staff, the typists - - -

MR SPEAKER: Order! Minister, I really think that is pushing the line. I request you to withdraw that imputation about Mr Stevenson.

MR WHALAN: I withdraw that, but I go on to state the facts. The facts were that there were three people being employed as clerical staff in the same way as all members of the Assembly have clerical staff. Those clerical staff are employed under the normal conditions of employment that apply both within the public service and within private enterprise. They come to work at nine o'clock and they go home at five. I know that all of our staff do not go home at five. They work for longer hours than lots of people are expected to work, both in the public service and in the private sector, but in general terms they are under the control of the employing authority; they get appropriate remuneration; they enjoy certain conditions of employment; and they pay tax under the PAYE system of tax collection.

Some techniques have been employed outside this Assembly to avoid taxation. Those techniques have involved setting up companies or so-called "consultancies" whereby these people who do this normal, straightforward work are disguised. Their relationship with their employer is disguised by suggesting that it is not an individual who is doing the work but it is a company or a consultancy doing this routine work. Then you do not pay them in the same way as people are paid almost universally, which is that they are paid a weekly rate, a salary, and then the tax is taken out. Instead, what is set in place is a scheme whereby you pay them the full salary remuneration and you do not deduct the tax. Invariably, the opportunity is then available for minimising the amount of tax which is paid by various mechanisms, some of which may be legal, but I suggest that in all cases they are contrary to the spirit of our taxation system. It would be totally unconscionable for us in this Assembly to encourage, permit or allow that sort of process to be applied.

Notwithstanding the validity of those arguments, those facts were very clearly put before the Assembly on the previous occasion but, because of the grasping nature of the leader of the Residents Rally party and his determination to secure the support of Mr Stevenson in his push to control this Assembly and the government of the

ACT, that was the price he paid, the 30 pieces of silver. The 30 pieces of silver were support for this totally inappropriate course of action.

But Mr Jensen sought some interest on the 30 pieces of silver by extending - - -

Mr Stevenson: I rise on a point of order, Mr Speaker. I do not believe this is speaking to the amendment. I do not know whether the amendment has been mentioned yet.

MR SPEAKER: You are out of order, Mr Stevenson. The Minister can speak to both the motion and the amendment.

MR WHALAN: So Mr Jensen then called up some interest on the 30 pieces of silver by extending the motion to allow the Residents Rally party to enjoy the same privilege, to enjoy the same opportunity to rort the system. I can still remember quite well the comments of my colleague Mr Berry when this was last debated - which went unobjected to, I might say - when he said, "This is nothing more and nothing less than a tax rort". The circumstances are no different from what they were on 24 August. It is still the same old 30 pieces of silver, which have been recycled. No doubt, judging by the comments of both Mr Jensen and Dr Kinloch, once again we will see the Residents Rally deliver their vote to Mr Stevenson, and no doubt they will be appropriately rewarded in the future.

MR COLLAERY (11.05): We have heard from this eloquent Deputy Chief Minister, who is looking very refreshed and well this morning, and we congratulate him on his excellent delivery, considering the stresses and strains of his office. The Residents Rally supports the notion that members of this Assembly at large should be allowed to employ consultants. The Residents Rally supports the notion that we should be able in our Bills program to employ consultant attorneys to assist us, and I have had initial discussions in that regard. The advice Mr Stevenson has received in relation to his attempted amendment to the Bill from the acting deputy legislative counsel - and I will read it into the record - is as follows:

> Your instructions indicate that you believe that the money to pay members consultants would be found under arrangements contemplated by sub-clause 16(2) of the Bill or otherwise from budgetary allocations. These arrangements of course relate to the employment of staff not consultants. In any event it is clear that you intend that the cost of engaging the consultants will be borne by the Territory. In the circumstances your proposal would have the effect of increasing the amount of public money of the Territory to be charged. This would contravene section 65 of the ACT (Self-Government) Act. Accordingly, I am unable to give effect to your instructions.

There are two matters of significance in that response. The first is that the Legislative Counsel's Office has decided of its volition on an interpretation of the law and has decided not to draft the amendment so Mr Stevenson can try it on in this chamber and open it for debate. That is a very significant decision of the Legislative Counsel's Office and it is not one that the Rally supports.

The second is the substantive decision itself in relation to the judgment made that what Mr Stevenson proposes is to substitute his staff for consultants. That may be an issue of fact, it may be an issue that goes to the allegations that the Deputy Chief Minister and perhaps others have made, that this is a tax rort, but that is not the issue that concerns the Residents Rally. What concerns the Residents Rally is that this proposed law precludes opposition members from employing consultants. That is an unnecessary hindrance. It hampers the operations of the members and therefore, by equal extension, it hampers the attention that the members can give to their duties in the Australian Capital Territory.

Given that consultants are employed so widely, given that the Chief Minister employed Concrete Constructions' consultant to present her draft budget, given the precedents in that respect, is it not appropriate for members to be able to employ consultants without the irrelevant smokescreen attaching to this Government's perception of Mr Stevenson and what he may or may not be about?

An important issue devolving upon the Assembly is whether Assembly members can adequately perform their duties and whether in this day and age consultants should not be properly employed. Coming from the business sector myself, I utterly refute the insults that this Deputy Chief Minister made to the consultants industry. These gross insults will be known to the consultants industry within hours, I have no doubt, and the suggestion that arrangements that they make and the way they structure their firms are forms of tax avoidance will surely put this Minister in his place. He likes to be everyman to the business community, but at heart he is another one of those people climbing out of prejudice and the oppressions of another view of business - a successful or unsuccessful one we wait to know about.

We know that this Deputy Chief Minister has a jaundiced attitude to business, and he has shown it again in his attitude to consultants. His own experiences may have influenced that approach. They should not be applied to Mr Stevenson and others. We have a new independent in the Assembly now, Michael Moore. I wonder whether your tune will change, Deputy Chief Minister, when you realise he too may want to employ a consultant. I do not know whether he ever will, but would your tune change or are you going to allege that he has a secret agenda, too? Are you going to judge the issue by the man or according to the principle?

I suggest that you have adopted the former path. It is an improper path. It ill behoves a responsible government to judge such an important issue because it is Mr Stevenson, whatever his alleged agenda is, who has moved it. That is wrong. You may think that you will score points out of this, that tomorrow's paper will write up the Rally as supporting Stevenson. Well, that is a great point, but the fact of the matter is, Deputy Chief Minister, that one of the great elements of being an independently-minded person and an independently-minded group is that you are willing to stand up and allow yourself to be painted unfavourably for a principle. That is an issue you do not clearly understand, Mr Deputy Chief Minister. When you know about principles we will be willing to hear from you. The best thing that you know about is interest, of course.

The fact of the matter is further that we have a legislative drafting officer that has been unable to draft a Bill for Mr Stevenson to put forward. To explain the motion, he has put a motion on before we debate the Bill to see whether the Chief Minister will take note of the Assembly's views and determine how she will react in good time to the moving of any amendments to that Bill.

As to the effect of this motion, my colleague Mr Kaine mentioned that it was unnecessary. Well, of course it is necessary until the LA(MS) Bill is passed, if it is passed. After the Bill is passed, the motion no longer has relevance and there is no guarantee that funds can be transferred from one vote to another. Mr Kaine's advice is correct for the time being, but in the form in which the LA(MS) Bill is likely to be passed, if it is passed, it would mean that Mr Stevenson is left alone, and our colleague Mr Moore will also suffer the same disadvantage in being unable to employ consultants, if he wishes to.

The Rally has no perceived support for any of the alleged programs that the Deputy Chief Minister here thinks that Mr Stevenson has. If he has evidence of that, he should put it up. Any matters that have been - - -

Mr Whalan: Tell us about those South Australian lawyers, Bernie.

MR COLLAERY: Any matters put forward in relation to issues of this nature in this Assembly have always been evidenced by the Rally. It is a question of the level of evidence and, as the Deputy Chief Minister knows, when you are looking for issues, often you have to start inch by inch, shred by shred, with the evidence. At the beginning, it is not persuasive, but we will see.

Mr Whalan: Tell us about those South Australian lawyers, Bernie.

MR COLLAERY: The South Australian lawyers the Deputy Chief Minister refers to I have never heard of. Perhaps the

Deputy Chief Minister can get one of his colleagues to elucidate.

MR DUBY (11.13): Having just listened to that tirade from Mr Collaery, I would like to point out to the Assembly that only one out of the number of statements that he made there was correct. He said that Mr Kaine was right; and Mr Kaine is right. This matter has been dealt with in the past. It is a simple administrative arrangement for Mr Stevenson to be able to employ consultants, if he so wishes, by arrangements with you, Mr Speaker, and with the Chief Minister. Accordingly, in view of the fact that we have the LA(MS) Bill following, presumably this afternoon, this motion has been an enormous waste of time. I shall not waste the time of the Assembly any further. I support Mr Kaine in his opposition to this motion and will vote accordingly.

MS FOLLETT (Chief Minister) (11.14): The Government opposes both Mr Stevenson's motion and the amendment that has been moved by Mr Jensen. Some of the very good reasons for that position have been mentioned by Mr Kaine and Mr Duby, but basically we have had before this Assembly for some months the Legislative Assembly (Members' Staff) Bill. I think it is very reprehensible that we have been unable to deal with that Bill when each and every one of us has staff employed and yet we are unwilling to make adequate legislative provision for them which that Bill would allow.

Instead, we are constantly faced with expressions of opinion put up by Mr Stevenson, upon which he seeks to get the support of this Assembly and which seek to divert attention from the legislation, which surely is our first task. I cannot understand why the Assembly even entertains that kind of approach to the employment of staff. It is a matter which should be legislated for, not subject to constant ad hoc motions, invariably put up by Mr Stevenson.

Mr Collaery: What are you going to do this afternoon? Are you going to give us the right to consultants in the Bill this afternoon?

MS FOLLETT: Mr Collaery interjects about the Legislative Assembly (Members' Staff) Bill. Well, why do we not deal with that? Why are we dealing with this silly motion? Mr Speaker, you know as well as I do that Mr Stevenson not only has constantly sought to operate by an expression of opinion of this Assembly, but has also flouted your instructions from time to time on matters of staffing. He constantly seeks by this kind of motion to gain justification for doing exactly what he wants to do on the matters of staffing; for doing whatever he wishes regardless of what legislation might be in the Assembly, regardless of what good staffing practice might be. The Government opposes both the motion and the amendment and I would urge the Assembly to get on with the legislation which deals properly with these matters.

MR MOORE (11.17): Mr Speaker, in our previous debate Mr Berry referred to the use of consultants in terms of tax dodging and tax rort, and now the Deputy Chief Minister is using the same line. I think it is reprehensible that those Ministers should bring into question the good intentions of the consultants industry. To say that something is legal but contrary to the spirit of the law really indicates that the legislation is inadequate. If it is inadequate, then there is their own Labor Government in the Federal Parliament and it should be doing something about what they consider to be immoral or inappropriate.

They go on to talk about enjoying the privileges of consultants and rorting the system. What worries me more than anything is that there is a certain irony, nearly a certain hypocrisy, about the Government because when they put all these arguments forward they are, of course, in the process of employing consultants themselves. If those arguments apply to members of the Assembly, then they should apply equally to Ministers. That is the part that worries me most.

Let me state at this point that I have no intention at the moment of employing consultants, and should this matter come through in the LA(MS) Bill - at which point I agree with the Chief Minister that it should be appropriately debated - then under those circumstances I would like to see the Government make a choice: either we have consultants and consultants are acceptable or they are not acceptable. That is the choice that the Government will have to make, because if we have systems that are artificial shams - and we know that the Chief Minister has employed a consultant for a year, as she has informed the Assembly - if we are going to have what they are referring to as artificial shams or tax avoidance or in the spirit of tax avoidance, then I am quite happy, whichever way it goes, for them to either forgo their right to consultants or to extend that right. I would also point out that under the proposals that I see here the accountability question comes in as well. Staff of members of the Assembly who are not Ministers will be much more accountable to the Assembly than are consultants currently in the proposed Bill.

We have a situation where accountability for somebody like Mr Stevenson who wishes to employ a consultant will be quite clear and quite open, and the accountability will be to the Assembly, but the Government in employing its own consultants will not be so accountable. I think that is another question the Government will have to look at to see that that accountability, if it chooses to go for the consultant line, will go right across the spectrum.

It seems to me that current budgeting and program budgeting in the Federal Government involving government business enterprises is all about letting people choose how best to use their own funds. Letting the managers manage, I think is the current jargon. If that is the case, if the same funds are available and the managers - in this case the

various parties or members - choose to use consultants, then I think that is in line with the spirit of this sort of program budgeting and the sort of budgeting that we see not only in Federal Government but also being introduced to our own system. I think that there is a choice for the Government to make, and that choice is either we all have consultants or nobody has consultants. I really do not mind at all which way the choice goes.

Amendment negatived.

Original question resolved in the negative.

FLUORIDE FILTERS

MR STEVENSON (11.22): I move:

> That this Assembly is of the opinion that households and individuals domiciled in other than households be provided on request with suitable filters at Government expense to remove fluoride from their drinking water in order to reduce potential adverse health effects to susceptible individuals, and to allow freedom of choice and social justice.

MR SPEAKER: I wish to state that, in accordance with standing order 156, which relates to conflict of interest, I personally could be seen as having a conflict of interest in this circumstance because of a family business supplying water purifiers. Should a vote be taken I will not participate, and I will not participate in this debate.

MR STEVENSON: I raise this motion obviously because this Assembly has reintroduced sodium fluoride to the water supply of the people of Canberra, and coincidentally to the people of Queanbeyan. The major reasons that were given for that were that people have a right to receive fluoride. There were many arguments to do with rights, social justice and so on. If that is correct, obviously the same rights and the same social justice factors must apply in allowing people who do not want to be forcibly medicated with fluoride to drink the water without that particular chemical in it. That is a fairly obvious statement.

Let us look at the point of social justice, for a start. As we grow older, our kidney or renal function is impaired. That means that the excretion of certain things can be hampered. It has been scientifically shown that the excretion of fluoride can be hampered by impaired renal function. Obviously the aged people of Canberra are far more susceptible to this problem than children or others.

Last week I stood in this Assembly to speak to a report that as a member of the Social Policy Committee I had a hand in and we talked about looking after the needs of the

ageing in Canberra. I believed what I said then and I believe what I say now, that the needs of the ageing in Canberra are not to be medicated with a substance that has not been suggested will do their teeth any good at all.

If they so choose, if they want the freedom of choice, they have a right not to take this medication in their drinking water. Equally, they are a disadvantaged group as well. We look at social justice here, a subject about which members of the Labor Party in this Assembly speak long and loud. They stand up and say, "Social justice, social justice, social justice". So let us see it in action today, and not just a political negation of this factor, but let us look at the social justice.

Do we have a situation where it means anything more than political statements? We will soon see whether that is the case or not. Low income earners in general are also placed in the situation that, if they do not wish to drink water that is fluoridated, they may not have the money to buy a filter, to buy a valid, suitable water filtration unit, to remove the fluoride. If we do not approve this motion today, they will be put to an injustice. We also have people who are already ill, for whatever reason. Obviously ill people are particularly susceptible to anything that may be a problem.

When I talk about something possibly being a problem, I suggest that the terms of reference that put the matter of fluoride to the Social Policy Committee acknowledge that there may be a health problem caused by fluoride. This is not an astounding revelation. We have all read them; we know what they say. We are going to look at the potential harm that this might cause, and that is as it should be. What we acknowledge by that is that there may be harm. Some people do not particularly know whether there is harm or not; others feel there is harm. Nevertheless, in the inquiry we are going to look at those matters. That acknowledges there might be harm. So people who are uncertain may not want to be subjected to potential harm, particularly the people who are already sick, and they should be allowed to drink water without sodium fluoride in it.

I have spoken before in this Assembly on freedom of choice. I read out the documentation from the Choice handbook by the Australian Consumers Association talking about freedom of choice. It was endorsed by the Federal Health Minister, Dr Neal Blewett. He endorsed that we should not "submit to their [doctors'] treatments unless we so choose". I agree with the endorsement by Dr Neal Blewett that we should not have to submit. Unless we allow people the wherewithal to remove fluoride from their water supply, we will give them no choice in the matter. They will have no freedom of choice. The Government will have taken that away from them.

It also mentions that it is our right to live our lives free from unwanted bodily interference. Some people are of the firm conviction that there is no problem at all with sodium fluoride, and I can understand that. I do not say that that is not possible. Of course it is.

Let us have a look at what sodium fluoride is. You will probably never have seen one of these. It is Sweeney's sodium fluoride roach killer. It says it kills roaches, crickets, water-bugs and silverfish. It has got a warning on it. In red it says, "Keep out of reach of children". It has got "Ingredients: active ingredient, sodium fluoride 40 per cent, inactive ingredients, 60 per cent". On the back it says, "Statement of practical treatment if swallowed", and goes to talk about how to induce vomiting, et cetera. It has got a precautionary statement saying, "Hazardous to humans and domestic animals". It has got a warning on it. It says, "Warning", again, "May be fatal if swallowed. Do not breathe dust, do not get into eyes, on skin or on clothing. Wash thoroughly after handling. Keep away from children and domestic animals. Directions for use: It is a violation of Federal law to use this product in a manner inconsistent with its labelling. Clean up thoroughly all garbage and food particles which attract roaches. Sprinkle sodium fluoride in the cracks" et cetera, "Do not reuse empty container. Wrap in newspaper and discard in trash".

These are not, so far as I know, sold any more, but these were very well known and well used. In this Assembly Robyn Nolan told me that when she was on the farm her dad, like a lot of other farmers throughout Australia, used to sprinkle sodium fluoride. It was commonly used extensively as a rat poison; it is a rodenticide and is listed in medical dictionaries.

One can say quite fairly that it does depend on the amount of something you take, and that is true. But it also depends on how toxic something is, and this I think we all understand is not an ordinary toxic level. It is an extremely toxic poison that can build up in the system. It is acknowledged by medical practitioners, I would feel fairly certain - certainly in the World Health Organisation - that sodium fluoride accumulates in the body, not only in the bones but in the soft tissues. That was in its 1970 monograph on fluoride and public health.

So what we have is something that is added to the water supply. We have made that decision and we live with that decision. But people who do not want to be forced to abide by the decision of this Assembly should have the freedom of choice, they should have the right, and I find it surprising that we should need to debate this. I think these things are fairly obvious. They should have that right not to be forced to take this particular chemical in their water supply, though a number of us might think it is a good idea.

Yesterday the Canberra Chronicle released the result of a survey it conducted. In all, 888 people responded to the survey, and 64 per cent of those people did not want fluoride. It could have been 80 per cent, it could have been 40 per cent, it could have been 30 per cent. Does it matter? The fact of the matter is there are people out there - and I suggest it is a very large population and more than a large majority, but that can be debated - who when they have a drink of water do not want to take in the chemical, sodium fluoride.

I suggest to the house that we, the 17 members here who are responsible in a lot of cases for people's welfare, and certainly in this issue because we pass the Bills, give the people of Canberra the right to choose. We should give them the opportunity to not be unfairly treated here, particularly those people who would come within the sphere of social justice, the disadvantaged, the elderly and so on. They should have this right.

I have talked about fluoride long and hard recently, and did not necessarily want to get up today and do it again. It has been suggested to me that it might not be politically expedient to do that, that some people might be sick of hearing about it, and I would agree with that because I am fairly sick of talking about it myself. But I feel strongly about things, I believe that we should have justice, I believe that we should look at both sides of the scale. If we are going to say that we should fluoridate, we should also say that those people who do not want that should have the right to say no. We forced it upon them, we should give them the wherewithal by supplying filters to those people who ask, and give them the opportunity not to take in sodium fluoride.

DR KINLOCH (11.35): Mr Speaker, I would like to ask Mr Berry a question in relation to this matter. I would be curious to know whether the cost of a filter would be recoverable from Medicare. The question of filters is a matter of individual conscience, is it not? I wish to be most careful about this. I wonder whether organisations such as St Vincent de Paul, the Smith Family and the Salvation Army might be willing to consider requests for support from people in conditions of poverty who felt strongly that this was affecting their health.

I think one has got to put one's own position on the line here. If, and I want to say this personally, any member of the Society of Friends who was needy, who absolutely could not afford the filter and whose doctor indicated that there was a health problem related to the water came to me and asked whether I could help him financially to buy such a filter, I would undertake to do so. I would undertake to do so, however, not knowing whether such a filter is efficient or inefficient or useful or not useful, but I would not want anyone who felt this way to feel without help.

As a member of the Social Policy Committee - I speak, I hope, for all of us - I would want it to be clear that we must be as objective as possible on this matter of fluoride. We have a report due on 31 May. Until that report is put forward and this Assembly has accepted it and possibly voted on it, I would not want to enter into any further discussion about whether it is good, bad or indifferent or whatever. I believe it is a matter about which we should all be seen to be objective. I do not propose to vote yes or no on this motion. I will leave the chamber if there is a vote.

MR COLLAERY (11.38): The Residents Rally opposes the motion. The motion to an extent prejudges the issue, and on that issue the Rally opposes the motion.

Ms Follett: What about Dr Kinloch?

MR COLLAERY: Dr Kinloch has taken a position of conscience in view of his relationship with the Society of Friends, and I am sure the Chief Minister would withdraw her interjection if she understood that was the basis upon which he adopts his attitude.

MR STEFANIAK (11.39): Whilst I can understand Mr Stevenson putting up this motion, I think really it is an inappropriate time for him to put it up because at this stage we have reached the situation where fluoride has gone back into the water. The Bill passed by this Assembly has been deferred until 30 June next year, pending the outcome of what is to be a very extensive inquiry by the Social Policy Committee in relation to the issue that has been placed before it. Mr Stevenson's motion may or may not be more applicable somewhere further down the track, after the committee has looked at all the issues and made its recommendations and those issues and recommendations have been discussed by the Assembly. I do not think, and my party does not think, it is an appropriate motion at this point in time.

MS MAHER (11.40): I agree with Mr Collaery and Mr Stefaniak. We will not be going along with this motion. Also, I think it is a bad time to put up this motion. There is to be an inquiry by the Social Policy Committee and, if in six months' time that inquiry recommends that the fluoride be taken out of the water, all the filters which had been purchased would become obsolete and therefore it would be a waste of money to the ACT.

MR JENSEN (11.41): I rise to speak very briefly on the issue raised by Mr Stevenson. While I support the concerns by those in the community who may have some worries about the health issue in relation to fluoride being put back into the water, and the fact they may not be in a position to be able to purchase the necessary equipment to assist in improving their health because of the problems associated with the fluoride in the water, I seem to recall that during the debate last week on this issue Mr Berry offered

the resources of his department and the hospitals for any member of the Canberra community who felt concerned and had a health problem related to fluoride going back into the water and who presented himself to one of the medical or hospital centres within the ACT to seek treatment.

I am not quite sure whether it is appropriate - maybe it is - for the Health Minister to consider the possibility along the lines suggested by my colleague Dr Kinloch, that, for those who are not in a position to afford the costs of what is considered by their doctor and others to be a necessary requirement for their health, the Health Minister may make available on the basis of need the necessary requirements for those persons to receive that sort of assistance to remove the fluoride from the water, fluoride that the doctor has certified is injurious to their health. That is basically all I propose to say on this matter. I think it is important for Mr Berry, having given that undertaking, to reiterate it in this debate.

MS FOLLETT (Chief Minister) (11.43): I will be very brief also. The Government opposes this motion and has three basic grounds for doing so. The first ground is that the motion proposes to provide water filters to any householder or individual who asks for them. It is not costed, nor does it contain any genuine concern for social justice because it suggests that water filters would be provided to households regardless of the ability to pay for them. It is an open-ended kind of subsidy where we have absolutely no control over what it might cost and absolutely no control over the social justice provisions that that subsidy should go to people who need it the most. So it is a silly suggestion from that point of view.

As other members have said, it begs the question of the inquiry that the Assembly does have under way about the merits or otherwise of adding fluoride to the water supply. To pre-empt the inquiry in that way is to cast aspersions upon the objectivity of the people engaged on that committee, and I find that quite objectionable.

I find it also a provocative motion in many ways. It seeks to prolong the debate on fluoride when I think it really has been done to death. To seek to raise it in this way, in a way which is not costed, casting aspersions on the committee that is examining the matter, is really just outright mischievous and we oppose it.

MR DUBY (11.44): Mr Speaker, I agree with some of the comments the Chief Minister made. I think the fluoride issue has been, as she said, done to death. It has been properly dealt with in this Assembly over a number of hours and the fact is that we have the committee of inquiry that is going to be looking into the matter of fluoridation of the water. On that basis and on the basis of the cost factors involved, we cannot support this motion for provision of water purifiers to the community, at a cost to the Government.

However, in the previous debates on this issue, Mr Berry, the Health Minister, has announced that people who are having problems with the addition of fluoride to the water, in the interim or until such time as the committee does bring down its recommendations, can seek help from the public hospital system. I think that addresses the problems that have been identified by Mr Stevenson in his debate.

I hope - and I assume that this is implied in the Minister's statements - that that implies that, if people are having difficulty drinking water with fluoride in it, fluoride-free water will be available at hospitals throughout the city. I recommend that line of action to the Minister so that it can be implemented. If that is the case, that removes the necessity for this motion. On those grounds we oppose this motion.

MR HUMPHRIES (11.46): I also want to make a very brief contribution to the debate, and that is simply to say that I am disturbed - and I have told Mr Stevenson I am disturbed - by his position in continuing to take a publicly advocated role in the fluoride debate after the Assembly has resolved to establish an inquiry into this matter and after he, as a member of that committee, presumably has begun to address his mind to the task before him.

I know that in the past he has said that he considers the relevant cut-off date for that kind of debate to be the date that the committee actually sits down and hears its first witness or begins its first meeting. I do not accept that argument. As soon as the public sees that the Assembly has established a committee to inquire into this matter, all members of that committee, the chairman and the other members, should abstain, in my view, from engaging in public debate on the question.

It disturbs me that this motion has been moved today. It disturbs me also that Mr Stevenson is engaging in debate next Monday night with dentists and doctors, presumably some of whom will be appearing before his committee and attempting to persuade him as an open-minded person that their arguments should be accepted. I would like to encourage him to withdraw this motion before it is too late.

MR STEVENSON (11.47), in reply: First of all, it was mentioned that it was an inappropriate time to introduce the motion. As the fluoride was added to the water yesterday, perhaps there can be no more appropriate time to do that. The Chief Minister said that it was an open-ended situation and it did not address just the area of social justice. But it did address the area of social justice. It also addressed the area of everybody's rights - not only those of the disadvantaged, but the others. Do they not have rights as well?

It has been said by the Chief Minister that I sought to prolong the debate. I do not seek to prolong the debate. I seek justice for the people of Canberra. The Chief Minister rolls her eyes. Let us have it on the record that, when I talk about justice and about the people of Canberra not being forced to take fluoride in their water, you think it is a valid subject for eye-rolling by the Chief Minister of Canberra. Let the people of Canberra who do not want fluoride, or the others, I suggest, make up their own minds about that attitude of yours.

Ms Follett: That is what I am asking, Dennis.

MR STEVENSON: You also said that I cast aspersions on the committee by moving the motion. There is no logic in that statement. I do not do that; I do not pre-empt what the committee will have to say. All I said was that people who do not want fluoride in their water supply should have the right to so choose. What has that got to do with casting aspersions on the committee? I note you do not answer the question, Chief Minister, because there are no valid answers to that question.

I am not saying that the committee will not do its job. I believe the committee will do its job and do it well, but what I am saying once again is that people should have the right to make their own minds up about this matter. Mr Humphries said that he feels I should withdraw the motion. Why? I represent the people of Canberra and, if I feel that their rights are not being looked at, I will not withdraw anything. I will stand for those rights again and again and again. If that is seen as being persistent, as Mr Whalan mentioned, then so will I persist.

Mr Humphries said that it disturbs him that I would debate the matter in public with the medical profession and the dental profession representatives, the presidents. I think it reasonable to assume that they can put their case well. I think you also understand that I will put another viewpoint. What is that viewpoint? Is that my viewpoint specifically? No. What I talk about is simply evidence similar to that which will be presented to the committee. It will not be various opinions that I may have on any subject. It will be evidence which, unfortunately, Canberrans have not at this time had an opportunity to look at.

I certainly feel it important that all committees be unbiased, though on just about every committee that we have had and that we will ever have in the Assembly where there was a party political statement beforehand it may have been assumed by some people that the party would maintain their policy and do accordingly, regardless of the findings of the committee, regardless of what was presented to the committee. I do not take that view. I think when we are in committee we can put aside the earlier information we had that may not be relevant at that time and look at what is presented to the inquiry.

I think it is acknowledged that I have researched the area a great deal - not because I take opinion, because I do not take opinion. What I take is evidence, and that is what I talk about and in this house that is what I have presented - evidence. In the social policy inquiry into fluoridation, once again I will be listening to evidence. I will be asking questions of all people presenting evidence on both sides.

If I feel that something is not fairly presented on either side, make no mistake, I will ask questions. I have done it in the past and I will do it again. One would think that in committees that are called in this Assembly it is not a bad thing to have people who are well versed in both sides of an argument. When you look at a balance of opinion on this committee, I think we understand that the Chief Minister has already made a statement that means that the Labor Party agrees with fluoridation regardless. What was that statement? It was, "We will put it back in the water at the next election". That is not saying, "We will look at it in committee", or, "We will hold a referendum for the people to have a say". All it says is, "We are committed to fluoridation and we will put it back in the water". I suggest that is a fairly strong viewpoint, and perhaps the best thing to do is indeed look at it.

The other question is that of individual rights. I suggest that that is not necessarily something that takes six months or a year, or however long the committee will need to sit. I suggest that the case of individual rights should be decided fairly easily. I would think it is very well covered within the policy of the Liberal Party and has been for many decades; it is very well covered within the policy of the Labor Party who indicate that they are champions of the people; and it is well indicated in the policy of the Residents Rally party. In the case of the No Self Government Party and myself, I think equally it is understood that we stood for the people because they did not want self-government initially.

I feel strongly about this matter. I feel that people should have rights and that those rights should be enacted by this Assembly. If I stand in this Assembly and make a point that I believe in, that viewpoint should not be attacked. It should not be suggested that there are other reasons for my introducing it, that I am prolonging debate or casting aspersions on the Social Policy Committee or for any other reason. I do so because I believe the people should have the right and the freedom of choice.

Question resolved in the negative.

SUSPENSION OF STANDING AND TEMPORARY ORDERS

Motion (by **Ms Follett**) agreed to:

That so much of the standing and temporary orders be suspended as would allow order of the day No. 1, executive business, to be called on forthwith.

PAYROLL TAX (AMENDMENT) BILL 1989

Debate resumed from 17 October 1989, on motion by **Ms Follett**:

That this Bill be agreed to in principle.

MR KAINE (Leader of the Opposition) (11.57): The Treasurer on 28 September presented this Bill to the Assembly with the purpose of seeking to amend the Payroll Tax Act 1987. This is a Bill which the Treasurer has initiated as part of her election promise of innovative revenue measures. It is part of her attempt to produce at least a balanced budget, having found that she could not deliver one with the promised $50m surplus. Having failed to attack the fundamental issues that the budget should have addressed, the Treasurer is now forced to look at means of raising additional revenues even to maintain the steady-as-she-goes philosophy of this Government.

The result is now that the Government is seeking to raise revenue for the ACT through regressive tax measures based on the false notion that small business can carry the additional burden and bail the Government out of its predicament. At a time when the influence of the public sector on the ACT economy is declining and the momentum of the private sector is increasing, the Government is introducing a Bill which will have a severe adverse effect on employment growth and revenue raising potential in the ACT. This can only be described as an attack on employers in the Territory, a sector which will provide, according to a recent government report, the majority of new jobs in the ACT to the year 2001, and ultimately as an attack on the consumer.

Changes to the payroll tax system to increase revenue from this source demonstrate a clear lack of foresight and initiative by the Treasurer. The increased tax burden on the business sector has the potential of slowing economic growth in the ACT down, perhaps to a standstill. The Treasurer presented the Bill on the basis of preventing an erosion of the existing tax rate, although no evidence of erosion has been presented to support that contention. However, the budget papers indicate that the Government will gain a significant increase in revenue from payroll tax to the tune of over $6m or about 10 per cent in this financial year. Does this not raise the question of whether the Treasurer's affected justification is spurious and is it the intent simply to raise more revenue? It is a clear, unequivocal mechanism for increasing the tax burden on business, and particularly small business. It is a premeditated move to try to balance the budget.

So much for the Government's high moral position. It has been the Treasurer's intention all along to introduce this measure. It must have been known that she intended to do so when she developed the first budget five months ago, purely as a revenue gain, knowing fully that her budget lacks substance and offers no real, long-term, productive programs for the ACT which in the course of good government would generate a higher revenue base for the future. A higher revenue base is absolutely essential to maintain an acceptable level of delivery of government services to our community in the future.

Let us be clear; this Bill goes much further than to addressing any erosion of the payroll tax base. It quite positively expands that base by redefining payroll on which this tax is to be levied in the future - an expansion in definition which business and particularly small business will find exceedingly oppressive.

I understand that the Government consulted the Law Society and the Institute of Chartered Accountants on this Bill, and as far as the technical aspects of the Bill go it would certainly be appropriate. However, the Government did not seek extensive consultations with appropriate major employers, despite their protestations yesterday. The Confederation of ACT Industry, CARD, the Master Builders Construction and Housing Association and the Business Owners and Managers Association were simply not consulted, despite the Government's argument. They had no idea, until I brought it to their attention within the last few days, how wide-ranging these changes were and the impact that they would have on their businesses. Apparently, some were told in an offhand way that there would be a Bill to tighten up some loopholes, but that was the extent of the consultation. So much for the much-vaunted consultation promises of this Government.

The legislation, Mr Speaker, proposes to widen the tax burden considerably by the following mechanism: firstly, it extends the payroll tax base to include payments made to employees that are currently excluded; they include, for example, payments such as the payout of furlough on the termination of employment. Secondly, it includes a wider range of benefits as wages for payroll tax purposes, including those already covered by the Commonwealth fringe benefits tax legislation. Thirdly, it aims to nullify contractual arrangements which are deemed - and I repeat deemed - to be shams. Fourthly, it makes employment agents liable for payroll tax for certain on-hired employees.

There are many problems associated with the introduction of such amendments to the legislation which I am sure the Treasurer does not fully comprehend and has not thought through. Firstly, the changes envisaged were broad in the definition of "wages" and "employer" to allow the taxing of benefits along the lines of the Commonwealth fringe benefits tax. Fringe benefits tax legislation is very

complex and the introduction of this provision will add significantly to the complexity of the payroll tax law as it now stands. Questions have already been raised at the Federal level as to whether the current fringe benefits tax law can be adequately administered, yet the Treasurer is ingenuous enough to believe that the Commonwealth provisions can simply be grafted onto our ACT legislation and administered by our small revenue office capability.

This provision in the Bill before us will merely compound the problem of assessing and collecting the legitimate tax payable under the Payroll Tax Act and will inevitably lead to contention and disputation with those who have to pay it. The test on the part of the ACT commissioner will be the determination of salary sacrifice in defining of benefit for assessment purposes.

Further to this debate is the issue of double-dipping. Employers are already being hit by the Commonwealth for benefits other than wages through income tax provisions. They are now going to be hit a second time through the expanded definition of "wage" in the guise of payroll tax if we allow this Bill to go through.

Another significant aspect of these provisions is the widening of the range of business transactions that have been brought within the definition of wages for the purpose of payroll tax, a very artificial definition indeed. These include where an employment agency is used by an employer then the payment to the agency may be deemed to be wages. Payments against service contracts will be deemed to be wages. Proposed section 3B creates the notion of having a deemed employer, a deemed employee and the payment of deemed wages. It is the commissioner who considers whether such an arrangement is or is not entered into for the purpose of tax avoidance, and this creates an extremely difficult and complicated area which, in effect, means taxation by discretion, the discretion being exercised by a public official.

It is also interesting to note there is an exemption from double taxation in circumstances where it is determined by the ACT commissioner that there is no tax avoidance scheme. It would therefore appear to be acceptable to levy a tax twice on the same payment if the commissioner perceives a situation of tax avoidance. It is, again, a question of discretion, and I do not see any grounds for appeal against those determinations.

Another area of concern arises from proposed section 5A, which allows the commissioner to set aside any agreement for the provision of staff or services where he considers that a tax avoidance arrangement is in place. A definition of such an arrangement is extremely wide and discretionary. In this situation the commissioner has absolute power to determine that a party is an employer or that the payment will be regarded as wages, and no independent criteria are provided in the Bill to determine how this assessment and determination will be made.

The expansion of payroll tax provisions into this discretionary area is very hazardous indeed. The ACT does not need, nor does it want, a bureaucratic nightmare associated with employing people. This would do nothing but create a labyrinth involving accountants and lawyers. What we do want is an effective government with an effective program, one that has other solutions than to go on an all-out attack on employers which they seem to see as a bottomless well capable to carrying an infinite range of taxes.

This Bill effectively disadvantages employers and will act as a further deterrent to private sector expansion. Merely by redefinition the payroll tax liability of some small businesses could increase significantly, perhaps by a factor of three or four in some cases. Employers already pay a hefty payroll tax, amongst many other charges, and they are faced with almost twice the national average in labour costs. Labour costs in the ACT rose by 13.4 per cent in 1988, while in New South Wales they rose by only 8.6 per cent in the same period. In 1987-88 average costs per employer in the ACT were $27,275 compared to the national average, which was only $23,980.

If the ACT is to become economically viable, greater incentives have to be given to ACT employers rather than levying further unnecessary charges and penalising a sector which is increasingly providing greater employment opportunities in the ACT. We do not want to face the dilemma of having to woo back employers to the ACT after they have left because of ill-considered legislation. This legislation will drive existing businesses across the border into New South Wales. It will drive some out of business altogether because they simply cannot absorb the increased taxes and they have no elasticity in their markets.

It will cause a retreat into smaller business for those small businesses currently at or about the current threshold for payroll tax. In short, it will do our economy no good at all. Our job opportunities and revenue base will both be adversely affected. In this connection I am astounded that the Office of Industry and Development is in agreement with these proposals. It must set back their ideas for enhancing the private sector about ten years.

The Government has to take responsibility for effective and fair government. It has to understand that it cannot put the economic squeeze on one sector of the community without having negative repercussions in the wider community. The effect of an increase in payroll tax, as defined in these provisions, will in some cases be borne by the consumer in the ACT as employers struggle for their survival - yet another round of price increases in both consumer and investment products simply to help a Treasurer who has failed to recognise or act upon the real budget imperatives. I believe, Mr Speaker, that the Treasurer herself does not understand the complexity of this Bill.

There has been little consultation with those people directly affected by the Bill - the business sector. I have consulted the Master Builders Association, CARD, the Confederation of the ACT Industry and BOMA, bodies which have not been consulted by the Government on this matter. I do not believe that the Assembly should accept the Bill without careful examination and without full and appropriate consultation with all those who will be affected by its introduction. I urge and strongly advise the Assembly to defer this Bill until such consultation occurs.

MR DUBY (12.09): Mr Kaine in his address kept repeating how complicated this piece of legislation is. I do not regard it as all that complicated. He also referred to the increase in payroll tax as an increase in taxes. Such is not the case either. The payroll tax rate is not being increased. What is being done in this piece of legislation is to close loopholes in the legislation which people have been using to avoid the correct and proper payment of payroll tax.

For those people who, like Mr Kaine, find it extraordinarily complicated, perhaps I can give some simple examples of what this legislation is trying to achieve. As we all know, the threshold for payroll tax is $432,000, so whilst I am talking about an individual employee, it is quite logical that there would be eight or ten perhaps in the firm involved. An employer can have someone on a salary of $50,000 and choose, for the sake of argument, to pay him $40,000 under the pay-as-you-earn system and subsequently give the employee a benefit of around $10,000 per annum in some other form, whether it be payment of children's school fees, provision of a motor vehicle or some other similar arrangement.

Under those arrangements fringe benefits tax is currently paid on that additional $10,000 to the Commonwealth and this Territory raises revenue on the $40,000 worth of payroll. This legislation simply aims to rectify that situation so that whilst it is apparently clear, and obviously clear to me, that the actual payroll is in the order of $50,000 and not $40,000 with a fringe - it is really $50,000 - the full amount of payroll tax will be levied on $50,000, not $40,000. That to me seems perfectly fair and reasonable. It uses the provisions that are applicable under the fringe benefits tax legislation to assess whatever that additional income is.

Clearly the employer in the situation that I have just outlined is now going to face the problem. This is what Mr Kaine is objecting to. He is saying that the employer is currently paying the correct amount of payroll tax on $40,000 and the fringe benefits tax on the other $10,000, and now he is going to have to pay payroll tax on $50,000, plus the fringe benefits tax on $10,000. Well, any employer with any brains in that situation will soon

rectify it, and he will simply eliminate the fringe; he will pay the full salary. As a result of that, I think we are on a winner here. We are taking money off the Commonwealth and giving it to ourselves. The employer will still wind up paying approximately the same amount of money; it just means that our revenue base is not going to be eroded.

The second type of problem that Mr Kaine is alluding to, I assume, is the situation where people in various types of employment and industries can set up company A, which, for want of a better number, has an employee payroll of around $400,000. It is subsequently not required to pay payroll tax because it is nowhere near the limit. As the business expands, the employer realises that he is going to be up for payroll tax as his payroll gets larger. So what does he do? He sets up a dummy company, company B, to employ part of his employees and contracts out. There is a sham contracting out of services by company B to company A so that both companies remain with a payroll of less than the cut-off. That to me is clearly avoidance. There is nothing smart about that. They are simply not paying their fair dues.

We know that the vast majority of firms do not employ such dubious schemes as the ones I have outlined, but there is always the quasi-criminal fringe who wish to indulge in little scams like this. I think it is about time they were made to pay their fair share and the law-abiding, regular members of the community should not have to support them like leeches on their backs. Once again, that is not all that complicated. I cannot see anything really difficult with that, Mr Kaine; it is commonsense to me. It does not require great mental gymnastics to be able to understand what it is doing.

MR SPEAKER: Order! There is somebody who is not a member of the Assembly in the chamber. Please return to your seat.

MR DUBY: Thank you, Mr Speaker. I hope that does not happen again. The other issue that Mr Kaine has raised in relation to this amendment to the payroll tax legislation is the supposed lack of consultation - that various groups were not informed about this, that they did not know about it. Mr Kaine in his speech said that this Bill was presented on 28 September. That is practically a month ago, and yet from his own lips Mr Kaine says, "I brought it to their attention in the last few days". For goodness sake, what has he been doing for the last 28 days? Why were these organisations not aware of this?

Mr Kaine: Ask the Government.

MR DUBY: I am asking you, Mr Kaine. You said, "I brought it to their attention in the last few days". I suppose we are lucky that he told them about it at all because the implication is that, if he had not advised them, then they

would not have been advised at all. That simply is not true. I was a member of the budget consultative committee and I was there when representatives from CARD, which is one of the organisations Mr Kaine mentioned, were advised of these provisions with regard to this payroll tax closing up, and they had no problem whatsoever about the increased dollars in relation to payroll tax. Frankly, I just cannot believe that CARD did not know about it.

There is one other point that Mr Kaine raised in his speech. He said that this revenue proposal was an increase in revenue to the order of $6m per annum.

Mr Kaine: No, I did not. You did not listen carefully to what I said.

MR DUBY: I am sorry, Mr Kaine; you said that this will raise and generate $6m.

Mr Kaine: I did not. I will show you my speech since you were not listening.

MR SPEAKER: Order!

Mr Kaine: On a point of order, Mr Speaker; I object to being misquoted. That is not what I said, and I will give Mr Duby the benefit of my notes so that he can read what I said since he obviously did not hear it.

MR SPEAKER: Thank you, Mr Kaine. Please proceed, Mr Duby.

MR DUBY: Well, I thought I heard Mr Kaine say that $6m was going to be raised by these revenues. The fact of the matter is that payroll tax will generate $6m more in this financial year than last.

Mr Kaine: That is what I said. That is exactly what I said.

MR DUBY: That was a very sneaky way you put it through then. Maybe it is good to put on record here and now that it is going to be a growing base, higher wages are being paid, more people are going into employment, et cetera. Also, of course, it is covering the general increases due to inflation. This actual provision, I have been assured by our competent Treasury advisers, will raise in the order of $200,000 per month. In other words, in this financial year we are looking at $1.4m to $1.5m being raised. In a normal year this tightening up of these loopholes will raise in the order of $2.5m. That is my understanding, and I have no reason to doubt the advice given to me in briefings on this legislation which I sought.

Mr Kaine: You did not have to seek it; it is in the explanatory memorandum, Mr Duby. Did you not read that either? It is $1.8m a year, $150,000 a month.

MR DUBY: Perhaps - I am not too sure. Anyway, the fact of the matter is that this is the amount of money that is going to be raised.

Mr Kaine has said that this legislation should be held over for a month to provide further consultation. I think we have shown that consultation has occurred on this matter, and I honestly believe that the only reason people want to hold it over is so that they do not have to pay tax for another month. That is a good, legitimate point for those business people who are, in my view, bending the system today and, of course, they will take that line. The fact is they will always be opposed to the expansion of this payroll tax to cover those anomalies. They can consult until they are blue in the face, but they will always be opposed to it.

Once again that shows that there is simply no need to defer this legislation. Deferring it even for one week means that the Bill cannot come into effect until 1 November. I am advised that whole months are the mechanism by which this particular revenue was obtained, so even to defer it for one week now would mean that it cannot possibly come into effect until 1 December.

That is throwing away in the order of $200,000 of money that should be rightfully paid, money that the people of Canberra deserve to have paid. Think of the things we can do with that money. There are all sorts of things.

We have had lots of discussions in the budget sessions over various customer services, and some of them amounted to a quarter of that amount. A sum of $200,000 is not inconsequential but is a substantial amount of money. The taxpayers and the people of the ACT are entitled to have that money collected by this Assembly, and I regard it as our responsibility to do so. So I support this legislation; I think it is overdue; and I think I have amply demonstrated that the doubts and fears of Mr Kaine are groundless.

MR COLLAERY (12.21): The Rally has had the advantage of an excellent briefing note from the Treasury which indicates a number of points. The Bill covers four main issues. It extends the payroll tax base to include payments made in a greater number of circumstances. It includes a wider range of benefits as wages for payroll tax purposes - that is, those covered by the Commonwealth fringe benefits legislation. It nullifies "contract" arrangements which are shams and merely entered into to obscure employer-employee relationships - - -

Ms Follett: That is my speech.

MR COLLAERY: This is open, consultative business, Chief Minister.

It makes employment agents liable for payroll tax for certain on-hired employees. I will leave the rest to you, Chief Minister, if you get the opportunity. May I indicate on behalf of the Rally that we do not have an ideological objection to payroll tax. We believe that this Bill brings on the wider debate, well aired in this community, about the advantages and alleged crippling disadvantages of payroll tax.

This is an issue that the Chief Minister will have to face in the long economic pull that is before this Territory. It is an issue for another debate. The question for the Rally is: has there been adequate consultation with the business community? If there has not been, is it not proper that the matter be deferred for some time?

Mr Duby has mentioned that this may cost $200,000. The fact of the matter is, as the Chief Minister knows, that the Treasury does not know how many people will be pulled in by these fringe benefits and other shams at discovery proceedings. Experience in Victoria and New South Wales has shown, I believe, that this may bring in about $200,000 a month. The question as to whether in the next month the Treasury can identify such schemes and thereby be able to secure the funds is another issue that has to do with administration that I am not confident to comment upon. I do not think that we should readily assume that Mr Duby's assertions that we lose $200,000 automatically are necessarily correct, and I say that with all due respect to Mr Duby.

I had in my office this morning some leaders of the business community - CARD, the Master Builders, BOMA and the Australian Small Business Association - all claiming very strongly that they had not had sufficient consultation. Now, putting aside the ideological issues to do with this debate that obviously are behind much of what they say, the question for the Rally is: do we say, "Right, you have got a certain period to come up with the evidence of the unintended results that are alleged in the area of subcontracting businesses, particularly in the ACT"? It is said that this might have very serious consequences in the subcontracting area. The Rally, being sensitive about issues of consultation these days, takes the view that we should.

Mr Whalan: Do you apply the gag to those consultations? Do you let Michael be consulted?

MR COLLAERY: The rest of the Rally has never applied the gag in this chamber. The Deputy Chief Minister should listen to what I am saying. I am not canning his Act at all, the Act of his Government, this Act that allegedly attacks business. We have already heard a very strong attack on the consulting business by the Deputy Chief Minister this morning. Let us have this period within which we can hear what these leaders of business allege they can establish within the period. I take for the Rally

no position between the Chief Minister and my colleague Mr Kaine at this stage. The fact is that the Rally is awaiting that advice where it is alleged that there are unintended effects through proposed sections 3B and 5A.

I move that the debate be adjourned and that the resumption of the debate be made an order of the day for 14 November 1989.

Mr Whalan: On a point of order, Mr Deputy Speaker; the motion moved by Mr Collaery is out of order. I refer you to standing order 65, which provides that a member who has spoken to the question may not move the adjournment. The fact of the situation is that what is being organised on the other side is that that has been conceded by the Leader of the Opposition, who is just instructing his deputy to jump to his feet to move the adjournment. He acknowledges the point. I wish to have the opportunity to speak on this. The application of this gag is just so typical of the "consultative process" that we find so common in the ideology of the Residents Rally party. They denied Mr Moore the right to speak the other night when they applied the gag.

Mr Stevenson: On a point of order; the Deputy Chief Minister was not speaking to a point of order, he was making a statement.

MR DEPUTY SPEAKER: Resume your speech on the point of order, Deputy Chief Minister.

Mr Whalan: In relation to the point of order, I will read out the relevant standing order, which is standing order 65, under the heading "Adjournment of Debate":

> Except for a Member who has spoken to the question, or who has the right of reply, any Member may move the adjournment of the debate, which question shall be put forthwith and determined without amendment or debate. If the question is resolved in the affirmative the Speaker shall then put a question to fix the time for the resumption of the debate.

MR SPEAKER: Deputy Chief Minister, I apologise for leaving at the time I did. When you raise a point of order, all that is necessary is a brief statement to raise the attention of the Assembly to the point of order. It is not necessary to make a speech on the issue. You are correct. Please resume your seat. The motion cannot be put - - -

Mr Whalan: I wish to speak now on the debate, please, Mr Speaker.

MR SPEAKER: No, there is no debate. Mr Collaery was out of order in moving that motion after he had spoken.

MR WHALAN (Minister for Industry, Employment and Education) (12.30): Thank you for that ruling, Mr Speaker. I do find it rather ironic that the Residents Rally party should once again try to gag debate on a very fundamental issue which is before this Assembly. It is quite extraordinary that Mr Collaery, who presents himself as the champion of democracy and the champion of free speech, should try to prevent debate on this crucial item of legislation which is before the Assembly.

One of the interesting things I find is the relationship between the points which were raised by Mr Collaery and this particular issue. When Mr Collaery was quoting from the briefing document of the Treasury he referred to the issues which were raised. One of those issues, under C, is that the Bill nullifies the contract arrangements which are shams and merely entered into to obscure employee-employer relationships in order to avoid or to minimise payroll tax liability. It was this very point which I raised this morning on an earlier motion before this Assembly in relation to a contractual arrangement between the employees of members of the Assembly and their staff. Mr Collaery has repeatedly said that my comments were an attack on consultants. That is a lie.

Mr Collaery: On a point of order, Mr Speaker; this man is not placed to call me a liar, and I ask him to withdraw it.

MR SPEAKER: Please withdraw the statement, Deputy Chief Minister.

MR WHALAN: I did not call Mr Collaery a liar, but if he has attracted that designation to himself I withdraw it. If he feels guilty then he knows his own guilt. Mr Speaker, the point is that in relation to my comments this morning - - -

Mr Collaery: On a point of order, Mr Speaker; that was a qualified withdrawal. We do not want to slip into the sessions of the past in this Assembly. Mr Whalan has set the tone today again. We do not know what sort of night he had, but certainly he has come into this chamber today in his old mood. I ask, Mr Speaker, that he be instructed to make a full withdrawal of that statement.

MR SPEAKER: Deputy Chief Minister, would you make a full withdrawal of the statement referring to Mr Collaery in the manner you did.

MR WHALAN: Mr Speaker, the remark which I made - I will just clarify it and then I will withdraw it - was, "That is a lie". I said that was a lie and in fact it was a lie, but I withdraw it.

MR SPEAKER: Thank you.

MR WHALAN: Now, in relation to this I must say, Mr Speaker, that the journalist who is sitting in the gallery

here today contacted us this morning to let us know that there was a rumour going round on the first floor that today was the day that Collaery was going to "get" Whalan. That is true, and it is obvious that Mr Collaery is honouring his undertaking and has decided that today is the day. If he wants to hand it out, I am quite happy to take it, as long as he wants to take it back and he wants to hear about the South Australian lawyers.

Mr Kaine: On a point of order, Mr Speaker; might I ask what it is that we are currently debating? I thought we were debating a Bill.

MR WHALAN: In relation to payroll tax, it has to be clearly understood that in fact the Government has engaged in a process of consultation in relation to this matter, and the evidence in relation to that will be brought forward by the Chief Minister when this comes forward. What we cannot lose sight of, Mr Speaker, is the firm commitment of CARD to its position. I think that we are very fortunate in the ACT in having an organisation such as the Canberra Association for Regional Development, because they are a very well organised and a very representative group from the business community. They play an important role in terms of the relationship of our Government and the community, because CARD is the first point of contact with the business community. They are a genuine representative organisation.

They are relatively recent in their formation - they have only been in existence a very short period of time - but they have brought together and represent this community in a very sophisticated and effective manner. They are constantly in consultation with the Government on a whole broad range of issues. I respect the executive of the organisation. I respect the effectiveness of the officers of that organisation.

CARD does represent a particular ideological point of view, and, in exactly the same way that I respect your views on fluoride, I respect the right of CARD to hold and assert very aggressively their views on business matters. One of their views - and a very strongly held view - is on the question of payroll tax. In their presentation to the Government during the budget consultation process they lobbied the Government very heavily to eliminate payroll tax altogether in the ACT. They saw the elimination of payroll tax as being an effective way of attracting business to the ACT.

That is their argument. I do not believe that the elimination of payroll tax would be an incentive to businesses to come to the ACT. I do not believe that the existence of payroll tax is a disincentive to firms coming to the ACT. Essentially payroll tax is a standard tax which is applied to business operations throughout Australia and so in terms of incentives it could be described as being incentive neutral; it is not going to affect business location decisions in any way whatsoever.

But CARD does hold a contrary view. CARD believes that it is a disincentive, and so its policy is very firmly opposed to payroll tax and its payroll tax position is to eliminate it altogether.

I would submit to you, Mr Speaker, and to members of the Assembly that the aborted attempt by Mr Collaery to gag this debate today is part of his commitment to the CARD philosophy, either witting or unwitting. I cannot judge whether Mr Collaery is witting or unwitting, but he has either a witting or an unwitting commitment to CARD's position, which is the ultimate elimination of payroll tax. So what I am suggesting is that Mr Collaery very carefully consider his position in relation to this matter, to ensure that he is not wittingly or unwittingly being used by CARD in their legitimate efforts to have payroll tax eliminated altogether.

Mr Collaery: Exactly, so why do you not agree to adjourn it?

MR WHALAN: The effect of this is that it is the Government's view that this legislation should be disposed of today for very obvious reasons. You will find in the briefing notes that you have studied so closely that the legislation was proposed to become effective as from 1 November. A delay today would make such an implementation impossible and would deny revenue to the Treasury as a result.

Mr Kaine: What about the last three months' revenue? Did that not matter? Is it only the revenue from now that matters?

MR WHALAN: This has been on the notice paper since 28 September to allow members opposite the opportunity to study this and to consult with people who might be concerned. I would expect that the normal process of members opposite, when they have an item of legislation such as this, the day it was introduced by the Treasurer into the Assembly, would be that they would immediately be on the telephone to the Chamber of Commerce, to CARD and to the Master Builders Association to say, "We've got this piece of legislation. What do you guys think about it?".

Mr Speaker, what the Chief Minister will outline are the details of the consultation process that did in fact take place. That is not my responsibility here. What I wish to highlight is Mr Collaery's failure in relation to his constituency within the private sector, that private sector that he supports so strongly in terms of his pro-development stance. Mr Collaery had this legislation on 28 September when it was introduced.

We had a meeting on Monday night of this week, when the business of the Assembly was discussed. We had invitations from the Chief Minister to every single member of the

Assembly, wishing to know if they wanted briefing on any of the legislation which was before the Assembly. On the Monday night meeting of this week - and all members of the Assembly were present - we went through the program for the week. There was no reference to this piece of legislation whatsoever. No-one said, "I have concerns about this legislation". The previous week various members had said, "We have concerns about" - - -

Mr Kaine: Mr Speaker, on a point of order; the Deputy Chief Minister is completely misrepresenting the purpose of the discussions on Monday night. The purpose of those discussions is to consider the Government's program for the week, not to debate the content of it.

MR SPEAKER: Mr Kaine, that is not a point of order.

Mr Kaine: It is, I suspect, and I would ask the Deputy Chief Minister to not misrepresent what that meeting was about. We did not meet to discuss the content of any Bill. The meetings will not take place in future if they are going to be misrepresented in this manner.

MR WHALAN: Mr Speaker, I am afraid that when we met the previous week it was for the purpose of discussing problems with legislation. What we found in the previous week was that there were some significant objections to the optometrists legislation and, as a result of those objections, the Government gave an undertaking to drop the optometrists legislation to the bottom of the business paper to allow us to discuss it further and run through the issues. No objection was raised on Monday night, no issues were raised, and members were asked specifically - - -

Mr Stevenson: That is not true. In both meetings I raised the LA(MS) Bill but that was pushed aside.

MR WHALAN: No, Dennis, you did not raise the LA(MS) Bill; you raised your own problems about consultancy. I remember you putting your hand up - just like that.

What happened then was that yesterday morning all of a sudden some problems with the payroll tax legislation were discovered. I put it to you, Mr Speaker, and members of the Assembly that it is too late. You have had it for weeks and weeks. Let us hear the arguments on the floor of the chamber. What Mr Collaery sought to do today was to deny the opportunity for members to present their points of view in relation to this legislation by applying the gag to the discussion.

Mr Collaery: On a point of order, Mr Speaker; I claim to have been misrepresented by the Deputy Chief Minister.

MR SPEAKER: This is not the time to bring that to notice. If there is a point of order, what is your point of order, Mr Collaery?

MR WHALAN: The purpose of that, Mr Speaker, was to deny me the opportunity to speak; that is all that point of order was about. That is the sort of behaviour that we have come to expect.

Dr Kinloch: Mr Speaker, I ask for an extension of time for the Deputy Chief Minister.

(Extension of time granted)

MR WHALAN: I do thank Dr Kinloch and I appreciate that Dr Kinloch is concerned.

The situation in relation to this legislation is that Mr Collaery's actions are going to deny revenue to the Treasury as a result of the proposed deferral. One of the things that was quite interesting was that last night, when we were debating the issues before the Assembly, Mr Collaery indicated - - -

Mr Collaery: I rise on a point of order, Mr Speaker. This does not clearly relate to this debate; it relates to another debate. The Deputy Chief Minister is wishing to rehearse and retraverse a debate previously.

MR SPEAKER: Please remain relevant, Minister.

MR WHALAN: What Mr Collaery said was that he had given Robyn Nolan an undertaking that the payroll tax legislation would not come on last night. I do not know what sort of conspiracy there is in relation to that. Are you not denying that there was some sort of arrangement? There was some sort of arrangement; that is right. So he is not denying, Mr Speaker, that the undertaking had been given and the mechanism was to talk out the business before the Assembly last night to ensure that we did not get onto that.

That was unnecessary because we were happy to adjourn that until today, but now we have got a new scenario. What was a quite reasonable request, to hold the payroll tax over until today, has now turned into a further request. The request last night was, "Let us not go onto payroll tax because Robyn is arranging a meeting with some people". I am not quite sure what the details were. That was the arrangement last night and we were quite happy with that. But then the ground rules changed again. Last night they said, "Let us put it over until today", and now we have Mr Collaery seeking to apply the gag to today's debate, to put it to some indefinite time in the future.

That is not the way to conduct business. I would submit that it is not a reasonable proposition to put to the Government. To hold over the discussion until tomorrow is reasonable. But, when we agree to that and it is brought on, as it has been brought on in business today, it is totally unacceptable for them to seek a further proposal that it be gagged and then adjourned to some indefinite time in the future.

Mr Speaker, it is yet a further demonstration of the knee-jerk reaction of the Residents Rally party in relation to issues of this sort. They do not do their research and homework on the legislation. They wait until they are actually standing on their feet in the chamber and then in a flash of brilliance they all of a sudden decide, "The best thing we can do on this is to adjourn it indefinitely while we go off and do a bit of work on it". That is not good enough. It has been there since 28 September. There has been plenty of opportunity for the sorts of processes which are appropriate. I would submit, Mr Speaker, that the proper course of action is to proceed to deal with the legislation today.

MR MOORE (12.49): I have a relatively brief speech, and I think it should bring us back to the topic that we are addressing, which is this particular Bill. The basic principle behind the amendments is to prevent the evasion of tax, in this case payroll tax, by artificial schemes to disguise the relationship between employers and employees. I fully endorse any measure proposed to put an end to scams and schemes designed for no other reason than to avoid tax.

It is one thing for people, whether they are business people or not, whether they are in charge of large companies or not, to arrange their affairs on the basis of improving their efficiency, their profitability or their potential for expansion. It is another thing entirely to make arrangements directed at not paying a fair and equitable amount of tax. We pay the price for that. The Government pays the price through the reduced services it can provide the community, and the community pays through the higher costs and taxes that it must bear.

Throughout the 1980s we have seen the discovery of one tax avoidance scheme after another and measures to wipe them out. Tax evasion is, or at least was, a national industry, a national sport even; but we have all seen it for what it is - a drain on the resources of the country as a whole. It is a shoddy industry and a disreputable sport nowadays.

Most of the rorts are now gone, but it is clear from these amendments that the payroll tax legislation has become one of the last refuges of the tax scoundrels. I accept the Government's right to close every loophole which is discovered and I support the political will shown in doing so.

Anti-avoidance measures are broad-ranging, by their very nature, to cover every possibility. They are also open to the charge of being draconian from those who would prefer that things remain as they are. That is inevitable. The Government will have to listen to the protests of vested interests. It is interesting that a former colleague of mine in the Rally, Mr Collaery, who is so determined to sniff out corruption in every quarter, is prepared to delay measures against tax dodgers and allow them to go on their merry way a while longer.

But, unless payroll tax avoidance scams are brought to an end, the damage to the community as a whole will result in much louder and much better placed protests about the Government's inaction. As a community based, independent member of the Assembly, I, like the Government, in this case at least, support legislation which serves the interests of the community.

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

Sitting suspended from 12.52 to 2.30 pm

QUESTIONS WITHOUT NOTICE

Belconnen Tip Amenities Block

MR COLLAERY: My question is to Ellnor Grassby, Minister for Housing and Urban Services. I refer to the $299,000 new amenities building at the Belconnen landfill site which is included in the capital works program. In view of the fact that a $41,000 contract has been let for the design of this building - it is in the most recent Gazette - will the Minister advise the Assembly of the scope of work and any special design considerations which are to be taken into account in establishing an apparently excessive cost estimate for the project? That is $41,000 just to design an amenities block at the Belconnen tip.

MRS GRASSBY: I am afraid, Mr Collaery, I will have to get back to you with that information.

Stolen Cars

MR JENSEN: My question is also directed to the Minister for Housing and Urban Services. The matter which I am about to ask the Minister about was brought to my attention following a recent incident where a car stolen from the Tuggeranong Valley was identified in a Civic car park by the mother of the owner as she went past in an ACTION bus. It would appear that the car had been left in that particular car park for approximately two days. Could the Minister advise whether a list of stolen cars is provided to the parking operations section to enable cars left in a parking lot overnight to be checked against the list? In this particular case the car was parked over two spaces, so it was illegally parked as well.

Mr Whalan: I bet they got fined.

MR JENSEN: The answer to that, Mr Whalan, is no. Will the Minister undertake to ensure that arrangements are made for this procedure to commence forthwith.

MRS GRASSBY: It is not the job of the parking people to make lists of stolen cars. That is a job for the police. The police are driving around Canberra and it is their job to do that. Probably, instead of worrying about move-on powers, they could spend some time looking for cars that have been stolen and do the job that they are really supposed to do. If you could tell me the exact parking lot I will check and find out whether they noticed the car was there at the time. But if it was overnight, they do not book at night-time, only during the day.

MR JENSEN: I ask a supplementary question. It relates to the Minister's statement that it is not the job of the parking inspectors to look for stolen cars. I would suggest that it is quite appropriate for an organisation like the parking authority, whose employees spend their time moving around the streets of Canberra looking for cars, to assist other elements of law enforcement in the ACT to carry out their jobs. Would you not agree with that, Mrs Grassby?

MRS GRASSBY: It is not what I agree with, Mr Jensen; it is what the rules of the job imply, and the rules of the job do not imply that the parking inspectors should be going around looking for stolen cars. Now, if we are going to change the rules for the parking inspectors we would have to have an agreement, not only with the parking inspectors but with the union that they belong to. Their job is to walk around the streets of Canberra and the parking areas and to book cars which overstay their time in parking spaces.

It is the job of the police to make lists of stolen cars and to look for them as they are - or should be - walking around the streets. If they did walk around the streets, maybe they would see the cars that were stolen. They would have a list. If we are going to ask the parking inspectors to do this, then we would have to look at changing the whole aspect of their job.

Optometrists

MR HUMPHRIES: Mr Speaker, my question is to the Minister for Community Services and Health. Has the Government examined the implications for the ACT of the Zifcak report to the Victorian Government? If not, will the implications be examined as a matter of priority?

MR BERRY: I think the Zifcak report that you refer to relates to optometrists.

Mr Humphries: Yes, it does.

MR BERRY: It is strange that you should mention that! The Government is aware of the report and I will be examining it in the context of the legislation, which, of course, is

at the bottom of the list of matters which will be coming before the Assembly in due course. I hope that in the interim the Liberal Party and the Government might be involved in some sort of fruitful discussions about the future of that legislation, perhaps even having some regard to the Zifcak report to which you refer and, of course, the Victorian Government's reaction to it.

Concrete Driveways

MRS NOLAN: My question is to Mrs Grassby as Minister for Housing and Urban Services. What arrangements have been made, as announced on 29 August, to reduce the backlog in providing concrete driveways in new residential areas? Given that there is currently a three-month delay, are these arrangements working? How does the Minister propose to ensure a target of four weeks' delay by the end of this year, as stated on 29 August, given that there are only nine weeks left in 1989?

MRS GRASSBY: The problems with the driveways were caused by the fact that we had so much rain that the contractors could not get under way to do them. This held up a tremendous amount of work. We thought at the time that we would be able to get them finished by this stage, but then we had more rain and the contractors still could not work. So they are going to go over the time, I am afraid. As soon as the contractors can get the work done they will get it done; but while it is raining they cannot work in the rain with cement.

MRS NOLAN: I ask a supplementary question. So, Minister, am I to understand that the arrangements that you put in place were to try to stop the skies from raining?

MRS GRASSBY: Mrs Nolan, I did not think I was that wonderful! I have tried many things but I have never been able to stop it from raining. I had no say in stopping it. The rain stopped the work. When the weather was fine they were able to get back to work, and while the weather stays fine - although it is not fine today - they will be able to keep on with the work. They will get it done as quickly as they possibly can.

Homebirths

MR WOOD: I direct a question to the Minister for Community Services and Health. Is the Minister aware of a story in today's Canberra Times which expresses criticism of the Canberra Hospital's admissions policy in relation to homebirths? Is the criticism justified?

MR BERRY: Thank you, Mr Wood, for the question. As I understand it, the issue arose from the admission of a

woman who had decided on a homebirth delivery and was later admitted to Royal Canberra Hospital. As a consequence of that admission there was some concern generated in the medical profession and, of course, amongst people from the Home Birth Association, and there was some subsequent discussion of the issue. It also focused, for example, on the issue of access by community midwives to hospital services in cases where there are some difficulties which arise in homebirth situations and the people involved wish to go to hospital or are taken to hospital.

As an interim measure, the clinical privileges committee from the Royal Canberra Hospital has recommended an interim policy to deal with this situation. As a result of that, on 5 October the interim hospitals board took action to introduce this interim policy, to ensure that there is appropriate care for homebirths transferring to hospitals.

The board has sought advice from the obstetrics working party, which includes representatives of the Home Birth Association, the Nursing Mothers Association, the Childbirth Education Association, the Australian College of Midwives and the women's health adviser, on recommended detailed procedures for adopting a final policy on this matter. I think it is most appropriate, Mr Speaker, that the final policy of the hospital is developed in a consultative way by those groups that are represented on the obstetrics working party, which has been set up by the board. This presents a better and more acceptable treatment to people wanting homebirths in those circumstances where they are transferred to hospital. I am sure that in the future a better service will be provided for these people in Canberra.

Preschool Closures

MR MOORE: My question is directed to the Minister for Industry, Employment and Education. Mr Whalan, considering first of all that this is Children's Week, considering your statements in the Estimates Committee about a genuine consultation process concerning preschools, and considering tonight's public meeting, will you assure the public in quite clear, categorical terms and reiterate basically what you said in the Estimates Committee, that no preschool need necessarily close?

MR WHALAN: I thank Mr Moore for the question. In relation to preschools, one of the realities that has to be faced is that, over a period of time, the age structure in particular suburbs changes. We know for a fact that in areas such as Tuggeranong there is a far greater proportion of preschool children than there is in some of the more established suburbs.

In some areas such as Reid, where there is a declining school population, we have found it appropriate to maintain

the preschool under different conditions from other areas, for a specific purpose, and that relates to its proximity to a major employment centre. There are certain aspects of that particular preschool which are taken into account there.

In other cases it is quite clear that, as enrolments decline, there has to be appropriate administrative action taken in relation to the school. So in some preschools, as numbers decline, the number of preschool groups within that particular location is reduced. Eventually it might be reduced to only a part-time preschool situation. In all of these circumstances the Government continually reviews the operations of the preschool system in consultation with a number of groups. Among those key consulting groups that the Government speaks to are the area preschool advisory groups, the preschool society and my own consultative committee on schooling as well as, of course, the professional groups who are involved in preschools. It is essential that over time that review continues to be maintained.

After the controversy surrounding the introduction of preschool fees, there was a review of preschooling by the Chase committee. That was a committee which was representative of the various groups that have got an interest in preschooling. Indeed, the recommendation of that particular group was that the Government should give consideration to the amalgamation of a number of smaller, part-time preschools. I think the number that the Chase committee identified was about 15. So there is a process under way. Currently, no decisions have been made, and I wish to emphasise that because there are some misconceptions that decisions have been made. No decisions have been made in relation to any preschool closing or in relation to any amalgamations, which is the more appropriate way of describing the situation. A process of detailed consultation is under way at this point of time.

MR MOORE: I have a supplementary question. I actually asked you for quite a categorical statement. In the Estimates Committee the chairman, Mr Jensen, said, "There is a possibility that this particular proposal in the budget papers may not in fact go ahead". You replied, "That is quite possible". What I asked you was whether you would verify or reiterate the proposal on page 549, that no preschool need necessarily close. What I would like to hear you state is that that statement is reasonable or not reasonable.

MR WHALAN: Because I made it, that statement is of course very reasonable, as are all my statements.

A member: And moderate.

MR WHALAN: And moderate. The fact is that this is so, and that remains the situation, but there are certain realities that have to be faced, and we are going through that

process of facing those realities and examining the figures. There is a lot of detailed examination of very specific enrolment figures. When we say that it is possible to remain open, it is of course possible to maintain a preschool open with 30 enrolled children, or 25 enrolled children, but there comes a point of time where if there are 10 children enrolled it is possible for it to remain open but the question remains about the viability in all the circumstances.

Canberra Times Site

MR DUBY: Mr Speaker, my question is directed to the chairman of the Standing Committee on Planning, Development and Infrastructure, Mr Collaery. Mr Collaery, I refer to the editorial in the Canberra Times today, which I might say, as a member of that very same committee, outrages me quite a bit. It states that you have decided to support the issuing of a fresh lease for the old Canberra Times site. Have you ever expressed such support publicly and, if so, when?

MR COLLAERY: I thank Mr Duby for that totally interesting question. Mr Speaker, the fact is that I have never publicly supported the grant of a new lease for the Canberra Times site. Further, I was equally dismayed to see that report because, of course, as Mr Duby well knows and as my colleagues Mr Wood and Mr Kaine know, the report of that committee on that matter is not yet finalised. Indeed, we have yet to receive further, presumably important, evidence from the National Capital Planning Authority. So it is completely premature to put words in my mouth, words that were never spoken publicly.

Higher School Certificate

DR KINLOCH: I address my question to the Minister for Industry, Employment and Education. In the ACT there are a number of single-gender schools, some for females, some for males. We are particularly pleased to welcome students from the Canberra Church of England Girls Grammar School today. One of those single-gender schools uses a year 12 assessment system, the HSC assessment system of New South Wales. Could the Minister outline the formal policies, now and to come, of the Department of Education in connection with schools with such an assessment system? Specifically, is any component of financial aid likely to be available to support that school in its method of assessment?

MR WHALAN: I thank Dr Kinloch for the question. In opening my comments I would like to say that I spent all my high school years in a single-gender school. It was a boys school.

Mrs Grassby: That is what is wrong with him.

MR WHALAN: I do not know. I think I would have preferred to go to a co-educational school.

Mr Moore: You would have been a better person for it.

MR WHALAN: I am quite sure. There must be some explanation. The question relates to the Government's attitude towards the accreditation arrangements at the end of high school in the ACT. The ACT Government provides an accreditation based upon the year 12 certificate. It is based on a period of progressive assessment of the performance of students over the years 11 and 12 in the high school system. That system is used as the final assessment by all government secondary schools in the ACT, with the exception of Narrabundah, where there is a provision for the international baccalaureate, and also with the exception of a daytime course provided at TAFE, where the higher school certificate has been presented up until this year but it will be phased out as from next year. Next year will be the final year of the higher school certificate in TAFE.

All non-government secondary schools, with the exception of one, do use the year 12 certificate as the basis of their accreditation at the end of secondary school. The one exception to that is the Boys Grammar, which uses the New South Wales higher school certificate as its accreditation at the end of year 12.

I think it is very important to state that the ACT year 12 certificate is universally accepted as an indication of a student's performance at the end of year 12. That universal acceptance, of course, is particularly demonstrated in the university environment, where a year 12 certificate ranks as one of the best forms of assessment of performance in high school. The Boys Grammar, for reasons known best to itself, has chosen to use the higher school certificate. In correspondence that I have seen the school describes its justification for that as being "sound educational reasons". I have never had explained to me precisely what those sound educational reasons are.

The Government's position is quite clear. In 1986 the Commonwealth Government, which was then administering education in the ACT, contacted the Boys Grammar School and said that as from 1987 there would be no further funding of the higher school certificate examination in the ACT. You must realise that the New South Wales Government does, in fact, charge for the cost of conducting the higher school certificate examination. Whereas New South Wales students receive it free of charge, that charge is applied to students outside New South Wales. That charge is, I understand, approximately $600 per head. So it runs into quite a substantial sum when a significant number of students are attending for the examination.

It is the view of this Government that schools are quite free to use a form of accreditation or assessment other than the ACT year 12 certificate. There is no compulsion upon them to use the system which is available here in the ACT, but the important point is that, if they choose to use an alternative system, then it is up to them to pay for it.

Dickson College

MR STEFANIAK: My question is to the Minister for Industry, Employment and Education. I understand that Dickson College is to lose six teachers. I also understand that, because of this, they will be unable to continue their very effective driver training education. I ask the Minister what he proposes to do about this, as it seems to be contrary to the government proposals in the budget papers which include funds for driver training.

MR WHALAN: In relation to Dickson College, I cannot give the exact details of the number of teachers. There will be fewer next year than this year. One must avoid confusing the reason why there is a reduction in teacher numbers. Generally, as you would be aware, student numbers in the ACT are virtually stable now; there is effectively no growth. It is virtually zero growth in terms of enrolments, and we can probably anticipate a period in the not too distant future when there will be a net decline in the number of students.

But, at the same time as the student numbers are stable, the education system is physically expanding. We will see the opening next year of the latest of the secondary colleges at Lake Tuggeranong College. You find as a result of these sorts of developments and movements in population that enrolments decline, so there is automatically a reduction in staff based on those declining enrolments.

There has been some productivity reduction of staffing in relation to the secondary colleges, and there has been also a further factor affecting staffing reductions, and that relates to the change in the census date for purposes of assessing the enrolments in the colleges. We do find in the colleges generally a pattern of sharp decline in enrolments after the school year commences in February. So there probably will be a reduction. I do not dispute the figure that you have quoted but I do not know that it is the exact figure.

We do know that there has been quite an element of self-management within schools, and that is the reason why the school boards are such important instruments in the management process in our schools. The school board plays a very active role in relation to the determination of curriculum within the school system. In relation to the driver training education program at Dickson College, any decision in relation to continuing or discontinuing that

course is a decision which has been made by the school board.

Teacher Transfers

MR COLLAERY: My question is directed again to the Minister for Industry, Employment and Education, but I do not need a lengthy answer. Mr Whalan, is it true that under the so-called teacher mobility edict that has been brought forward by your Department of Education, 77 of our senior and most excellent teaching staff in the system have been identified for compulsory transfer and that 60 have been identified for transfer at relatively short notice? Is it true that 30 such persons affected have met and discussed the issues, that a delegation has gone off to the department, and that there is widespread concern amongst that very excellent, skilled, professional and dedicated group of senior teachers at this move? Would you assure the house that you will review that edict and put justice, consultation and equity ahead of other motives?

MR WHALAN: I thank Mr Collaery for the question and I promise to keep the answer no longer than the question. There is a proposal for a mobility program in the school system in the ACT for teachers who have served for long periods in one particular school. I understand that 30 of those teachers who have been identified as being potential transferees as a result of the mobility program have had a meeting. I did have a meeting with one of the teachers who attended that meeting and he outlined some of the concerns expressed by the teachers at that particular meeting.

The first point that I would like to emphasise is that this is a policy which was arrived at after extensive negotiation between the Education Department and the representative organisation of all teachers in the ACT government school system. That representative organisation is the ACT Teachers Federation. The ACT Teachers Federation in turn - and I have checked this - has had that policy endorsed by a general meeting of the ACT Teachers Federation. One can only assume then that this is a policy which is acceptable to the teaching profession in the ACT.

Minister's Fan Club

MR MOORE: My question is also directed to the Minister for Industry, Employment and Education, and I refer to the report by Marion Frith in today's Canberra Times about Paul Whalan fan club badges being provided to SES officers by the Department of Industry's PR section. Has the cost of these badges been charged to the expense of office allowance of the SES officers concerned, or has it been met by the department? If there has been any cost borne by the public purse in relation to this merry little joke, will

the Minister assure the Assembly that such costs will be defrayed by making the badges available for public sale? That being the case, what profit does the Minister estimate will be gained through public sale of the badges bearing his exceptional countenance?

MR WHALAN: I have seen the badge in question and I understand that the initial run was one, but the demand has been so great that they are running off 10,000. At this stage there is no decision as to whether or not it will be considered a condition of employment to wear one in the portfolio area. The Government has that under review, and a Cabinet submission is being prepared in relation to the matter. As to the production costs of the one badge that I saw, I am not quite sure where it was produced and what it cost, but I think it was intended as a joke as much as anything.

Mr Kaine: Did you donate the photograph, Minister?

MR WHALAN: Yes, and it was a good one.

UNIVERSITY OF CANBERRA
Ministerial Statement and Paper

MR WHALAN (Minister for Industry, Employment and Education), by leave: In announcing the Government's response to the report of the Legislative Assembly Select Committee on Amalgamation of Tertiary Institutions, I indicated that the recommendation of the committee to establish the Canberra College of Advanced Education as the University of Canberra had the Government's full support. I also confirmed the Government's commitment to the amalgamation of the three higher education institutions in the ACT. I take this opportunity to restate that we remain committed to this course. The steps being taken to establish the University of Canberra do not, of course, preclude this development.

It is very pleasing that the Minister for Employment, Education and Training, the Hon. J.H. Dawkins, is proceeding with legislation in the current session of the Federal Parliament. I understand that this legislation will be introduced into the Federal Parliament tomorrow. Mr Dawkins, in the meantime, has given the go-ahead for the college to use the title "University of Canberra" in its notices and advertisements now, providing that it makes clear that this title is subject to legislation being passed.

We are, of course, seeking to ensure that ACT interests are recognised in the proposed legislation. Clearly the composition of the governing council will be important in this regard. I might add at this point that Senator Macklin, the Democrat spokesperson on education, has requested a meeting and he will be meeting me this evening

to discuss the Government's attitude toward the draft legislation.

The college has enjoyed an outstanding reputation for its teaching and scholarship in the Canberra community and across the nation. Under the unified national system of higher education it would be disadvantaged if it retained its "college" title. Both staff and students have sought the opportunity of working and studying in an institution designated a university.

Despite its fine reputation, the college has already experienced some difficulty in recruiting and retaining staff and students in a situation where the title "college" is fast losing its currency. Importantly also, as a university, the college will be freer to develop more extensive undergraduate and postgraduate programs. I am confident these programs will be focused to meet the specific needs of Canberra and its region.

The establishment of the University of Canberra is fully consistent with the Government's thrust to strengthen the interface between higher education and industry development. The college has been at the forefront of this interface and I believe, as a university, its relations with industry, other institutions and research establishment can only be enhanced.

In this regard the college has signed a collaborative agreement with Wang Australia and has strong ties with firms in the nearby Fern Hill Technology Park. The college is also a partner in the national decision support centre, an initiative to sell Canberra's decision support expertise to the Commonwealth Government. The other partners are the Australian Defence Force Academy, the ANU and the CSIRO Division of Information Technology. Another example of links with industry and research agencies is the membership, as academic coordinator, of the joint venture between Australia and the European Community in speech research.

I should mention that Monash University has agreed to sponsor the University of Canberra for a minimum period of three years. Monash enjoys an international reputation with strengths in several areas which complement those of the college, such as medicine and engineering. I would expect that the link with Monash will be advantageous to Canberra in bringing to the Territory expertise which would otherwise be unavailable.

These are clearly challenging and exciting times for the ACT. The emergence of the University of Canberra is, I think, a positive response to changing circumstances and one I expect that will yield benefits for both Canberra and the nation. The Government is very much alive to the importance of this development and will take every measure to facilitate the establishment of this enhanced facility in the interests of higher education for Canberra and its environs. I present the following paper:

University of Canberra - Ministerial statement, 25 October 1989.

I move:

> That the Assembly takes note of the paper.

DR KINLOCH: In welcoming this excellent statement, I now ask for an adjournment of the debate on it.

Debate adjourned.

IMPACT OF FEDERAL COALITION ECONOMIC AND TAX PACKAGE ON WELFARE SERVICES
Ministerial Statement and Paper

MR BERRY (Minister for Community Services and Health): I seek leave of the Assembly to make a ministerial statement in relation to the Federal Liberal tax package on welfare.

MR SPEAKER: Is leave granted?

Mr Stefaniak: I do not think so, no. You are just going to try to say nasty things, aren't you, Wayne?

MR BERRY: They will not be nasty. They will be very direct and straight to the point.

Leave granted.

MR BERRY: I would like to bring to the attention of members the Federal Opposition's economic and tax policy and highlight the effects of these proposals on the most needy groups in our community. These include low income families, single parents, youth, unemployed, disabled and Aboriginals.

The first thing that I would like to refer to in making this statement today is a report in the Sydney Morning Herald of Saturday, 21 October, by a journalist by the name of Alan Ramsey in relation to the matter. I quote from that report:

> Andrew Peacock wrapped his $2 billion package in the gloss of what he called "real relief to families with children who are unquestionably the forgotten people under the Hawke Government". He explained: "I mean, we're looking after millions of Australian men and women who are raising children, who have been forgotten and overlooked under this Government".
>
> Most voters could feel good about that.

That is according to Mr Ramsey. The article then mentions John Stone, a notorious conservative and a long-time associate of the National Party in Queensland and a National Party senator from Queensland who is their Senate leader. It says:

> John Stone ... took the next step. "I've heard a lot of stuff about how the welfare lobby in this country is terribly upset about this package", Stone said the day after Peacock unveiled it. "Well, we're very sorry that the welfare lobby, which basically consists of people who make their money out of welfare schemes, is very upset".

It is not surprising that Mr Peacock keeps close company with Mr Stone when you see those sorts of statements, which demonstrate a very hollow understanding of welfare in Australia. The article continues later:

> Andrew Peacock and John Stone had got the euphemisms right, the sales pitch down pat. What both were saying, they felt sure, was what most Australians want to hear these days.
>
> In reality, Peacock and Stone - and John Hewson and Charles Blunt and the rest of the Coalition salesmen - were saying nothing less than Elliott.

I will come back to John Elliott's statement in a moment -

> It was simply a matter of the delicacy of language.

Mr Elliott was reported on ABC radio's AM program, according to Mr Ramsey, as saying:

> ... the policy that the Liberal Party has come out with is a policy that's good for Australia.

And Mr Elliott went on to say:

> I heard Hawke say that it's taking from the poor and giving to the rich.

But, according to Mr Ramsey, Mr Elliott's description of that was:

> Absolute nonsense! It's taking from the bludgers and giving to the workers.

The Residents Rally might like to consider that when they consider the option of forming some sort of a collegiate gathering with the people from the Liberal Party, but I think it is important that we understand where the Liberal Party is coming from in relation to the poor people of Australia.

Mr Ramsey, in reporting comments by Paul Keating, demonstrated that by abolishing the capital gains tax, part of the Peacock tax proposal, $600m might flow to the company known as Harlin, which is reportedly Mr Elliott's private company. That is a very important windfall. The article quotes Mr Keating as saying:

> What he's saying is that someone from Wollongong -

Mr Collaery would have some sympathy with this, I am sure -

> who's been working for 30 years, who's 55 years of age and lost a job, is a bludger! Who IS the bludger? Elliott sitting with a contingent capital gains benefit being relieved of tax by his mates in the Coalition! ... Billions given back to the wealthiest, while we chase some poor person, 55 or 45, out of a job in Sydney or Wollongong or somewhere else, and say, "You can go to the Smith Family. You can go down to St Vincent de Paul ...".

According to Mr Elliott, they fall into the category of being bludgers. Again, I go back to my earlier remarks about the close consideration that the Residents Rally party ought to give to any contemplation that they might have of falling into line with people like the Liberal Party, when those sorts of policies are at the heart of the direction that they would take on welfare issues.

I am sure that you would be very concerned about that, Mr Collaery, because of your closeness with the community and your concern about those of us in the community who do not do so well. I have heard you say it so many times in relation to the many years that you lived around the Wollongong area. I thought it might be something that would strike a chord with you because of the reference to the poor people in Wollongong.

Merle Mitchell, President of the Australian Council of Social Services, aptly said - - -

Mr Humphries: I rise on a point of order, Mr Speaker. The Minister has sought leave to make a ministerial statement. A copy of the statement has been handed to members. The Minister has been speaking for five minutes already and has not gone further than the second paragraph of the statement. The Minister is making a speech. He is not speaking to the statement at all. There are only a few words that have already been spoken from the statement.

MR SPEAKER: Please stick to the issue, Minister Berry.

MR BERRY: Thank you, Mr Speaker, but in response to what Mr Humphries said, that was an article in the Sydney Morning Herald and it was relevant to the statement. I can understand why reports like that would make the Liberal Party uncomfortable, because they demonstrate the depths to

which the Liberals are prepared to go to drive a wedge amongst the people of Australia. There is a bit of victim-bashing in there which I am sure the members of the Liberal Party opposite - - -

Mr Humphries: Mr Speaker, further to my point of order, once again the Minister is failing to accept your ruling that his statement should be relevant to this debate.

MR SPEAKER: Minister Berry, please proceed to the point.

MR BERRY: Indeed, I will stick to the point, Mr Speaker.

Mr Collaery: I want to hear more about Wollongong, Mr Speaker.

MR BERRY: Unfortunately, each time I talk about Wollongong Mr Humphries complains about it, Mr Collaery. I would be careful about forming an alliance with that lot, because they have got no sympathy for Wollongong at all. Merle Mitchell said:

> The package gives large hand-outs to the privileged at the expense of the poor. The policy offers nothing to address our country's serious economic difficulties and in many areas is quite counterproductive. The proposals will hit hardest some of the most disadvantaged people in our community.

I include amongst those single parents; long-term unemployed people; disabled and ill people; people looking for work, especially older women seeking to re-enter the work force; people from non-English speaking background; and Aborigines - a matter of great shame to the Liberal Party, I would suggest.

The Commonwealth Opposition has proposed spending cuts of $2.7 billion, of which the largest proportion - 42 per cent - is to come from the social security and welfare area. Social security would suffer a cut of $1,145m thereby affecting already disadvantaged groups such as unemployed, invalid pensioners, migrants and women caring for their families. These groups are least likely to have backup resources and support networks to meet increased hardship. It would be left to already overworked welfare groups - many of them in the ACT are overworked - along with State and territory governments, like the ACT Government, to meet these increased demands.

As an example, under the policy, people would be cut off from unemployment benefits after nine months and would have to seek the present special benefit, which is subject to strict eligibility criteria.

Mr Stefaniak: Good.

MR BERRY: Mr Stefaniak might say "good", sitting there on his fat salary. He should have a little concern for people who are cut off from unemployment benefits - which is basically a starvation rate of pay - after nine months and then put on to a special benefit. Whilst there might be some health aspects in somebody who has enjoyed a fat salary for a long time being reduced in income by those sorts of amounts, I can say that for people who are on unemployment benefits it would do them no good at all. It is a great shame that the Liberal Party would applaud those sorts of policies.

It is estimated that a Federal coalition government would strip unemployment benefit from more than 172,000 people, about 43 per cent of those now getting it, after they had been on the benefit for nine months. As I mentioned before, this is a fine example of victim bashing. You get stuck into the people who are in the weakest position and who are least able to fight back and try to promote greed amongst the rest of the community for tax cuts which would do no good for Australia as a whole.

A Federal Liberal government would double the waiting periods for unemployment benefits from one week to two. People on sickness benefits would be subject to a monthly check by Commonwealth medical officers, and some invalid pensioners would have to have a yearly check. Migrants would not be able to claim unemployment, sickness or invalid benefits in their first year in Australia. Imagine the impact that that sort of policy will have on the family reunion processes which can be enjoyed by migrants to Australia. I am sure that the ethnic community in Australia would be most upset by the Liberal Party's announcements in this regard. I am sure that the Liberal Party is fully aware of that, because in those areas which they have attacked it would be very unlikely that there would be one Liberal vote. It has been an entirely cynical exercise from the outset.

The effect of these measures would be to increase the cost of policing and administration responsibilities of the Federal Department of Social Security. There are also proposed cuts to other important areas: in education a cut of $205m, including an annual up-front charge of $1,200 for tertiary students; in employment a cut of $289m, which includes abolishing job programs like Jobstart, Skillshare, the industry training support scheme and the new enterprise incentive scheme. Aboriginal affairs spending would be cut by $100m. The important work of the Royal Commission into Aboriginal Deaths in Custody - I can see Mr Humphries leaving the chamber now, and I must say that I would not want to stay here and hear all this information about the Liberal Party policy - would be wound up and the Aboriginal and Torres Strait Islander Commission would not proceed.

The most likely effect of these spending cuts is to place a much heavier reliance on existing services provided by State and territory governments which will be further

constrained by the Opposition proposal to cut $300m in State and territory funding.

The proposed $2 billion tax package for families, which I can only describe as a cynical political ploy targeted at middle-class Australia, is centred around child tax rebates, dependent spouse rebates and child-care tax rebates for working parents. The use of the tax system to provide benefits for children is neither efficient nor fair. It would be more honest and effective to provide the assistance directly through the family allowance scheme introduced by the Hawke Labor Government.

Mr Stefaniak: Labor has not done much for middle Australia.

MR BERRY: Unlike what the Liberal Party is attempting here, Labor has not attempted to drive a wedge between middle Australia and those people I mentioned earlier who are least able to fight. I refer to the poor, the disabled and the Aboriginal families in Australia. To take advantage of the disadvantaged as a cynical vote-catching exercise is a very poor performance indeed by any standards.

Tax rebates are of no benefit to people too poor to pay tax, and provide equal assistance for millionaires and average families. Family allowances, on the other hand, are simple to administer, provided directly to the mother or principal carer, and paid regularly throughout the year when those in greatest need most need them. Indeed, the child-care rebate proposal is an elitist scheme which will benefit those in our community who are able to afford the high child-care costs. For example, this scheme would offer the very same rebate to a working couple earning $100,000 a year as to a couple earning $10,000 a year. That is just one example of the inequity of the Liberal Party's proposal, and I know that they do not have any conscience about it.

The child-care tax rebate is three times more expensive than the current children's services program, and the introduction of rebates ignores social justice and quality issues. The policy statement carefully omits any reference to increasing the number of child-care places. I agree with Dr Blewett's assessment, that the rebate system would not create one extra child-care place.

The Federal coalition has ignored the persuasive and comprehensive evidence of hardship already faced by low income families and also by a number of young people in the ACT community now experiencing hardship and homelessness. The coalition proposal will not only make the situation worse but will negate much of the valuable work we are doing in these areas.

The requirement for an up-front payment of $1,200 a year for tertiary education will remove this as an option for

many and swell the number of young people seeking unemployment benefits. Replacement of unemployment benefits for those over 18 years old with the lower Jobsearch allowance for school and tertiary leavers will make it more difficult for low income families to meet basic living expenses and financial commitments. This will impact on family breakdown and numbers of homeless, unsupported young people. School and tertiary leavers who are not supported by families will be denied support for independent living expenses. To then propose cuts to employment training programs will exacerbate the problems and leave even more young people unemployed in this technological society where training and high-level skills are necessary to find jobs.

ACT programs associated with family support and assistance and those services aimed at support, counselling, accommodation and financial assistance for homeless young people are likely to be placed under heavy demand as a result of these changes. The ACT has already responded to the evidence presented by the Burdekin report on homeless youth by improving the coordination of programs aimed at assisting these young people and by providing additional funds for the establishment of a youth outreach service scheme to prevent further family breakdown. Demands resulting from the coalition proposal would place these initiatives at risk.

The ACT Government has responded to the needs of youth in the 1989-90 budget through the provision of a youth outreach worker program which provides personalised information, support and job planning services for long-term unemployed teenagers and youth with disabilities. School liaison officers are being employed to prevent and minimise youth homelessness by early detection and direct assistance to young people at risk.

The extension of waiting periods for payment of unemployment benefits, ending of unemployment benefits after nine months with changeover, if eligible, to special benefit, and cuts in labour and employment programs will have an impact on recipients of benefits and their dependants. There will be an increase in the need for supplementary financial assistance and family support during waiting periods. Assessment and review of eligibility for concessions associated with the receipt of social security payments is expected to be delayed, further increasing the suffering of the underprivileged in our society.

At the risk of agitating Mr Humphries, who has returned to the chamber, I would like to refer now to a Sydney Morning Herald report on 23 October which perhaps demonstrates the lack of unity amongst the Liberal ranks on this issue. The report pointed to the revelations by Mr David Connolly, the Federal Opposition spokesman on social security. He took off the lid and demonstrated what the Liberal Government was really up to, but then was rebuked by the leader, Mr

Peacock, who told him he was wrong. I am not quite sure what the agenda is at this stage, and I am sure that there will be other announcements in respect of it, but I am sure that any advance on that which the Liberals have already announced could only make the situation worse.

While increasing the problems faced by the unemployed, disabled and ill in our community, the Federal coalition, by cutting labour and employment programs and transferring unemployment recipients to special benefits, would make it even more difficult for the long-term unemployed to find jobs. Cuts in funds for community support, education and employment programs targeted at the Aboriginal community will result in an increased demand on mainstream services. Cuts in public awareness campaigns will reduce the effectiveness of a variety of programs relating to employment, public health and community services. Reduced Commonwealth funding will make it very difficult, if not impossible, for this shortfall to be covered by any State or territory government.

In summary, the increased hardship likely to be felt amongst disadvantaged groups as a result of the coalition economic and tax policy would cause a heavier reliance on, and demands for extension of, services such as family support programs; child welfare; emergency relief; social welfare benefits; credit and debt counselling services; general counselling and support services; youth accommodation services; concessions on electricity, transport and so on. Difficulties in meeting the increased demand would be compounded by continuing the need to target and prioritise assistance more rigorously.

In short, the coalition policies, if implemented, would push higher costs onto ACT taxpayers. They would exacerbate existing social problems - and I do not see much concern on the bench opposite - and increase crime rates. In regard to crime rates, it seems the Liberals were perhaps anticipating this sort of policy when they attempted to increase police powers but, even worse, they would harshly penalise the poorest and most vulnerable members of the ACT community - and for what purpose? It is simply a heartless attack on the underprivileged in our society.

I am confident that the ACT community is a caring one and will reject these narrow, uncaring policies of the Federal coalition parties when it comes to the next election. I am sure that the Australian people are far more compassionate than has been anticipated by the likes of the people who operate Liberal Party policies behind closed doors. I present the following paper:

Impact of Federal Coalition economic and tax package on welfare services - Ministerial statement, 25 October 1989.

I move:

That the Assembly takes note of the paper.

MR HUMPHRIES (3.32): I want to respond just briefly to the Minister's absolutely outrageous abuse of the opportunities provided by the making of a ministerial statement in this house today. Up until now, the Government has declined to abuse the privilege provided by that - - -

Mr Berry: I rise on a point of order, Mr Speaker. At this point the house is dealing with ministerial statements, and if Mr Humphries has a point of order that he wishes to raise in relation to the procedure he ought to raise it.

MR SPEAKER: Order! Minister Berry, that is not a point of order. He has now the right to speak, as do all members of the Assembly.

MR HUMPHRIES: My speech will be very brief. I wish only to say that I am disgusted by the abuse of privilege on the part of the Minister and the precedents that are being set in the making of ministerial statements. If we are to see Ministers using this opportunity to make statements of a broad nature about issues of no relevance whatsoever to the ACT, then I wonder how long it will be before we have Ministers making statements about international affairs and about other issues of total irrelevance to the ACT. I just wonder what the Minister is getting at with this kind of charade.

The Minister has indulged in an utter tirade of irrelevance and, worst of all perhaps, he has caused delay to the business of the Assembly this afternoon by engaging in a 25-minute ramble about issues dealing with matters more properly the prerogative of the Federal Parliament. That is totally inexcusable. I am concerned to see that this practice does not take off and become emulated by other Ministers. If it does, we will certainly be looking at changing the standing orders to make sure it does not occur.

We all heard the ejaculations of horror this morning from Ministers, including Mrs Grassby, who when other debates were taking place were saying, "Get on with the business. Let us deal with more important matters like the LA(MS) Bill. Let us deal with important things like the payroll tax Bill". In spite of all those claims that were made this morning, Ministers are now taking part in gross irrelevance and, if we see more of this, we are going to be all very sorry. Worst of all, the Minister's speech was quite tedious. I seek leave to continue my remarks at a later date.

Mr Berry: I rise on a point of order, Mr Speaker. If Mr Humphries wishes to speak to the motion I think he is quite entitled to, as you quite properly ruled a moment ago. But I think, once he has concluded his remarks, that is the end of the matter so far as the debate on this issue is

concerned. If he wishes to speak, he has another 12 minutes to go.

MR HUMPHRIES: I wish to adjourn the debate. I seek leave to continue my remarks at a later date.

MR SPEAKER: Order! Mr Humphries has requested leave of the Assembly to continue the debate on his behalf at a later stage. Is leave granted?

Leave not granted.

Suspension of Standing Orders

MR HUMPHRIES: I move:

> That so much of the standing orders be suspended as would allow the debate to be adjourned and Mr Humphries to continue his remarks on the resumption of the debate.

Question put.

The Assembly voted -

AYES, 8	NOES, 9
Mr Collaery	Mr Berry
Mr Humphries	Mr Duby
Mr Jensen	Ms Follett
Mr Kaine	Mrs Grassby
Dr Kinloch	Ms Maher
Mrs Nolan	Mr Moore
Mr Stefaniak	Mr Prowse
Mr Stevenson	Mr Whalan
	Mr Wood

Question so resolved in the negative.

Debate (on motion by **Mrs Nolan**) adjourned.

REDUNDANCY SCHEME FOR THE BUILDING AND CONSTRUCTION INDUSTRY
Discussion of Matter of Public Importance

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

> The need for an ACT run redundancy scheme for the building and construction industry.

MR STEFANIAK (3.41): This matter of public importance has been brought before this house to outline the incompetence

of the ACT Labor Government, which has not pushed for an ACT redundancy scheme. Their approach with their friendly "union mates" is reprehensible and this MPI will shed some light for the Assembly on the present situation in the ACT regarding redundancy.

The redundancy arrangement in the ACT at present will see millions of dollars being invested outside the ACT with little or no guarantee that these funds will be returned to the ACT. Up to and in excess of $6m will be lost to the ACT economy plus a number of other benefits each year if the ACT does not introduce an ACT run redundancy scheme. This is why we consider redundancy a matter of public importance.

I would like to outline briefly the recent decisions by the Industrial Relations Commission which are of importance to the current situation. The decision by the commission on 22 March 1989 stated that employees in the building and construction industry should be entitled to up to eight weeks' redundancy pay after four or more continuous years in the industry. This decision was considered essential to the building and construction industry primarily due to the fluctuating nature of the industry. On 19 October a decision of the Industrial Relations Commission provided an option for employees to be covered by a central fund or for individual employees to meet their own redundancy liabilities. The Long Service Leave Board scheme would be compulsory.

In a further decision on 19 October 1989 the commissioner said, in relation to apprenticeships, that he was satisfied that the training of future tradespersons is vital to the future of the industry. All groups within the industry recognise the importance of training, retraining and industry restructuring, and I will deal with this training aspect briefly later in this statement. Mrs Nolan will add some further points in relation to training.

At present in the ACT there are two redundancy schemes in operation. These are the CERT, Construction Employees Redundancy Trust, and MERT, Mechanical Electrical Redundancy Trust, schemes. At present the AFCC and the BWIU are actively promoting these schemes in the Territory. CERT is very much their scheme and they are the major players on the board of the CERT scheme. Accordingly, and indeed perhaps understandably, they do have a vested interest in increasing the number of employees they have signed up. CERT is the scheme which is being pushed within the industry at present.

Mr Speaker, I have been informed that subcontractors are being forced to join the scheme due to pressure being applied to them on job sites. My party has been approached by a number of contractors and subcontractors complaining of standover tactics, and my party is concerned at the pressure being applied to these people to join CERT or to leave the site. This use of union muscle is not

acceptable. It has happened all too often in Australia in the past and is not conducive to good industrial relations in a self-governing ACT.

A subcontractor who relies on such work for his livelihood, who already has invested money in a site and has entered into contractual obligations with his employees, is over a barrel. They have started jobs, put workers on and they are then told to join the CERT redundancy scheme or leave the site. Redundancy schemes are not mandatory in the ACT, yet I am informed that about 90 per cent of contractors working on AFCC and BWIU sites around Canberra, including section 38 and the Chinese embassy, have been forced to join the CERT scheme or are members of that scheme. Ninety per cent is rather high considering that such schemes are not mandatory in the ACT. Some subcontractors say that they have come under such pressure that they have considered leaving the ACT at the completion of their present jobs.

We do not want a return to the good old BLF days - or the bad old days - of flexing union muscle to put the "little person" or the small businessman under such enormous pressure that he had to choose between staying within or leaving the industry, this pressure being applied only to increase the strength of the union, both financially and in membership - strength gained at the expense, I might say, of the ordinary worker or subcontractor who cannot speak out for fear of being black-banned by the big union boys. This is one of many good reasons why it is necessary to introduce an ACT redundancy scheme and not let union dominated schemes use employers funds for their own benefit when such a scheme should be for the good of the entire industry.

At present, CERT and MERT are being actively promoted in the Territory. There is a real need to state the following important point: there is already wide dissatisfaction within the industry concerning those schemes. Subcontractors and employees have commented to us that they are concerned that these schemes are union scams. These schemes basically require a contribution of $20 per week per employee, subject to an increase in October this year. On leaving a site, employees may elect to take out a payment equal to the contributions made to their benefit or to keep the contributions in the fund until retirement, dismissal, termination or redundancy.

As such, CERT and MERT are not confined to the issue of redundancy, and under current interpretations are similar to non-approved superannuation schemes. They provide over-award payments and constitute a "savings plan" for workers. Indeed, in September of this year an industrial relations judgment indicated that they were in fact over-award payments. These funds are privately managed and without statutory backing and they are being introduced in an ad hoc fashion.

Without an effective mechanism to achieve industry-wide coverage, the implementation of such schemes will rely on union enforcement and consequently will increase the potential for industrial disputation. The payouts to employees are very attractive in the CERT and MERT schemes, but they are not confined to the issue of redundancy and, under current interpretation, are similar to non-approved superannuation schemes. There are already a number of existing superannuation funds which provide benefits similar to CERT and MERT in operation in the ACT.

I now turn to cost to the ACT. The scheme disadvantages the ACT in that CERT and MERT have their central funds set up interstate. This effectively means that contributions made by ACT employers in the building and construction industry are being transferred interstate. The ACT will be losing up to, and perhaps in excess of, $6m each year if we do not introduce an ACT based scheme. The ACT Government has stated continually, almost to the point of nausea, that it wants and is encouraging investment in Canberra in the best interests of the economic future of the ACT. It has, however, done nothing within this industry to promote such investment and in fact will be actively responsible for funds leaving the ACT.

Certainly, CERT and MERT assure us that redundancy payments will be adequately dealt with, but what of the surplus funds? CERT and MERT cannot guarantee that the amount of contributions that have gone interstate will be met by an appropriate return from the surplus funds; and, if they could, these funds would be largely in the hands of the participants of CERT to do with as they wish, perhaps to further their own objectives and not to use these funds to make improvements within the industry.

The Liberal Party believes that an ACT redundancy fund should exist. We favour a single, central fund managed by the Building and Construction Industry Long Service Leave Board. Under this scheme funds will remain in Canberra and therefore the direct benefit of such a scheme cannot be denied - millions of dollars of funds invested in and remaining within the ACT. The benefits to the ACT building and construction industry will, we submit, be immense.

This scheme, managed through the Long Service Leave Board, would be the most advantageous and the preferred option for the ACT, given that, firstly, the board is seen as a neutral body, able to act impartially on issues that affect employers and employees within the industry; secondly, a statutory scheme would be capable of achieving complete participation by all relevant employers and employees in the Territory; thirdly, a Territory based scheme would enable the adoption of the appropriate investment policies which would benefit the ACT economy; fourthly, management of the scheme by the board would enable higher levels of efficiency and therefore lower overheads and other options in that the records or periods of service for every employee in the Territory and procedures for collecting

contributions are already in place; and fifthly, the increase in turnover of the board would improve its investment capacities and efficiency through economies of scale, and facilitate the development of other initiatives such as in the area of industry training.

The training and retraining benefits to the building and construction industry of the scheme run through the Long Service Leave Board are an advantage of the scheme that cannot be merely passed over, and perhaps this is an appropriate time to give a little more detail about the proposed Long Service Leave Board redundancy scheme. It is envisaged that such a scheme would involve an initial contribution rate of $20 per week per employee or 4.5 per cent of wages. The award redundancy pay benefit would be satisfied with a surplus of about $500,000 per year. This surplus would be held by a neutral body - this must not be forgotten - accepted by all within the industry. This sum of $500,000 per year could then be allocated to appropriate industry training programs and also to support building industry research. An appropriate board would be established to administer these training and research funds, if necessary.

The scheme proposed for the Long Service Leave Board would provide benefits consistent with those decided by the full bench. The benefits would be accrued for periods of continuous service. For example, for less than one year's service the severance pay would be nil; for more than one year but less than two years it would be four weeks' pay; for more than two years but less than three years, six weeks' pay; for more than three years but less than four years, seven weeks' pay; and for more than four years service, eight weeks' severance pay.

Benefits would be payable only for genuine redundancy and not for retirement, dismissal for misconduct or other terminations. Contributions to the board by employers would be determined by actuarial study and paid with long service leave contributions. The board already records periods of service in the industry for each employee and is in a position to manage a redundancy payments scheme similar to existing procedures for long service leave.

An employee would be entitled to accrue redundancy benefits up until he or she left the industry. An employer would be required to provide a statement of service of an employee on each occasion that employee's service is terminated. When employees decided that they no longer wished to work in the industry, they would produce to their current employer and the Long Service Leave Board a statutory declaration to that effect, and the employees would then be entitled to the redundancy benefits commensurate with their years of service in the industry.

The sense and the benefits of this scheme are irrefutable, we would submit, and an ACT redundancy scheme is the most sensible approach and solution to the problem with the

industry at present. We feel the industry must be given this choice.

The ACT has been granted self-government, we have attained statehood, and as such we should be ensuring that the ACT's industries and the economy as a whole are supported by a government which keeps ACT money within the ACT. This scheme would ensure that the future of every employee in the building and construction industry today and in the future would have adequate redundancy benefits to cover the fluctuating nature of the industry and at the same time keep the industry, through training and research, as advanced technologically in the ACT as anywhere else in Australia and the world.

I have asked the legislative counsel to prepare a working draft of the legislation necessary to implement such a scheme. Once this is completed, I will be happy to distribute it and discuss it with all interested groups and with members of this Assembly.

MR COLLAERY (3.53): The Residents Rally supports the general thrust of our colleague Mr Stefaniak's proposals - that is, the Rally has discussed these proposals with the affected parties, at least initially. Clearly the background to this matter is a competition between a proposition, basically from the traditional elements of the building industry, that the redundancy scheme be managed by the Long Service Leave Board, an independent statutory authority, in other words, and a proposal that the scheme be managed essentially by a private superannuation investment fund which is jointly coordinated by the AFCC and the AMP Society. They are called the CERT and MERT funds.

Mr Speaker, the Residents Rally does not want to be drawn into an internecine battle on this issue. It merely adopts the view, having listened to the arguments basically on both sides, that it is a mechanical problem rather than an in-principle one. All parties accept the need for a redundancy scheme. One party, specifically the BWIU, does not support the statutory scheme. The BWIU prefers the CERT-MERT funds mainly because, as we understand it, they provide over-award payments and constitute a type of savings plan for the workers. The fact is that there are award provisions regarding redundancy that have not yet been woven into that fabric. There are still some complexities about the concepts that redundancy schemes in one manner provide over-award benefits, and particularly schemes that mean benefits accrue from day one and benefits accrue for early retirement.

Essentially the redundancy trust fund that the Master Builders Construction and Housing Association of the ACT supports appears to be the appropriate way to go. It would appear that a statutory trust fund concept has been accepted in relation to many other areas of enterprise where funds that really belong to another party are held:

for instance, the Public Trustee - we have only recently discussed aspects of that operation in the Estimates Committee - and other statutory schemes such as that operated by the Long Service Leave Board. It seems wholly consistent to have this process itself matched in with an existing board where you would see the records. The long service leave building and construction industry legislation requires the keeping of records, which in many cases is parallel to the requirements of a redundancy scheme. At a press of a button much of the information concerning possible parties is available.

The Residents Rally was not ready for this motion, in the sense that elements of the industry still have to come together and consult, and there should be meetings. We do not necessarily support the concept that CERT is Australia-wide as yet. We are waiting on further information as to whether there is any dissatisfaction with CERT or MERT. We are not prepared to take judgments immediately. We do respond, though, to the apparent sensibility of the proposal that the existing statutory trust fund here manage the redundancy fund as well.

All parties want to ensure that this does not become an element that will itself precipitate industrial disharmony and suspicion between various factions. Interestingly, on this issue one side of the major business sector is lined up against another. That is an interesting twist to what is often seen to be the capital-labour equation in matters of this nature. The Australian Federation of Construction Contractors agrees, I understand, with the BWIU's proposals for the private non-statutory supervised scheme, and on the other hand the Master Builders are pursuing the concept of a statutory trust fund.

My colleague Mr Jensen is our spokesperson on this matter. He feels - and I agree - that we need a scheme that all parties accept that will bring certainty to redundancy payments and will ensure that they do not become something that they are not. It should be a scheme meant genuinely for redundancies as they occur in an industry, and particularly in the building industry where, as we all know, those events come about.

MR DUBY (4.00): Like Mr Collaery, I, too, confess to being rather unprepared for this matter of public importance, which was placed on the notice paper this morning. The issue of redundancy schemes is complicated.

Mr Kaine: It is a bit like payroll tax.

MR DUBY: Not as complicated as payroll tax, Trevor, I can assure you. It is a complicated issue and, as Mr Collaery said, we are in a peculiar situation of having two employer groups involved in a bunfight over what form of redundancy scheme should be initiated and operating in the ACT. I believe that the Government is in the process of looking at submissions from both those organisations and determining which scheme it will choose to adopt.

In a way, I suppose, it is a bit cheeky of the Liberal Party to put this MPI on today because, in effect, we know what side of the argument the Liberal Party wishes to choose. Obviously it does not choose to accept that the CERT funds are the appropriate way to go and, instead, wishes to back the proposition put by the Master Builders Construction and Housing Association about a government body of some kind administering a fund. I have doubts about that in some ways. In the same way I have doubts about some of the proposals about the fund run by the AFCC and the BWIU, although I note that Commissioner Grimshaw of the AIRC has recommended that it is satisfied with the provisions that currently apply under the CERT scheme.

This is a matter of importance in some ways, and I suppose the Liberal Party is quite entitled to bring it on as a matter of public importance. At least it brings it out into the open. It is not an issue that people go to sleep thinking about, I am sure. I know I certainly never have. Nevertheless, I suppose it is a valid point for a matter of public importance and may well prod the Government into making some decision in this regard.

I do not have many comments to make about the current situation, except to say that the present situation is not suitable. There are problems when some employees have funds paid into the CERT scheme only when they are working on sites under the control of the AFCC. When they leave that site and go to work for a member of the Master Builders Association or some other non-AFCC company, those payments are stopped and are not kept up in the CERT fund.

I have no real problem with the major objection raised by the Liberal Party, that the payments made by the employers can be considered over-award payments. That does not worry me all that much. The argument that the CERT scheme is not an ACT scheme also to me does not really cut much ice. The scheme has money going into it and money going out of it in the ACT community at all times. I believe the directors of that scheme are local residents. It has the support of the BWIU, the major building union - - -

Mr Kaine: It is run by AMP.

MR DUBY: Yes, but the funding into the scheme has the support of the BWIU.

Mr Kaine: Yes, but I am not sure that the directors live in Canberra. I do not think that this is the home of AMP.

MR DUBY: No.

Mr Kaine: I was just seeking clarification.

MR DUBY: I see. It is illogical merely to add up the total contributions coming into the fund and say the money is leaving the ACT. ACT residents are on the board of

directors of the trust company; I can assure you of that, Mr Kaine.

Mr Kaine: Thanks for that clarification.

MR DUBY: CERT is managed by Australian Administrative Services Pty Limited, a subsidiary of the AMP Society. So just in case you were not aware of that fact, I thought I would elucidate that for you.

Mr Kaine: You are exceedingly well-informed.

MR DUBY: Nevertheless, I suppose the key words in the matter of public importance that Mr Stefaniak has raised are "an ACT run redundancy scheme". I am not all that concerned that a scheme could be operating which is not wholly and totally owned, operated and performing within the ACT. I think it is essential that redundancy schemes for the building construction industry apply, and in that regard I support Mr Stefaniak's raising of the matter, although not necessarily the wording of his motion.

MRS NOLAN (4.05): The building and construction industry is in need of a redundancy scheme that will encompass the entire industry and not, as Mr Stefaniak has already stated, a number of different schemes which, far from benefiting the industry as a whole, largely benefit certain components of industry which are trustees of the boards of those schemes, schemes such as CERT and MERT. It is my intention today to reiterate and expand on the benefits an ACT run and based redundancy scheme would have.

The building and construction industry's need for comprehensive training, retraining and research programs is common knowledge within the industry. The need for funding of these areas of the building and construction industry is indeed very necessary. May I take this opportunity, Mr Speaker, to talk about some of the ways in which perhaps this funding could be used to ensure that apprentices are receiving the best and most up-to-date training possible from both the public and private education sectors, to ensure that appropriate retraining programs are implemented, to ensure that workers are kept up to date with changes in building technology and other advancements and do not become obsolete within the industry, for research purposes to make the ACT an innovator but not a follower in the building and construction industry.

An ACT run redundancy scheme would ensure that these necessary training requirements would be made available to the industry by the Long Service Leave Board, a neutral body, which ultimately would mean benefits for the entire industry.

The Building and Construction Industry Training Council, which is chaired by the BWIU, I am told, has run out of funds. By the end of this month, I understand, the ITC will not be able to pay the salaries of its staff or

continue in existence unless it receives financial support. The ITC has already asked the ACT Government for a grant of $25,000. The ITC has a budget of over $100,000 a year, partly funded by industry contributions. The ITC has identified three courses in the building industry that need to be developed by the Institute of TAFE, namely, plastering, glazing and roof tiling. The Government has estimated the cost of establishing these courses at over $150,000 per year. It is time for the Government to come to grips with this funding problem.

The Federal Minister, John Dawkins, has threatened a payroll levy of 1 per cent to 1.5 per cent for companies with a yearly payroll of more than $200,000 and for this extra revenue to be applied to training. The building and construction industry has special problems in regard to training and a specific scheme such as the one Mr Stefaniak outlined must be introduced to examine needs in the industry and determine funding mechanisms that are appropriate in the ACT.

The Industry Training Council, led by the BWIU, has proposed a levy on building permits as the answer. An amount of $1.5m, representing 0.2 per cent of the value of building commencements, has been proposed. This represents a 40 per cent increase in building fees - fees, no doubt, the public will end up paying for in increased building costs. This is simply unacceptable. The building permit fee in Canberra is already one of the highest in Australia. The amount of form filling that has to be done in Canberra for the simplest of government services is becoming a national joke.

The issue of a redundancy trust fund for the building and construction industry has been raised on a number of occasions in the Assembly, and still the Government is silent on this fund. If the ACT economy is to benefit, then an ACT run scheme which will fund training programs must be introduced.

There is a recognised linkage between redundancy, employment, training, long service, research and restructuring of industry. Building contractors, subcontractors and the overwhelming majority of businesses in the Territory have made it clear that additional costs through taxes, charges and levies cannot be carried by the industry, an industry already at a very low ebb.

The redundancy trust scheme proposed to be administered by the Building and Construction Industry Long Service Leave Board provides a mechanism for handling these issues at the least cost. At the contribution rate of $20 per week per employee, or about 4.5 per cent of wages, the amount currently being dragged out of the Territory by the CERT and MERT interstate redundancy funds, a scheme administered by the Long Service Leave Board should result in a surplus from long service leave of about $250,000 per year.

We believe that this scheme, this redundancy trust fund scheme, should be introduced. This redundancy trust fund scheme will meet the requirements of the Industrial Relations Commission for redundancy payments, will provide funding for training as appropriate in the building and construction industry, and will provide funds for the support of building and construction industry research - matters that will improve the industry in productivity, competitiveness, efficiency and quality.

The point to remember is that these funds are created from contributions by employers, by the industry itself, and to encourage economic development of the Territory they must be available for these purposes. Implementation of these proposals, as I said previously, will provide an important linkage between research, training, restructuring and redundancy in the building and construction industry, and will enable these issues to be addressed in an equitable and cost-effective way. Coordination and combination of the various funding mechanisms involved would enable increased efficiencies and the use of funds to best meet ACT priorities.

MR JENSEN (4.12): This is a very interesting subject and a very interesting matter for debate. The Rally fully supports any move to provide a redundancy scheme for building workers, not only in Australia but in the ACT. I am sure that any worker in that industry, particularly in the ACT, knows only too well the problems of the industry in providing long-term employment for its members. Some may even argue that it is not unlike those of us in this and other parliaments in relation to what our redundancy may be and how temporary the nature of our employment may be in this place, but that is for another time and another issue.

Mr Kaine: It will be pretty short for some.

MR JENSEN: For some. However, as my colleague Mr Collaery has already said, this matter seems to me, after having read the information that has been provided to us from both sides of the argument, to be a discussion about which particular fund is going to take precedence in the ACT.

It has been suggested by Mrs Nolan and Mr Stefaniak in relation to the investment of the funds in the long service leave statutory authority that that money would necessarily have to remain in the ACT. My understanding is that that may not necessarily be the case. I understand that, if any trust fund is organised, set up and established, it has a responsibility to get the best possible benefit for its members. That would not necessarily mean that it should invest its funds in the ACT. It could invest its funds anywhere in Australia because that may be the best operation and the best place for that to happen. If we look, for example, at how the CERT fund works, which I understand was established in 1989, this year, we find there are a number of organisations and unions which are already participating.

I glance down that particular list and notice that, without exception, all the unions that participate in that program operate in New South Wales and the ACT. They do not just operate in the ACT and they do not just operate in New South Wales; they operate in New South Wales and the ACT. We are finding that those unions and organisations that are involved with that trust quite clearly cover unions not only in the ACT but also in New South Wales.

It seems quite suitable and appropriate that a company such as the AMP has been appointed by the AFCC to handle this particular fund on behalf of the union members. AMP is one of the biggest, most effective and efficient insurance and life operations in the ACT; it has a very strong position in the investment industry; and it is a creditable organisation.

We are talking in this debate about what will be the best deal and organisation for the members of unions. We have on one side the Master Builders Construction and Housing Association indicating that it believes it should be related to a group operating in the ACT. My understanding is that that group, the Long Service Leave Board, may not necessarily have the same degree of expertise, at this stage anyway, in relation to the investment of large amounts of funds in this sort of business. So it will then have to set up its organisation.

However, we find that the CERT scheme is already operating. So there is some possibility that that scheme may be better than the other one. It is already operating; it is in existence; it is prepared to go; and it has no problems. However, the determination has really just been handed down. Indeed, I believe the final determination was handed down on 19 October. It is probably necessary, I would suggest, before we start wondering about whether legislation is necessary to handle and organise this scheme, to see how the existing operations can effectively serve the building workers in the ACT.

In conclusion, I suggest that the ACT run scheme is not necessarily an advantage. What is needed is a scheme which is agreed to cooperatively, is fair to all parties and meets the requirements of the Industrial Relations Commission. The Industrial Relations Commission listed a number of organisations that were appropriately accepted under the award to invest the funds, and the CERT scheme was included in that.

We have to remember that the ACT is an island in a very big pool of workers in this area. Therefore, on that basis there is a suggestion - I am not suggesting that that is the way to go - that it could be more appropriate to lean towards a scheme that will benefit and provide a service for a lot more members than just a small group of building workers who operate, live and work in the ACT. They might find that they will get more benefits from that operation.

I heard with interest some comments by Mrs Nolan in relation to money from this fund going into the training of apprentices. There is some talk about money being lost, but I am just trying to think how, if we are going to have a trust fund established, it is possible for a trust fund to invest in that sort of operation. It does not make too much sense to me because, as I understand it, it is the responsibility of the trust fund to invest its funds in the best interests of its members. That is what trusts are all about. That is why trusts are formed and that is why you have trustee deeds, et cetera, to set up the trust.

This is a very interesting and complex matter and it requires a lot more discussion and debate before we consider legislation. The Rally believes that this is a very important issue for the industry and should be sorted out as soon as possible, but we want to be sure that all the options are fully canvassed before it is debated further in this house.

MR WHALAN (Minister for Industry, Employment and Education) (4.19): The involvement of the Assembly in this very delicate industrial issue is a matter which, we believe, should be approached with some caution. There are a number of significant players at both the national and local level, and the Assembly should ensure that it informs itself of all the points of view before it embarks on a course of action that may be irrelevant in all the circumstances.

The issue of redundancy trust funds has presented problems for the industry nationally, and elsewhere it is being addressed by the parties without government involvement. The Assembly must be aware that this is both an industrial matter and a cause of contention between various employers and employer groups. To this end, I should outline some of the background to this matter.

Following an application that was heard concurrently with the national inquiry into the building and construction industry, the Industrial Relations Commission approved the introduction of termination, change and redundancy provisions in the federal building and construction awards. The TRC provisions, as they were described, reflect the federal metal award standard providing redundancy compensation of up to eight weeks' pay for service over four years.

The decision introduced certain complications, in that it allowed for two different redundancy schemes to operate for a large part of the building industry - one providing a lump sum based on a $20 per week per employee contribution upon genuine redundancy, and another providing a payment based on service by award. The schemes were not really compatible.

In the absence of broad industry agreement, the building unions and the Australian Federation of Construction Contractors established the Construction Employees Redundancy Trust - that is, CERT. CERT was established in March 1989 and is based on the 1987 building industry redundancy pay agreement. The sponsors of CERT include the major building unions and the AFCC. A similar scheme, MERT, is sponsored by the Amalgamated Metalworkers Union, the Electrical Trades Union, the Electrical Contractors Association and the AFCC. The sponsors have appointed a trustee company which has in turn appointed the major life company, AMP, to handle the trust's day-to-day administration.

The Master Builders Construction and Housing Association, the AFCC and the building unions have each canvassed the merits of CERT with the ACT Government, which has to date indicated that this was properly a matter the parties should resolve themselves or, if necessary, through the Industrial Relations Commission.

MBCHA has sought ACT Government support for a construction and housing industry redundancy trust fund administered by the Building and Construction Industry Long Service Leave Board to deal with the Industrial Commission's award. MBCHA was opposed to the 1987 agreement and CERT. They claimed that it went beyond the Industrial Commission's decision.

On the other hand, the Australian Federation of Construction Contractors has also sought ACT Government support for the existing CERT scheme. AFCC regards the setting up of an ACT based scheme as unnecessary because the CERT scheme is up and running and has wide support. AFCC believes that the IRC's order, when eventually made, would include provision for CERT. All parties were advised that it would be premature for the ACT Government to support the establishment of new funds before the Industrial Commission made an order resolving the matter.

Following recent industrial unrest on a New South Wales building site, Industrial Relations Commissioner Bennett, on application from New South Wales employers, ordered building unions to cease industrial action pending the outcome of national developments being heard by Commissioner Grimshaw. In the ACT, MBCHA and CONFACT notified the Industrial Relations Commission of an alleged industrial dispute concerning building union support for CERT. The matter was heard on Thursday, 31 August. MBCHA and CONFACT sought an order directing building unions to cease industrial action in support of CERT.

Following assurances from the building unions that there was no current or planned industrial action, Commissioner Bennett declined to make such an order. MBCHA also lodged a draft order seeking variation of ACT building and construction industry awards to reflect the IRC termination, change and redundancy decision of 22 March

1989. Commissioner Bennett advised the employer parties that he could not consider ACT matters until the national agenda was settled.

On 19 October 1989, Commissioner Grimshaw of the IRC handed down his decision on applications to vary various building and construction awards. Mr Speaker, I table Commissioner Grimshaw's decision. That decision appears to have resolved the contentious issue which has surrounded the severance pay debate. In particular, the decision provides that any period during which an employer contributes to a nominated fund for a worker will not count towards an award benefit.

The potential for double dipping has been removed by Commissioner Grimshaw deciding that any period of service during which contributions are paid into an agreed fund on behalf of an employee will not count as service for the purpose of the award. As far as the award is concerned, it will be as if the service never occurred.

Commissioner Grimshaw's decision appears to give proper recognition to the uniqueness of employment concepts currently applying in the building and construction industry and emphasises the IRC's ability to make a judgment to provide suitable redundancy or severance pay schemes for the industry. The IRC's decision also appears to recognise redundancy severance pay funds which have the support of the industrial partners. To a large extent, the commissioner's decision has obviated the concerns of MBCHA regarding the legitimacy of CERT and MERT. The point of all this is that this is a very complicated matter which goes beyond local industrial considerations or inter-employer wrangles. No matter what action this Assembly takes, other considerations, including the role of the Federal Industrial Commission, apply.

In considering making legislation on any matter, this Assembly should ensure that it is acquainted with all the facts and does not embark on any ill-considered scheme that is irrelevant or worse. This Assembly, like other governments around Australia also facing similar considerations, should ensure that any action taken is not taken just to suit one party or faction and that any decision or action finally taken will actually result in an outcome that has the support of the industrial parties in this matter.

The building industry is an important industry in the ACT. The role of government should be to assist the parties in resolving matters through the proper channels, not to take action that is irrelevant or that may result in further problems. To that extent the Assembly should be sure that it appreciates the ramifications of any action it may take.

MR SPEAKER: The discussion is concluded.

PAYROLL TAX (AMENDMENT) BILL 1989

Consideration resumed.

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

ADJOURNMENT

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

That the Assembly do now adjourn.

Assembly adjourned at 4.30 pm

ANSWERS TO QUESTIONS

The following answers to questions were provided:

Nurses
(Question No. 29)

Mr Moore asked the Minister for Community Services and Health, upon notice, on 26 September 1989:

(1) Is the Minister aware that a significant number of unemployed nurses in the ACT are unable to regain their registered status as a result of insufficient funding being made available for refresher courses in hospital services.

(2) Will the Minister ensure that (a) appropriate retraining courses and (b) appropriate numbers of adequately trained nurses are made available to the ACT health system.

Mr Berry: The answer to Mr Moore's question is as follows: I understand that there has been considerable discussion concerning the need for a re-entry/refresher program for nurses in the ACT. The program (for nurses who have not been employed for five years or more) was last conducted in February 1988.

Since September 1988, Royal Canberra and Woden Valley hospitals have received 98 inquiries concerning re-entry/refresher programs. However, the department has minimal nursing vacancies at present and the Commonwealth Department of Employment, Education and Training is reluctant to fund retraining programs unless employment can be guaranteed at the end of the course.

Machinery Tender

Mrs Grassby: Yesterday **Mr Stefaniak** asked the following question:

> What does the Government intend to use a low-loader and dolly for, as appeared in the tenders in the Canberra Times on Saturday, 21 October 1989? The tender number is TB 89046. Similarly, what does the Government intend to use a prime mover for - tender 89035? Why is the ACT Government purchasing such machinery when it is already available and far cheaper if leased from subcontractors?

My answer to the member's question is as follows: the current prime mover, low-loader and dolly owned and operated by my department were purchased in 1974 and are

used to ferry heavy plant and equipment such as bulldozers and road rollers for agencies and authorities under ACT Government control.

The high usage of the prime mover is shown in that it travels 17 to 20,000 kilometres per year, and agencies and authorities rely heavily on this prime mover for their day-to-day operations and to avoid downtime with their plant and equipment between work sites.

Private hire of prime movers and floats in Canberra is limited, and delays of up to 48 hours can result if dependent on prime movers and floats from this source.

The high usage of the department's prime mover and float, reduction in downtime in ferrying plant and equipment, and competitive cost of operation make ownership of the prime mover and float financially attractive.

Metal Recycling

Mrs Grassby: Yesterday **Mr Stefaniak** asked the following question:

> On 4 July 1989 I asked a question concerning the operations of a metal recycling yard in Newcastle Street, Fyshwick, run by Mr Ron Wanless. Would the Minister please inform me of whether the yard is still in operation or whether Mr Wanless has now ceased operating there? If so, what is the current situation with the yard, especially regarding the large amount of car bodies and wrecks that are lying in the yard?

My answer to the member's question is as follows: on Friday, 20 October 1989, Wanless Scrap Metal advised that Simsmetal were to acquire the company from that date and Simsmetal do not want to continue to service the contract. The termination clause in the contract requires either party to give four months' written notice of intention to terminate.

I expect the company to comply with this condition, and a letter was forwarded to the contractor requesting that the yard continue to operate until the matter of termination is resolved.

Staff from my department have inspected the yard and found that the yard is operating and the maximum number of cars allowed to be held on the site has not been exceeded.

Aspen Island

Mrs Grassby: Yesterday **Mrs Nolan** asked the following question:

> Was a survey carried out by her department last Sunday at Aspen Island; what was the purpose of the survey; what was the sample taken, given the length of the document; and what was the cost of such a survey?

My answer to the member's question is as follows: the ACT Parks and Conservation Service has been carrying out a survey of users of parklands throughout Canberra for the last month. I issued a press statement on 29 September announcing that the survey would be conducted. This was reported on television, radio and in the Canberra Times.

The survey is being undertaken to ascertain the motivations and expectations of urban park visitors. The survey also considers the way in which various attributes of sites affect decisions to visit and which either add or detract from enjoyment.

The total sample taken to date is 400, with expectations of another 50 to 75 questionnaires being completed over the coming weekend. A sample of at least 400 is required to give statistical validity. The length of the questionnaire is not unusually long. The cost of the survey will be approximately $6,000.

The information from this survey will play a significant part in the directions of capital expenditure on outdoor recreation provision, the facilities provided in parks, and the way in which parks are maintained.