



# Debates

WEEKLY HANSARD

Legislative Assembly for the ACT

**SIXTH ASSEMBLY**

**15 AUGUST 2006**

[www.hansard.act.gov.au](http://www.hansard.act.gov.au)

## Tuesday, 15 August 2006

Petitions:	
Dragway .....	2095
Housing—Narrabundah Long Stay Caravan Park .....	2095
Schools—closures .....	2096
Housing—Narrabundah Long Stay Caravan Park .....	2096
Schools—closures .....	2097
Schools—closures .....	2097
Petitions on school closures.....	2097
Death of Mr Tom Efkarpidis .....	2100
Distinguished visitors .....	2104
Minister for Health and Attorney-General .....	2104
Questions without notice:	
Schools—closures .....	2125
Employment .....	2127
Business—commercial rates .....	2130
Schools—student costs .....	2133
Schools—closures .....	2134
Taxis—licences .....	2134
Schools—closures .....	2137
Schools—closures .....	2140
Schools—closures .....	2142
Personal explanations .....	2144
Leave of absence .....	2146
Papers .....	2147
Executive contracts.....	2147
Papers .....	2148
Legislation program—spring 2006.....	2149
Administrative arrangements.....	2152
Annual reports directions .....	2153
Financial Management Act—instruments .....	2154
Financial Management Act—instruments .....	2155
Financial Management Act—instruments .....	2156
Financial Management Act—consolidated financial management report .....	2157
Papers .....	2160
Strength of economy and job market (Matter of public importance) .....	2169
Estimates 2006-2007—Select Committee.....	2181
Leave of absence .....	2195
Adjournment:	
Death of Mr Fred Stauder.....	2195
Schools—closures .....	2197
Renewable energy .....	2197
Canberra Hospital—pay parking.....	2198

**Tuesday, 15 August 2006**

**MR SPEAKER** (Mr Berry) took the chair at 10.30 am, made a formal recognition that the Assembly was meeting on the lands of the traditional owners, and asked members to stand in silence and pray or reflect on their responsibilities to the people of the Australian Capital Territory.

## **Petitions**

*The following petitions were lodged for presentation:*

### **Dragway**

*By Mr Berry, from 12 residents:*

To the Speaker and Members of the Legislative Assembly for the Australian Capital Territory

This petition of certain residents of the Australian Capital Territory draws to the attention of the Assembly that:

- We value the peace and quiet enjoyed by residents in the Majura Valley and the suburbs of Watson, Hackett, Ainslie and Campbell.
- The Mt Ainslie/Majura Nature Reserve is one of Canberra's favourite public places, which we also value for its peace and quiet.
- The proposed dragway at block 51, Majura Valley will generate levels of noise pollution that will destroy what we value.
- Other impacts of the proposed dragway concern us too, because they threaten Aboriginal and European heritage, wildlife corridors, the Molonglo catchment, and the productivity of agricultural land.
- Spending large amounts of public money on a private dragway is unacceptable to us, particularly in times of budgetary hardship.
- We strongly object to any ongoing subsidies for the proposed dragway, or any further expenditure of public money beyond what has been appropriated (\$8m).
- In short, the costs of the dragway (both financial and non-financial) are unreasonable, and therefore unacceptable to us.

Your petitioners therefore request the Assembly to abandon the proposal to build a dragway on Block 51, Majura Valley.

### **Housing—Narrabundah Long Stay Caravan Park**

*By Mr Berry, from 25 residents:*

**To the speaker and Members of the Legislative Assembly for the Australian Capital Assembly**

This petition of certain concerned residents of the Australian Capital Territory draws to the attention of the Assembly that:

We are deeply concerned at the proposed eviction of the residents from their homes in the Narrabundah long stay caravan park. We strongly urge the Assembly to take all positive action necessary to address this injustice.

We believe this is a social justice issue that must be righted to allow the present residents to remain in their homes.

### **Schools—closures**

*By Mr Berry, from 14 residents:*

To the Speaker and Members of the Legislative Assembly for the Australian Capital Territory.

This petition of certain residents of the Australian Capital Territory draws to the attention of the Assembly that there is considerable disquiet with the ACT Government's proposal to close 39 schools and preschools, particularly as some are marked for closure at the end of this year.

School communities want the opportunity to explore other options.

Your petitioners therefore request the Assembly to pass ACT Greens MLA Deb Foskey's "Education (School Closures Moratorium) Amendment Bill 2006" – in order to ensure that no schools are involuntarily closed until 2008, and that no school closures take effect from that date unless supported by a specific vote of the ACT Legislative Assembly.

### **Housing—Narrabundah Long Stay Caravan Park**

*By Dr Foskey, from 23 residents:*

To the Speaker and members of the assembly for the Australian Capital Territory.

We the undersigned and residents of the Longstay Caravan Park, Narrabundah Lane, Symonston, call upon the Legislative Assembly to:

1. ensure that the proposed sale of the Longstay Caravan park be abandoned, and
2. irrespective of whether a sale takes place, ensure the implementation of guarantees of:
  - a). long term residential renewable tenure of a 20 year period to include a sub-lease clause;
  - b). a reasonable rental fixed at current rate for the first 12 month period for a further increments subject to the same constraints as specified under the Residential Tenancies Act (1977); and
  - c). in the case of any closing down of the Longstay Caravan Park, or enforced removal of any individual tenant, the payment of compensation equal to the current insured policy value held by the tenant of the insurable value.

## **Schools—closures**

By **Dr Foskey**, from 2,910 residents:

### **TO THE SPEAKER AND LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY**

**The Petition of certain residents of the Australian Capital Territory draws to the attention of the Assembly that:** The Chief Minister announced on June 6 his government's plan to close Dickson College.

We the undersigned believe that this decision discriminates against the students of North Canberra by closing the only stand alone college in North Canberra.

We believe it is the responsibility of the ACT government to provide students of North Canberra with the same educational choices that are available to families elsewhere in the ACT by providing access to a locally based secondary college.

**Your petitioners therefore request the members of the assembly to overturn this decision and keep Dickson College open.**

## **Schools—closures**

By **Ms Porter**, from 2,020 residents:

### **To the Speaker and Members of the Legislative Assembly for the Australian Capital Territory,**

This petition draws to the attention of the Assembly that the Department of Education and Training is intending to close GIRALANG PRIMARY at the end of 2006.

Your constituents therefore request that the Assembly, as urgent priority, review the decision to close the school due to the overwhelming concern about the detrimental educational, social and health effects this closure will have on the children and the community of Giralang.

*The Clerk having announced that the terms of the petitions would be recorded in Hansard and a copy of each petition referred to the appropriate minister, the petitions were received.*

## **Petitions on school closures Proposed reference to standing committee**

**MRS DUNNE** (Ginninderra) (10.31): I move:

That the petitions relating to proposed school closures be referred to the Standing Committee on Education, Training and Young People.

I think the motion is self-explanatory. There is considerable community concern about the school closures. We have significant petitions from across the territory and these will

increase. I think these should be referred to the standing committee on education and training so the committee can investigate these matters and report to the Assembly.

**MR BARR** (Molonglo—Minister for Education and Training, Minister for Tourism, Sport and Recreation and Minister for Industrial Relations) (10.31): The government will not be supporting the motion. I believe the normal practice is that petitions are referred to the relevant minister. I am happy to receive the petitions. That is standard practice. I will continue to support that practice and will welcome the receipt of those petitions.

**DR FOSKEY** (Molonglo) (10.32): I would like to support Mrs Dunne's motion, especially seeing I have had tabled today almost 3,000 signatures from people who are very concerned about the closure of Dickson College. I believe that would have to be one of the least politically astute decisions to include on a list of schools for closure by the government in its 2020 plan.

Dickson College is one of the schools that has seen a rise in enrolments since its closure was mooted. This I think is a case of the community voting with its feet for a college which has served a very strong function in that community.

My daughter went to Dickson College back in the eighties. It has a tradition, it is a school that is fighting very hard for its existence. It is a school which provides facilities in the inner north. I think the fact that they can gather 2,910 signatures at short notice indicates that it should be referred to the standing committee on education and training. I am very disappointed that Mr Barr has stood up, as he has, and said that this cannot happen.

**MR CORBELL** (Molonglo—Attorney-General, Minister for Police and Emergency Services and Minister for Planning) (10.33): The difficulty the government has is that the opposition and Dr Foskey have not, in any way, demonstrated what the purpose of doing this is.

The purpose of a petition is to draw to the attention of the Assembly issues of concern held by residents, and that has effectively been done. I do not think anyone in this Assembly is in any doubt as to the views of some residents when it comes to questions about the proposal to close certain schools. To suggest that a referral to the committee is going to add anything further to that process I think is a very difficult argument to mount.

The purpose of a petition is to draw to the attention of members of the Assembly residents' concerns. That has been done. It has been done by the lodgment of those petitions in this place. The opposition have not mounted any cogent argument as to why a referral to the standing committee on education will in any way further that cause.

All members in this place are aware of these issues. The minister will have these issues brought to his direct attention because the petition was referred to him. We fail to see what a reference to the committee will do. There seems to be no cogent argument supporting it. That is why the government will not support the motion.

**MRS DUNNE** (Ginninderra) (10.34), in reply: It is an unusual practice in this place to refer petitions to committees, but it is not unprecedented. The closures this government

proposes and the disruption to schools is unprecedented. Therefore, this is why as many avenues for community involvement in this decision should be made available to the community. This is one of those avenues.

I know that it is inconvenient to the government. The government would like to close down this debate as quickly as possible, move on and pretend that there are no real concerns about school closures, but that is not the case. We know, because we have been in the community, the level of anxiety and angst which has been caused by this.

Ms Porter, the chairman of the education committee, has today presented a petition with 2,020 signatures from one school organisation. That is exceedingly significant. We do not see petitions in this place with thousands of signatures on them—and Dr Foskey, with over 3,000 signatures.

This is the level of concern and anxiety in the community. It behoves us as the representatives of the community to take this seriously. It behoves us as an Assembly—not as a government, but as an Assembly—to take the advice of the community. The most effective way for us as an Assembly to take the advice of the community is through the committee system.

The committee system is set up expressly to advise the Assembly on what is going on, not to advise the government. We should not be uncomfortable about this matter being referred to the education committee, which is, by the way, made up of a majority of Labor members. It is a perfectly acceptable form of the house; not widely used, but that does not therefore diminish its usefulness and its utility on this occasion.

The people of the Canberra community are crying out to be heard on this issue. It is a signal of this government's reluctance—probably fear—that the community is heard on this issue that they would close this down. The Assembly members should support this simple reference.

**Mr Corbell:** What will the committee do?

**MRS DUNNE:** They could inquire and hear what the community has to say because you, the leader of the house in here, do not hear what the community has to say. It is a useful conduit for the community. If this government is not afraid of the community, they should refer it to the committee.

Question put:

That **Mrs Dunne's** motion be agreed to.

The Assembly voted—

Ayes 7

Noes 8

Mrs Dunne  
Dr Foskey  
Mr Mulcahy  
Mr Pratt

Mr Seselja  
Mr Smyth  
Mr Stefaniak

Mr Barr  
Mr Berry  
Mr Corbell  
Ms Gallagher

Mr Gentleman  
Mr Hargreaves  
Ms Porter  
Mr Stanhope

Question so resolved in the negative.

## Death of Mr Tom Efkarpidis

**MR STANHOPE** (Ginninderra—Chief Minister, Treasurer, Minister for Business and Economic Development, Minister for Indigenous Affairs and Minister for the Arts) (10.43): I move:

That the Assembly expresses its deep regret at the death of Mr Tom Efkarpidis, a prominent Canberra businessman and citizen, and tenders its profound sympathy to his family, friends and colleagues in their bereavement.

The contribution made to the building of Canberra by Greek immigrants has its legacy everywhere—in our office blocks and shopping centres, our cafe culture and our markets—but few individuals have left a greater, or more indelible, mark than Tom Efkarpidis, who died on 3 August.

Tom, more formally Theophilos Efkarpidis, an orphaned child of refugees, was born in Russia, arriving in Greece as a Pontian refugee. He travelled to Australia in June of 1962, living and working originally in a number of New South Wales country towns. Upon the arrival in Australia of his younger brother, Tim, the Efkarpidis clan settled in Canberra, a city which they had recognised of great promise, poised for great growth, offering immense opportunity to migrants of energy and ability.

Security did not come quickly or easily. The brothers worked double shifts in a fish shop and as painters before amassing enough money to buy their own small business, a fish shop in Curtin. Before long they were the proud owners of the first supermarket in the then brand new suburb of Higgins. It was the first of many supermarkets, leading eventually to the conglomerate known to every Canberran as the ShopRite corporation, with 30 supermarkets dotted across the city and, at that time, 55 per cent of the supermarket custom in the ACT.

Tom and Tim then expanded their horizons into building and real estate. They bought the historic Melbourne Building in Civic and reinvigorated and transformed the Belconnen fruit markets. But the immense energy and drive which saw Tom go from humble beginnings to financial success were qualities that stood him in good stead in other areas of his life too. He was no one-dimensional businessman, but a true member of the Greek and the broader Canberra communities.

He was among those who campaigned energetically for the erection of an Australian Hellenic war memorial near the Australian War Memorial, and served on the board of the Hellenic memorial. Tom was a lifelong and dedicated supporter of the Returned and Services League of the ACT.

The links between Greek and Australian soldiers in both wars had touched him greatly. On Anzac Day in 1985, 14 members of the Greek community, led by Tom Efkarpidis, participated in Canberra's Anzac Day march. Later, Tom helped establish the Hellenic sub-branch of the RSL. He and three other members were later named honorary life presidents of the branch by the then Governor-General, Sir Ninian Stephen.



A beneficiary himself of the opportunities held out by his adopted home, Tom Efkarpidis was determined to give what he could back to that community. He was known as a generous benefactor, responsible for numerous bequests to universities, schools, hospitals, community organisations and philanthropic initiatives.

Tom also sensed the deep importance of maintaining the cultural links to the past. He was an active member of the multicultural community and was passionate about the local Hellenic community and Hellenic organisations, serving in official capacities on many Greek community organisations.

He was president of at the Greek community from 1975 until 1986 and was the founding president of the Federation of Pontian Associations of Australia and the founding president of the society of friends of the National Centre for Hellenic Studies and Research.

Tom Efkarpidis was an admired, even revered, individual among his wide circle of acquaintances and friends and throughout the Greek community. For more than four decades he was the devoted husband of Sofia. He was the proud father of John, Maria and Soumela and grandfather to nine. I offer my condolences to each and every member of the Efkarpidis family and to all who knew and loved Tom Efkarpidis. He will be sorely missed.

**MR STEFANIAK** (Ginninderra—Leader of the Opposition) (10.48): The opposition joins with the Chief Minister in our condolences to Tom Efkarpidis's family. As has been said, Tom Efkarpidis was born in Greece. He came to Australia, and came to Canberra in 1965. He brought his younger brother, Tim, out, who survives him.

His first venture here was a fish and chip shop in Curtin. That is probably the first time I would have met Tom Efkarpidis in those days in the sixties. Many of my friends at Narrabundah High School lived in Curtin and on occasions we would go to his fish shop.

I recall too when Tom successfully operated a chain of supermarkets, the Cannon supermarkets. I had cause firsthand to see that he was a tough negotiator, but a very fair man, a man who would listen. I was involved as a solicitor with a client in Red Hill who had some problems with the chain. As a result of representations and a talk with Tom it was all sorted out very amicably and very properly indeed.

I got to know him further, of course, through the Belconnen markets. He has certainly made that a great hub for fresh food produce and a great centre for people just to drop in and chat. Indeed, Tom was always known to love to talk to people. He would call you over for a coffee, often with his brother Tim, at the markets, just to have a chat to catch up to see how things were going.

As the Chief Minister has said, he had business acumen. He revitalised the Melbourne Building and was successful in his business in so many areas. Along with many of his compatriots from Greece, who have played a significant role, Tom has played such a significant role in his time in Canberra over four decades of helping to build this to be the truly great city that it is.

He was heavily involved in a number of organisations—specifically the Hellenic Club, but many other organisations as well. He was a bloke who liked to go to the Raiders with his friends as well. I saw him there on several occasions. And, of course, he played that leading role in establishing the Australian Hellenic war memorial.

In 1984 he received an Order of Australia for his great services to the community. He was a fellow who listened to everyone, who always felt that everyone had something worth saying and something worth listening to. As I said, he always liked to have a chat over a cup of coffee. He was a great Canberran, he was a great family man, a great businessman, a most valued member of our community and a great human being. The opposition sends our condolences to his wife, Sofia, and to his children—John, Maria and Suzie—and their families.

**MS PORTER** (Ginninderra) (10.50): I also rise to speak and am honoured to have the opportunity to do so. Mr Tom Efkarpidis is a pioneer businessman who made an outstanding contribution to the economic and social fabric of Canberra in the 40 years that he called this place home, as other people before me have said. I am also saddened, of course, that the reason I stand here is because of Tom's passing.

From his earliest business venture of the Curtin fish and chip shop, that Mr Stefaniak talked about, to his entry into the supermarket business, which became known as Cannon's, to the purchase of the Belconnen Fresh Food Markets and the redevelopment of the Melbourne Building into a thriving restaurant precinct, and now the redevelopment of the Acton site, Tom Efkarpidis, all the way, never did things in a small way.

With his younger brother, Tim, and their respective children, the family company, now known as the Molonglo Group, is well-respected in the ACT, as we know, for the dynamic way in which they do things.

There is no better example of this than the way Tom took on the big supermarket chains in the battle for the grocery dollar in Canberra and indeed in southern New South Wales. So successful was it that eventually they were forced to buy their group out, just to get rid of them. If you cannot beat somebody, you give them an offer they cannot refuse, and they did this.

Not only was Tom a tough and successful businessman, he was also a great benefactor, as people have said. As the Chief Minister specifically mentioned, he not only was a benefactor to the Greek community but also to many other community organisations, to education and to health.

Many Greek organisations were benefactors in Canberra. They owe much to Tom's philanthropy. Not the least is St Nicholas, the Greek Orthodox Church, where last Wednesday at least 1,000 Canberrans gathered to farewell Tom. Many of the artworks in that church were donated by Tom.

During my election campaign I spent hundreds of hours at the Belconnen Fresh Food Markets, thanks to the generosity of Tom and Tim. I used to see Tom regularly holding court with his friends while he drank short black coffees and puffed his beloved cigars.

Even in recent times, with his health failing, you could still see him there. While I was doing my regular mobile offices, I often saw him there. He was interested in what was happening, always wanted to help people out and offer advice about people's businesses if he could. I think we have all experienced him doing that.

Many migrants who have come to Canberra have become successful businesspeople and civic leaders. We must recognise their contribution to us as a city, but none more than Tom Efkarpidis. His passing will be mourned by many and mourned by me and my family. His legacies will live on for many years to come. I wish to express my deepest condolences to all his family and friends.

**MR SMYTH** (Brindabella) (10.54): I was quite disappointed not to be able to get to the funeral of Tom Efkarpidis last week. It is sad that such a great man died at a relatively young age. He comes from a fabulous family and I think that was at the heart of the person that Tom was. He understood the value of many things, whether it be work, charity or church, but it was the value of family that I think people would most remember Tom for.

In many ways the Efkarpidis story is the Australian story: a very upset Europe post-World War II, immigration, travelling the country, various jobs, business, worked two jobs, worked hard and achieved success. But it was always done within the context of the family.

In fact, we moved into Curtin not long after the Efkarpidis boys set up the fish and chip shop. I can assure you that 20c of chips in the late sixties was a feast for a young boy—and a dollar would pay for a family for a night. The reputation they had of quality, fairness and good service stood them well into their further endeavours. ShopRite was a Canberra institution. But with success did not come swollen heads; in fact, with success came charitable work, compassion and a broadening of their network.

They always remembered. Tom in particular always remembered the debts that he felt he had to pay, particularly through the RSL and the Hellenic sub-branch, of which I have been a member. That sees Tom remembered every Anzac Day when the Hellenic sub-branch puts on the two-up at the Hellenic Club. That of course used to merge for Tom two of the things he was quite proud of.

From successful businessman, he went to philanthropist. His charitable work was not well known because he did not trumpet it, but he was very much a person who put back into his community, who understood culture and was very keen to see that the children of Greek families that had moved to Canberra still maintained and understood their heritage. He was very keen on learning and furthering the learning and understanding of what went on in the world.

I think that in many ways Tom really understood. But Tom not only understood what needed to be done, he just went and did it. That is the value of a man like Tom in your community. Whether it be work, charity, learning, church or community, Tom Efkarpidis just got on with the job. I think anybody who had the honour to call Tom Efkarpidis a mate was very lucky indeed and will remember him for a very long time.

*Question resolved in the affirmative, members standing in their places.*

**MR SPEAKER:** I thank members.

## **Distinguished visitors**

**MR SPEAKER:** I acknowledge the presence in the Assembly of a delegation from the interim assembly of the government of South Sudan. The delegation is headed by his Excellency, General James Wani Igga, the Speaker of the interim government of South Sudan. Welcome.

## **Minister for Health and Attorney-General Motion of want of confidence**

**MR STEFANIAK** (Ginninderra—Leader of the Opposition) (10.57): I seek leave to move a motion of want of confidence in the Minister for Health and the Attorney-General.

Leave granted.

**MR STEFANIAK:** I move:

That this Assembly:

- (1) notes:
  - (a) the failure of the Minister for Health, Ms Katy Gallagher MLA, to support cabinet decisions made by the ACT Government;
  - (b) the failure of the Attorney-General, Mr Simon Corbell MLA, to support cabinet decisions made by the ACT Government;
  - (c) the policy areas in which Ms Gallagher and Mr Corbell have demonstrated these failures, namely the ACT Government's proposed school closures and proposed reductions in superannuation for new ACT Public Service employees;
  - (d) the forum in which Ms Gallagher and Mr Corbell have demonstrated these failures, namely at the ACT Labor Party annual conference held on 29 July 2006; and
  - (e) that both Ms Gallagher and Mr Corbell have breached the ACT Code of Conduct for Ministers that states:

“All Ministers who make up the Executive of the Government acknowledge that the collective decisions of Cabinet are binding on them individually. If a Minister is unable to publicly support a Cabinet decision, the proper course is to resign from Cabinet.”; and
- (2) expresses its want of confidence in Ms Gallagher and Mr Corbell for the reasons noted above.

Our system of government in the ACT and in every jurisdiction in Australia rests on an adherence to the Westminster system of government. Under that Westminster system cabinet ministers have a serious responsibility that comes with holding that important role. Cabinet is the body charged with making key decisions on public policy for the government of the day. An essential condition of our system of government is that cabinet ministers must show solidarity with their colleagues by publicly supporting cabinet's position on any matter.

Fundamental to our system of government—and the ACT is no exception—is the idea that you can argue whatever position you like in cabinet on a policy issue, but once agreement has been reached in cabinet you must support the decision reached by your cabinet colleagues. Those decisions are binding.

That notion of cabinet solidarity is a key tenet of our political system. I do not think anyone here—I hope they would not—would say that is not the case. Failure of a cabinet minister to adhere to a cabinet decision publicly requires resignation or dismissal. That is what the Westminster system requires. There is no grey area about this. Ministers Gallagher and Corbell are in breach of that requirement and should no longer hold office.

**Mr Corbell:** Do you remember Michael Moore?

**MR SPEAKER:** Order! Mr Stefaniak has the call.

**MR STEFANIAK:** Thank you, Mr Speaker. Failing that they should have been dismissed, and if they were not dismissed they should have resigned. I will outline the sequence of events that led to the opposition moving this want of confidence motion. At some stage up to 6 June this year cabinet settled on the ACT budget. A number of members do not like what came out in the budget, but cabinet settled on it. That included a number of issues for example, school closures and superannuation.

It is clear that on Saturday, 29 July 2006 during the ALP conference held at the Lakeside hotel, Minister Gallagher and Minister Corbell did not support their government's policy with respect to school closures, seven weeks or so after the budget was introduced. These two recalcitrant ministers also voted at the conference against the policy of their government and cabinet to amend superannuation entitlements for public servants—two key budget decisions endorsed by cabinet. The explanation offered by these two ministers reveals just who calls the shots in the ALP.

Mr Corbell explained to the media that he voted in that way because his faction required him to do so, and Ms Gallagher offered a similar explanation. An interesting aspect is that they are both former education ministers. In other words, they said to the people of the ACT, "We voted this way because we had to." They even argued that they did not agree with the way they voted at the conference but they said to the community, "It is okay. That is what you do in the Labor Party and at a Labor Party conference."

When we look at our history we find that that was not always the case. Going back to the 1960s one of my first recollections of politics and political procedures was a series of British Labour defence ministers resigning over British government defence policy at that time, and they seemed to have a good point.

If we fast forward to the 1980s we find that ALP Minister West resigned over uranium. In 1989 Gary Punch, an ALP Minister, resigned over Sydney airport. We need only to look at events over the past few days to establish another relevant precedent. Whilst not a minister, the Nationals MP John Forrest quit as the party's chief whip after abstaining from a vote on the controversial migration laws. After his resignation as chief whip Mr Vaile's office said:

John has served our party with distinction as chief whip and he has, as always, acted with honour today.

He abstained from voting against government policy; so he resigned. What these two ministers have done is completely contrary to cabinet's views. They were part of that cabinet decision-making process on school closures and superannuation. They put their faction's view ahead of their own and ahead of cabinet's decisions.

**Mr Corbell:** What about Michael Moore?

**MR SPEAKER:** Order! I have called Minister Corbell to order several times. He will cease interjecting.

**MR STEFANIAK:** They said to the community, "We do not believe in the way we voted at this conference. It is just one of those things we have to do in the Labor Party because of the factional system." After that how can we have any confidence in anything they say? The irrefutable fact is that both ministers voted publicly against two key cabinet decisions announced in the budget. Under the Westminster system they have no choice: they have to be dismissed or they have to resign. They cannot continue to hold their positions as cabinet ministers.

In relation to this issue the Chief Minister said, "Let us not worry about it; let us move on." The government's ministerial code of conduct, which was adopted in 2004, requires these ministers to be dismissed or to resign. When the Chief Minister introduced his ministerial code of conduct in February 2004 we were told that the government would apply a rigorous code. At the time the Chief Minister emphasised that the values of fairness, openness and responsibility were the hallmarks of his revised code. Back in 2004 the Chief Minister was adamant when he said:

The Government does not intend to simply adopt a code and think nothing more of it.

He went on to say:

I consider the principles and standards set out in the code apply each day a minister is in office and are relevant to each decision he or she makes. The government will not back away from the Code when it suits: we will stand by it and uphold it and uphold its values.

As always, those were noble sentiments from the Chief Minister, but when he needed to implement that code he squibbed it. It is patently clear that the government backed away from its own ministerial code of conduct. It is also clear that it will not apply it to these

two ministers. Both ministers, Minister Corbell and Minister Gallagher, clearly are in breach of this code. Either they should either be dismissed or they should resign.

When we take into account the various precedents, the Chief Minister's code, and everything he has had to say about the code and about accountable, open government—government that abides by the laws, standards and conventions—we realise that there is no other honourable course of action. It is a disgrace that those two ministers remain in their ministerial roles.

A number of members are probably happy with the vote on school closures taken at the conference by these ministers. However, both of them then said, "We did not really mean it. That is not what we think. We had to do that because of the factions." There are a few instances of people who have gone against their factions and who have stood by things like ministerial codes or by what they think. I am sure that they said, "Sorry, faction, we do not agree with you." There is a fair bit of that in politics and people stand up for their convictions, but they did not here. Despite what these ministers have said they voted with a faction against a clear cabinet decision taken seven weeks earlier.

I think that reveals the hypocrisy of the Stanhope government. It has chosen not to apply its own code of conduct to these two ministers. Members probably appreciate why that is the case but it does not excuse the fact that it is wrong. It goes against the government's own code of conduct and what the Chief Minister stipulated, put down in writing and said publicly. As a result these two ministers lack any integrity. It is obvious that they and the government will try to tough this out but there can be no ifs or buts on this issue. It could not be clearer: the loser in this farce is the community.

The Chief Minister failed to act by applying his own code of conduct to these two ministers. He did not apply his own code of conduct, which strikes at the heart of our political system. The government's inaction in relation to these two ministers generates cynicism in the community towards the Assembly and our system of government. What is the point in having a code of conduct? What is the point of stipulating rules that govern us and govern ministers if the government does not abide by them?

If Ministers Gallagher and Corbell have any understanding of or respect for our Westminster traditions they should resign. The ministerial code of conduct they signed on becoming ministers requires them to do the honourable thing by this Assembly and by the community, that is, to resign. The fact that they remain in their position shows the Stanhope government's complete contempt for our parliamentary traditions and processes. I commend the motion to the Assembly.

**DR FOSKEY** (Molonglo) (11.09): I do not support this motion and I would like to outline my reasons for not doing so. It is a contradiction in terms to condemn two ministers for voting for a motion to place a moratorium on school closures that would enable a proper examination of issues facing public education in the ACT. If we believed the information coming out of the Liberal Party at the moment, I would have thought that would have been the first thing it wanted members of the Labor Party, and especially ministers, to do.

To me it seems to be a sensible thing to do. I commend the five ALP government members who supported Mr Berry's motion at the Labor Party conference. However, it

has led me to ask: what is this thing called cabinet solidarity? By what convention does it override party allegiance or, in the case of the ALP, faction allegiance? In this equation where do concerns for the good of the electorate fit in? On that Saturday ministers felt bound to vote with their faction.

**Mrs Dunne:** Ms MacDonald did not. She shafted her faction.

**DR FOSKEY:** I accept that Mrs MacDonald did not. I imagine she was voting as a result of her passion and concern for schools not just in her electorate but also all over Canberra. On that Saturday it was not a cabinet meeting; it was a party meeting. This is ALP business. I do not believe the Liberals would appreciate a similar vote if they were in the shoes of this government. The Labor Party's arcane laws have always mystified me. I imagine that thinking ALP members must be in constant conflict, always wondering what level of allegiance to obey.

**Ms Dunne:** Thinking ALP members?

**DR FOSKEY:** I specified thinking ALP members. I am sure some ALP members do not have any conflicts but I will not say why I think that might be the case. We do not know what Mr Corbell and Mrs Gallagher really think about the motion for which they voted that day. They said publicly that when they were not at a party conference they would adhere to cabinet solidarity so when they speak with passion in favour of school closures and a nonsensical restructure we will not know what they really believe. Whichever way we look at it, five out of nine is a majority. I hope at least one of those five members of the ALP has the power of his or her convictions to vote for my bill when it comes before the Assembly.

**MR MULCAHY (Molonglo) (11.13):** I support my colleague's motion and encourage the Assembly to support a want of confidence motion in both the Deputy Chief Minister, Ms Gallagher, and the Attorney-General, Mr Corbell. This is a serious matter. It is not a decision the opposition made lightly to bring this matter before the Assembly.

**Ms Gallagher:** No. Who rang the ABC?

**MR MULCAHY:** Ms Gallagher is dismissive and contemptuous of these serious matters. Through her approach she shows the cavalier disregard she has for her role as a member of the cabinet of the territory. I will remind her shortly of some of the words spoken in this place by Mr Stanhope before I became a member of parliament. He was sanctimonious and forthright about the role of cabinet ministers. Members of the Labor Party want to revisit Mr Moore's experience. I say to Minister Gallagher: if that was the position, why has it changed in her case?

I do not accept what Dr Foskey said earlier, that is, that when ALP members go to a Labor Party conference all the rules go out the door. The conduct of these ministers shows a profound lack of regard and respect for the Westminster system, on which our whole system of parliamentary democracy relies. As Mr Stefaniak pointed out, one of these conventions is the principle of collective ministerial responsibility. An underlying principle of Westminster government is that the executive meets in secret and speaks with one voice. The ACT government cabinet handbook, which was released in April 2002, makes it clear. It states at paragraph 2.1:



The convention of the collective responsibility of Ministers for Government decision is central to the Cabinet system of government.

The foundation for this convention lies in the United Kingdom. In 1841, when Lord Melbourne was dealing with the issue of corn laws, he said:

Bye the bye, there is one thing we haven't agreed upon, which is, what we are to say? Is it better to make our corn dearer, or cheaper, or to make the price steady? I don't care *which*: but we had better all tell the same story.

That message was as applicable in 1841 as it is today in 2006. In this situation where the government has chosen to make life for people in the ACT considerably more difficult, the Deputy Chief Minister and Attorney-General have broken ranks and told a different story. They have publicly opposed the government's stated position specifically in relation to school closures and they have failed to support both the cabinet and their colleague Mr Barr in his endeavours to advocate cabinet policy.

They also failed to oppose their party's decision to embrace a policy to oppose reductions to public service superannuation contributions. They were remarkable in their silence. I spoke with those in attendance at that event and confirmed that not a squeak was heard from those two ministers, despite their obligation to support and advocate cabinet policy and not publicly oppose it. Their public opposition to the government's position was widely reported after the Labor Party annual conference.

According to the ACT code of conduct for ministers, because of that opposition they should resign from cabinet. Research has shown that the position taken by those two ministers is in stark contrast to the declared position of their Chief Minister. It is significant that when two of the most senior ministers in the ACT government are under fire in this place the ACT Chief Minister is nowhere to be seen.

**Mrs Dunne:** He walked out the door so fast.

**MR MULCAHY:** He walked out the chamber when the motion was first moved, which tells us volumes. I imagine he is sitting in his office saying, "Good riddance to these people. They have embarrassed my government and they have breached the code of conduct." The Chief Minister does not want to be in the chamber to defend them. It is worth reminding members that Mr Stanhope said:

The notion and principle of cabinet solidarity is extremely important. The amendment I proposed on another occasion was designed to deal with a specific circumstance—namely, where a minister was not prepared to accord with accepted notions of cabinet solidarity, and openly and blatantly abandoned Westminster principles. That will not happen under this government.

We are talking essentially about the importance of the principle of cabinet solidarity as one of the overarching principles of Westminster-style government, which we, in this place, accept and pursue.

Those are not my words or the words of any opposition speaker; those are the words of Mr Stanhope. Later, in combating and opposing Mr Stefaniak, he said:

I have to disagree with you, Mr Stefaniak, on the suggestion that members of cabinet who feel uncomfortable about being the signatory to legislation that reflects a government or cabinet position have to simply accept and swallow that discomfort on the basis of the principle they sign up to the decision ... It is one of the burdens you bear as a cabinet minister—as a member of a cabinet. It is a long-held principle that, as a member of cabinet, you sign up to what the cabinet decides. But you do not go out and say, “My mates in cabinet have done this but I disagree.”

You cannot sign up to regulations as an executive, as a government, then say, “Look, this is a mongrel regulation. All my mates in cabinet have signed up to it but I am not going to”—and then walk out onto the street and beat your breast and say, “I am a defender of a principle.”

That is what has just happened. Mr Corbell and Ms Gallagher went to the Labor Party conference and kowtowed to factional bosses who said, “You will lose your preselection Mr Corbell and Ms Gallagher. Your \$200,000 ministerial jobs will be out the door because you do not toe the faction line.” So they said, “Yes, sir, we will do as you say. Blow the Westminster principle and blow adhering to cabinet decisions that have been imposed on the people of Canberra.” If they are going to defy cabinet policy why do they not look at some of the government’s other policies? Rates and taxes are crippling household budgets in this town. They suddenly abandon the very people they purport to represent because they are irrelevant to their factional masters.

As Mr Stefaniak pointed out earlier, throughout the history books there are many examples of people who have acted sensibly under similar circumstances. We all remember John Kerin, a current resident of the ACT and a former treasurer in the Hawke government, who tendered his resignation after he could not outline government policy. In the past few days we had the recent circumstance of Bryan Green, deputy premier of Tasmania, who was compelled to resign from his position as both deputy premier and minister over deals he had done with former Labor ministers.

Throughout history ministers have repeatedly resigned their positions when they were at odds with government policy. Back in 1987 Laurie Brereton resigned as Minister for Public Works and Roads under the Unsworth government. Michael Yabsley on the Liberal side resigned as minister in protest over certain decisions that were taken. Mr Hargreaves reflected on the fact that I was once a member of his party, which prompted me to do a bit of research.

In 1972 the then Attorney-General of Tasmania, Mervyn Everett, gave his fiat to conservationists to challenge the lawfulness of the flooding of Lake Pedder. He refused to accept a cabinet directive to stop the litigation. The premier sacked him and assumed the role of Attorney-General. If you cannot comply with a cabinet decision you should not be part of the cabinet. That established principle under the Westminster system is part of the defined principle of collective ministerial responsibility.

Ministers who are not prepared to accept the collective decisions of cabinet are expected to resign. The leader of the government should dismiss ministers who speak out in public against cabinet decisions, but that is overridden by the factions. The government is factionally divided and people outside the system are calling the tune. It brings back

memories of the 36 faceless men and it begs the question: who is calling the tune in this town in relation to government policy?

One might foolishly assume that cabinet is setting the direction of policy in the ACT when factional bosses and people sitting in the corridors in the Labor Party and in the trade union movement are the ones who will decide how Mr Corbell, Ms Gallagher and their colleagues, especially from the left, will conduct themselves in this place. This is not consistent with the appropriate conduct for ministers. It serves as a profound basis for ensuring the Assembly brings these ministers back to check and reminds them of their duties and obligations as ministers of this government.

In conclusion, I am disappointed that the Chief Minister is not in the chamber. He dismissed the conduct of these ministers as undermining the ACT budget, citing that successive decisions taken by the Labor Party would have created economic catastrophe in this town. It is significant that the Chief Minister is not in the chamber to support his colleagues. I continue to be amazed at this government's complete disregard of the accepted system of cabinet solidarity.

**MR HARGREAVES** (Brindabella—Minister for Territory and Municipal Services, Minister for Housing and Minister for Multicultural Affairs) (11.23): I congratulate Mr Mulcahy on his leadership speech. It is quite clear to us that the old relevance deprivation syndrome has set in and the refugee from the apple isle has decided to make his leadership speech.

Mr Stefaniak should chat to Mr Smyth if he wants to establish what it feels like. When he gets the hot breath of the Tasmanian tiger down the back of his neck he will know all about it. One thing that government members enjoy and that they have in abundance is an incredible commitment to one another. Talking about factions, we have seven on the other side of this chamber. There could even be nine as somebody might be skulking about in a back room.

**Mrs Dunne:** Point of order. Mr Hargreaves has been speaking for almost two minutes and he has not yet mentioned anything to do with the no-confidence motion. I ask you to ask him to address the motion that is being debated.

**MR SPEAKER:** Mr Hargreaves.

**MR HARGREAVES:** Opposition members are doing their best to besmirch the good names of my ministerial colleagues and I will not put up with it. In recent times I have enjoyed their support and solidarity.

**Mrs Dunne:** You have been besmirching all sorts of people around town.

**MR SPEAKER:** Order, Mrs Dunne!

**MR HARGREAVES:** Opposition members should take a Bex, have a cup of tea and go and have a good lie down.

**MR SPEAKER:** Order! The minister should direct his comments through the chair.

**MR HARGREAVES:** In my view these two ministers have, with honesty and integrity, delivered good service to this place over an incredibly long time. How did those guys opposite get into the Labor Party conference, or are they relying as usual on the gospel according to the fourth estate? They do not recognise the animal that we enjoy called the Labor Party and its consultative process. Within that Labor Party family we have certain gatherings where we set down our position according to our consciences. The Labor Party does not govern this town; the Stanhope government governs this town.

*Opposition members interjecting—*

**MR HARGREAVES:** I would really love a packet of table tennis balls so that I can pop one down the mouths of all those clowns opposite that are attempting to interject. That would suit me down to the ground. This government has cabinet solidarity; it is absolutely cement solid. As the second newest member of cabinet I can tell members that there is always robust debate in cabinet. We put forward our case and at the end of the day we walk out of that cabinet room as one, not as a faction of seven, not like the seven dwarves, and not like the seven idiots looking for a village.

Members opposite are proponents extraordinaire in the art of hypocrisy. How can they talk about a lack of solidarity on this side of the chamber when their party is so fractured? How dare they have the temerity to come into this place and question the integrity of two of Mr Stanhope's ministers? It beggars belief. There is nothing wrong with the track record of Mr Corbell as education minister and there is nothing wrong with the track record of Ms Gallagher. Their track record beats the track record of that bunch opposite.

*Opposition members interjecting—*

**MR HARGREAVES:** Opposition members should say that outside. They should also take photocopies of their houses. Ms Gallagher could do with another house.

*Opposition members interjecting—*

**MR SPEAKER:** Order!

**MR HARGREAVES:** Take Boy George and Zorro outside.

**MR SPEAKER:** Order, Mr Hargreaves! I ask the minister to resume his seat. I ask members to come to order. Mr Hargreaves has the call. Members of the opposition will cease interjecting.

**MR HARGREAVES:** This motion is nothing short of a stunt to get opposition members over their relevance deprivation. They moved a spurious motion, which states, "We note that all these things have been said." So what! Big deal! They should dry their eyes and get over it. The motion states in part:

- (2) expresses its want of confidence in Ms Gallagher and Mr Corbell for the reasons noted above.

For what? They have not infringed anything in this place and they have not committed any deed that would have this Assembly question their performance as parliamentarians. Opposition members believe they can make mischief by moving a motion such as this. The seven dwarves want to have another go and they want to make a bit of mischief. It will not work. Talk about a want of confidence!

A statement that was made at the conference applies beautifully to these people across the channel—the unwanted, the unloved and the unhinged. The people across the channel are the unwanted, the unloved and the unhinged. Nobody with his or her hinges in place would come up with a stupid motion like this. All opposition members are doing is wasting the time of this Assembly. We should just toss out this motion.

**MR STANHOPE** (Ginninderra—Chief Minister, Treasurer, Minister for Business and Economic Development, Minister for Indigenous Affairs and Minister for the Arts) (11.30): The government will, of course, oppose this motion. Quite clearly, the motion is a stunt and, worryingly, effectively it represents the continued determination of the opposition and others to avoid any engagement in serious debate about the government's budget decisions, most notably the decision in relation to school rationalisation, school closures and the development of a sustainable, high-quality, best public education system. Once again, opposition members are refusing to engage in debate about the future of public education in the territory and are descending again into stunts and diversions and focusing on side issues. We see through their demeanour this morning—the hilarity, the unrestrained laughter—

**Mr Pratt:** Where's your sense of humour, Jon?

**MR STANHOPE:** The interjection is: where is your sense of humour? The opposition is asking the Minister for Health and the Attorney-General today to resign, and this serious motion, this most serious issue of resignation of the Deputy Chief Minister and of the Attorney-General of the territory, is accompanied by unrestrained hilarity. It is a circus atmosphere—hilarity, bells and whistles and silly hats. The motion we are being asked to take seriously is that the Deputy Chief Minister of the territory and the Attorney-General of the territory resign, and we are asked to address the debate and the issue with a sense of humour, to join in the hilarity, the knee slapping, the jocularity of what is purported to be a serious motion. All the world has seen and heard opposition members this morning—laughter, knee slapping, backslapping, joking—and they want us to take seriously the most serious motion that could be moved in parliament, a motion calling on two-fifths of the cabinet, the Deputy Chief Minister and the Attorney-General, to resign. They think calling on 40 per cent of the cabinet to resign is a matter of the greatest hilarity, a matter in relation to which we need to relax and express our senses of humour.

I treat the motion with seriousness because that is the way it should be reacted to by any serious person. This motion is not worth the time of the Assembly, and members opposite reflect that through their language, through the jokes, through the hilarity, through the jocularity, through the knee slapping. Through their behaviour they have sent the signal for the world to see that they do not believe this is a serious motion. They do not for one second expect this motion to be taken seriously. They do not even take it seriously themselves. They have not even attempted to make it a serious debate. It is a diversion. It is their refusal to engage in a serious debate about serious issues confronting

the territory and, most significantly, the issue of the quality of public education, the sustainability of the system of public education, and our capacity to ensure that our children and our grandchildren have the same opportunities to access unparalleled quality public education as we have had. That is what we wish to debate. That is what is at stake.

It is a debate that members opposite generated back in 1990 and 1991 but which they could not sustain because they did not have the political will, the strength or the courage to sustain the debate. It is interesting to go back to members of the task force in 1990 and 1991 and talk about cabinet solidarity.

**Mr Smyth:** On a point of order: I am not sure how a 1991 task force is relevant to this debate and his supposed political courage. Perhaps he could come back to the motion.

**MR SPEAKER:** Mr Smyth, nothing can be more relevant than a vote of no confidence in the ministers who are involved in an education matter.

**Mrs Dunne:** It is not about education, Mr Speaker.

**MR STANHOPE:** It is not about education because the opposition cannot afford for it to be about education. The opposition has no position in relation to education. It has no desire to discuss education. It wants to do whatever it can around the edge of the debate to ensure that we do not focus on education, that we do not focus on the budget position and that we do not focus on sustainable quality education of the future. So we will move silly stunt motions. We will move a motion calling on 40 per cent of the cabinet to resign because then we do not have to discuss the import of the issue of education and its rationalisation. Then we do not have to acknowledge our own failings. We can simply gloss over Mr Stefaniak's cabinet submission of 1995-96 in relation to the closure of Charnwood high school and Stirling college.

We can gloss over the approach the Liberal Party took in government. We can gloss over the very things that Mr Stefaniak said to his cabinet in 1995-96—which we are saying. We can gloss over the fact that in his private utterances and communications to his cabinet, Mr Stefaniak agrees entirely with what we are seeking to achieve today. We do not have to go back to the position in 1991, when Mr Humphries, now Senator Humphries, was put in charge of implementing a cabinet position in relation to school rationalisation in relation to which he wobbled, then fell over and could not carry through because he did not have the support of his cabinet, and he failed.

What members opposite tried previously we are doing now, but they did not have the bottle, the courage or the will. They do not have the capacity and they are embarrassed by their duplicity and double standards, so they move ridiculous, derisory motions calling on two incredibly fine ministers to resign. That is what they are doing: asking them to resign. This is a serious matter which members opposite refuse to take seriously.

We are taking up the time of the Assembly, the parliament—which has important business on its notice paper—with a motion, essentially, about the internal party mechanics of the Labor Party, our annual conference, to which we invite the media. We pay this sort of political price because we are open and transparent and the Labor Party is prepared to display to the world its democratic processes—unlike the Liberal Party, of

course. One of the great ironies of this debate is that the Liberal Party has a closed conference. It has annual conferences too. It has its internal policy-making mechanisms and pretends to a form of democracy, but is not prepared to display it to the world.

I think it was at last year's conference that Bill Stefaniak, the Leader of the Opposition, voted to reintroduce capital punishment into the territory, as did others of his colleagues. We believe Mr Pratt voted for the reintroduction but this was not displayed to the world at large because the conference was closed. It is interesting for us to go back to the parallels that can be drawn. That is the private position of members of the Liberal Party in relation to capital punishment, but when a motion is moved to displace and reaffirm the Assembly's commitment to its opposition all of a sudden it is politically not particularly desirable for Mr Stefaniak and others to go on the public record in relation to capital punishment.

So here we have this interesting juxtaposition. The Liberal Party has closed conferences. In its internal policy making, some young Liberal, some tearaway, says, "Would not it be great to have a gallows out at Alexander Maconochie Centre?" Bill Stefaniak, Mr Law and Order, says, "Yes; I am always a supporter of capital punishment," and he spoke for it at his party conference. Of course, it was not reported by the media because they were not allowed anywhere near it. But this is an interesting juxtaposition, the secret position of the members of the Liberal Party, those who voted for the reintroduction of capital punishment into the territory. It is a fact that the Leader of the Opposition in this place at his annual party conference supported the reintroduction of capital punishment. He wants a gallows down at the Alexander Maconochie Centre.

When the motion was moved in this place, did Mr Stefaniak repeat his closed-door Liberal Party conference position on capital punishment? Did Mr Pratt maintain his public position in relation to capital punishment? No, they did not—hypocrisy, humbug. These are internal party issues. They are dealt with through our party in an open and democratic way. The Liberal Party, of course, closes its conference. No media are allowed anywhere near it; not even told that it is on. At different times little titbits leak out from those members, backstabbing their colleagues to try to get rid of them.

**MRS DUNNE** (Ginninderra) (11.41): This is an important motion. It is not about education; it is about integrity, it is about honesty. It is about whether one can believe cabinet ministers when they say anything in this place or out in the community. It is interesting that the Chief Minister came scurrying down here when he was accused of not even having the bottle to sit here and support his members. His foray in support of his members was led by a junior minister who is for the most part known for his comic repartee rather than oratory.

But this is a serious motion. Unlike Mr Stanhope's and Dr Foskey's claims, this is not about education. We will have our time to talk about education, but today we are talking about integrity and honesty in the Labor Party. My colleagues Mr Stefaniak and Mr Mulcahy have spoken about the historic precedents and the recent precedents where people who cannot agree with their colleagues resign. We have seen it as recently as last week: people who hold office, who cannot agree with their colleagues and feel so compelled to disagree that they have to say it publicly, have the honesty and the integrity to resign. Mr Vaile used the terms "honour" and "integrity". You cannot use those words

about Mr Corbell and Ms Gallagher, because honour and integrity are unknown to them. We have seen the way that these people behave.

**Mr Corbell:** On a point of order: I know that this is a substantive motion asking for me and Ms Gallagher to resign, but I do not think it gives Mrs Dunne free licence to accuse us of being without honour or integrity. I think that is a reflection on me. It is one that I take seriously. At no point does the substantive motion before us make the claim or argue that we should resign because we are without honour or integrity. It is a very long bow to draw. I find it offensive and I ask Mrs Dunne to withdraw those words.

**MRS DUNNE:** On the point of order: this is a substantive motion about a member's capacity to hold office as a minister, and that goes directly to honour and integrity. All of the matters raised in this place this morning are about honour and integrity.

**Mr Smyth:** On the point of order: the Chief Minister just spent four or five minutes questioning the integrity of the Leader of the Opposition—that he said one thing in private and one thing in public. That questions his integrity. If this is acceded to, of course the Chief Minister will apologise for all that he has said. It is quite the tradition that in a wide-ranging debate like this, people speak clearly about what they are saying. This is about integrity and honour.

**MR SPEAKER:** This is one of the most serious motions that we ever deal with, and these sorts of motions are always dealt with in a substantive way. Often the character of members involved is challenged by these motions. Regrettable though that might be, I think it is in order. I remind members that the tone of some things said in these debates often does not contribute to order in the place, so they should direct their comments through me.

**MRS DUNNE:** When the Chief Minister introduced his ministerial code of conduct he spoke about rigour in cabinet, about fairness and openness, and that the government will not at any stage back away from the code when it suits. Well, it suited the Chief Minister a couple of weeks ago to back away from the code when his two most senior ministers breached that code of practice in a very public way. The code of practice requires that decisions on cabinet are binding on members individually, and they must publicly support them. If they cannot publicly support them, they must resign. These two ministers were among a whole host of people who did not support the government's proposal on the school closure consultation process. This is what brought it about, but it is not the issue today. I understand from the media reports and the reports that one hears that that was a very fiery debate. On that occasion these ministers did not speak but they voted against the cabinet decision.

That immediately brings into question the issue of cabinet solidarity and whether they are subject to the code. They are subject to the code but it was not convenient for the Chief Minister to apply that code, against his own undertakings. The government will not back away from the code when it suits. It is very inconvenient for the Chief Minister to call for these ministers to resign, first of all, because the factions would be unhappy and, secondly, because there is no-one in this place with the capacity to replace them. He is afraid to call upon these ministers to resign, as he should. He should not have to call upon them to resign—they should have the honour and integrity to do it themselves.



These people are bereft of honour and integrity. These people have said things in one place and said another thing on another occasion.

This is a Deputy Chief Minister who, before the last election, allowed her staff to say—and it was never corrected—“There will be no school closures in the next term of the Stanhope government.” She allowed it to be said, it was said and she never corrected it. She has come into this place, and has gone to other places, and said, “I never said that.” She may not have personally said those words, but she did not let it be fixed. It is like Henry II saying, “Who will rid me of this tempestuous priest?” It is allowing somebody else to do her dirty work for her. She did not ever set it straight. She allowed it to be said in public: there will be no school closures. She closes schools. She connives with the current Minister for Education and Training to close even more schools so that we have 40 schools closing in the life of this government. Then she goes to a state conference and says something different.

When put under pressure what do they say? “It was not me; it was 36 faceless other blokes and they made me do it.” These people can never be believed again. They can never be believed again because they say what is convenient in one place and they renege on that undertaking somewhere else. These people should resign because the office of minister in this territory or in any other government is a very high office from which much is expected. You cannot make it up as you go along. You cannot speak to a particular audience and undermine what you say elsewhere. You must have integrity. You must speak the truth. These people at some stage have not spoken the truth.

**MR SPEAKER:** Order! You ought to withdraw that. Withdraw that.

**MRS DUNNE:** I withdraw it, Mr Speaker. Somewhere these people have spoken the truth and it is up to people to work out when. Mr Hargreaves talked about that debate the other day and I understand that there were split—

**MR SPEAKER:** Mrs Dunne, that is just another imputation. Withdraw it.

**MRS DUNNE:** I withdraw the imputation, Mr Speaker. Mr Hargreaves spoke about the speeches given at the conference the other day. He talked about a particular speech in which the speaker talked about the axis of weasels in the ALP and he talked about “the unloved, the unknown and the unhinged”. At that stage the speakers in that debate did not know that the ministers were going to rat on their own colleagues so he did not have the opportunity to talk about the unscrupulous. We have in this place unscrupulous members who do not have the integrity to resign when they turn away deliberately from their Chief Minister’s code of practice, and we have a weak Chief Minister who does not have the bottle to enforce his code of practice. That is why this Assembly should vote for the motion of want of confidence in these members.

It is not about education. It is not about whether these people support a moratorium or extended consultation. That is a debate for another day. This debate today is about members and their integrity. The people who hold the highest offices in this territory do not have the integrity to carry them out and that is why we should have no confidence in Ms Gallagher, the Deputy Chief Minister, and the Attorney-General, Mr Corbell.

**MR CORBELL** (Molonglo—Attorney-General, Minister for Police and Emergency Services and Minister for Planning) (10.50): I reject this motion today in its entirety. This motion is unfounded and is nothing more than a cheap political stunt designed to highlight an issue the Liberals think gives them credit but which does them no credit at all. It does them no credit because they have no position on the issue of school closures in this community. They know that rationalisation of schools is necessary to maintain quality public education in this city. They know because there are former ministers for education sitting on those benches over there who argue and have argued for school closures in the past. They know it and we know it, and they do their community a great disservice to suggest that they believe otherwise.

How I vote in an internal party forum, within a democratic political party, is a matter for me and a matter for me alone. I attend Labor Party meetings every day of the week. I get asked questions, I give speeches and I get to vote on motions. That is my right as a citizen to participate in my political party, and that is what I do. But when I perform the role of a minister, when I am asked to comment on matters as a minister, when I make announcements as a minister, when I represent the territory as a minister, when I go to public meetings as a minister, one cannot find an instance where I have not put forward, advocated, supported and voted for government policy. It is that simple.

But what the Liberal Party is trying to assert today is that as a citizen, as a rank and file member of the Australian Labor Party, I should be somehow constrained in how I behave within my party. I reject that. I am entitled as a member of the great organisation that it is, the most democratic political party in this country, to participate as a member of that party separate from and different from my role as a minister. Those opposite do the same thing every day of the week. We all do it. Dr Foskey does it. We all participate in our political parties. We have our view, and the great thing about political parties is that you are just another member. I am not a minister when I go to the Labor Party conference. At the end of the day, I have one vote, like every other member of my party. I can exercise that vote in a democratic way, and that is what I do. But I do not walk away from government policy. I do not disagree with government policy publicly and that remains my position.

I put it very clearly on the record now: the government's policy on school closures, on school rationalisation and on investing \$90 million into our public education system is the right policy. It is the right policy for our city and for our community. Let us get into some of the detail about what that motion says. Did that motion reject school closures? Did that motion say that school closures were wrong? Did that motion say that schools should not be closed? The answer to all of those questions is no, it did not. The contentious element of the motion was the period for consultation and decision before closures could occur. That was the contentious part of the motion. At no point did the motion say that school closures should not or could not occur. Anyone who suggests otherwise does not know what they are talking about and is misrepresenting the position. I would argue it shows a lack of integrity if they do so.

The other part of Mr Stefaniak's motion deals with a motion that he claims I voted on in relation to superannuation. He is wrong—again. This shows the problem when Mr Stefaniak seeks to purport that he knows what goes on in ALP annual conferences and forums, which I can assure him he is not invited to. He asserts that I voted in favour

of a motion about proposed reductions in superannuation for new ACT public service employees. I was not there. I do not know whether the Liberal Party checked its facts. I was not there. The motion was dealt with late in the day and I had already left the conference room. I cast no vote on that motion because I was not there. I had left the conference for the day.

This shows the paucity of the argument that the Liberal Party has made today. As the Chief Minister says, it is solely a motion designed to take cheap political advantage of one of the most difficult structural and political issues our city has to face; that is, that the concept of neighbourhood schools, with every suburb having a school, does not work. We have a responsibility as legislators, we have a responsibility as representatives, to talk with our community about that reality, rather than pretending that that reality no longer exists, or does not exist, or is not confronting us, and that it is all right to insist that every suburb must have a school.

Everyone in this place knows that it does not work anymore and, as a result, small schools cost this community more and more money and not for the best educational outcomes. The community as a whole cannot afford that prospect and it does not deliver the quality educational opportunities we want for our children. That is the issue the Liberals fail to address when they move motions like this today. They fail to tackle the hard issue about structural reform in our education system. They walk away from it. They fail to grasp the nettle. They have no backbone and they have no guts to address the issue. Instead they seek simply to take cheap political advantage at the margins.

The Labor Party is not interested in dealing with issues on the margins. We are prepared to weigh into this debate. We are prepared to say what we believe and say what we think needs to be done to improve public education in this city. That is what this party is prepared to do. It is a party that demonstrates guts and commitment for doing it. In contrast the Liberal Party is like the great political raven of the ACT political scene. It does not make the kills or promote any new ideas but is really happy to sit around the edges and just pick at bits and pieces. It is really happy to pick at this problem or that problem, but offers no leadership, no policy, no guts to tackle the hard decisions— simply a position to take cheap political advantage.

Members can do that in their motion today and can call me someone with no honour and no integrity, because it is the only place they can call me that. But it is not true. I reject it absolutely. I say to members of the opposition: show us your courage, your commitment and your integrity by talking with our community seriously about the problems our city faces with public education, rather than taking the cheap political advantage that you seek to take today.

**MR PRATT** (Brindabella) (12.00): There is a definite case for moving this motion relating to a want of confidence in two ministers, Ms Gallagher and Mr Corbell. As a number of letter writers to the *Canberra Times* have recently asked, why bother to elect local representatives only for them to end up voting as they are told by either the Chief Minister or internal Labor Party factions? Why are they not representing the views of the community who elected them? As was also expressed in recent letters to the editor, it seems that the non-elected factions of the Labor Party clearly have a stranglehold over the voting freedoms of democratically elected representatives, who should not be constrained to vote along factional lines but who should vote on behalf of

the community and also in accordance with their responsibilities to parliament in their roles as ministers.

What occurred recently when these ministers voted at the recent Labor Party conference is not democracy in action. This is not a demonstration of elected members of parliament representing the interests of those in the community who elected them to office, nor are they representing their parliamentary party. They are being held to ransom by their factions.

The Chief Minister came rumbling down here from his cave to have a crack at us about what he perceived, or what he alleged, to be a humorous attack. The so-called hilarity that the Chief Minister talked about was simply a momentary, natural response by the opposition in a deeply serious debate to the pathetic and clown-like defence mounted by the Chief Minister's chief clown. The opposition can be excused for responding in that way for a few minutes.

**MR SPEAKER:** Order, that sort of—

**MR PRATT:** Come on, Mr Speaker. We have the Chief Minister belting the hell out of the opposition.

**MR SPEAKER:** Order! That sort of name-calling does not add to the quality of debate. Referring to people as clowns is disorderly.

**MR PRATT:** I withdraw “clown”.

**Mr Mulcahy:** What about unloved and unwashed and all that rubbish?

**MR PRATT:** That is okay. I withdraw “clown”. This is not a debate just about these ministers' decisions to vote against their parliamentary party or to vote against the issue of school closures or government employees' superannuation cuts. It is much, much broader than that. This debate is about two ministers who not only have not represented the interests of their constituents in parliamentary terms but also have gone against the new ministerial code of conduct that the Chief Minister established in this Assembly in 2004. On page 2 that code states;

All Ministers who make up the Executive of the Government acknowledge that the collective decisions of Cabinet are binding on them individually. If a Minister is unable to publicly support a Cabinet decision, the proper course is to resign from Cabinet.

Hypocritically, the Chief Minister is not even upholding his own code of conduct and has stated publicly that he will not take any disciplinary action against his ministers for voting against the decisions of cabinet. This is absurd. This is where it gets interesting. We can see from the way Ms Gallagher and Mr Corbell voted in defiance of cabinet at the ALP conference that this Chief Minister, Jon Stanhope, has lost the support of at least two of his cabinet colleagues. That is literally what it means. Therefore it mystifies me why the Chief Minister has not taken the appropriate disciplinary action based on the code of conduct that was formulated under his authority. That is probably because he does not have any authority to exercise leadership over the factions. He cannot cross

factional lines. Today we have a couple of disloyal ministers because of the factional foundation that makes up the Labor Party, the supposedly great democratic party. We know it is not democratic because it is factionally ruled, and even the Chief Minister cannot exercise authority over his own cabinet because of those factional lines. In this Assembly on 12 February 2004 the Chief Minister stated:

... the government does not intend to simply adopt a code and think nothing more of it. I consider that the principles and standards set out in the code apply each day a minister is in office and are relevant to each decision he or she makes. The government will not back away from the code when it suits; we will stand by it and uphold its values.

That is ringing endorsement from the Chief Minister, but that did not last very long, did it? On that basis, Katy Gallagher and Simon Corbell should resign for their public disavowal of the government's decision to close 39 schools, after voting against this decision on factional lines at the ALP conference. If they do not resign, the ministerial code of conduct basically demands that the Chief Minister sack them both for voting against it. The failure to do so highlights the blatant hypocrisy of the Stanhope government. Clearly it is thumbing its nose at the rules of conduct that these ministers and the Chief Minister have vowed to adhere to. Even the Speaker, Mr Berry, in this Assembly on 25 August 2005 declared:

The institution of parliament is a cornerstone of our democratic principles and values, which will be improved with the adoption of a code of conduct for members. The onus falls on us, as parliamentarians, to show our commitment to the institution and to the people by our adherence to the code.

So, given the emphatic support that the Chief Minister, the Speaker and all Labor MLAs in this place have shown for the code of conduct, these two ministers have no excuse for not following it. What about this demonstration by Mr Corbell that this great democratic party called the Labor Party is making the tough decisions? It does not even have the guts to consult with the community before it goes behind the community's back, driven by factional lines, to make sneaky decisions it then throws upon the community as a fait accompli. That is guts, is it not? The police minister, Mr Corbell, has a record of persistently and wilfully misleading the Assembly on a number of issues.

**MR SPEAKER:** Withdraw that.

**MR PRATT:** I withdraw that. It is okay; I will withdraw that. Mr Corbell cannot say on one hand that he supports the school closures initiative and then vote against any part of that initiative. He cannot have it both ways. It is this sort of attitude that got the minister into trouble before in this place. Mr Corbell has a history when it comes to questioning ministerial conduct, and that is on the record. In May 2003, when Mr Corbell was health minister, there were incidents in relation to withholding information from the Assembly on hospital activity and waiting lists. At that stage the Assembly forced Mr Corbell to supply the information. That is on the record. He eventually supplied that information but not without a fight.

In May 2003 there was an incident of Mr Corbell withholding information from the estimates committee in regard to waiting list data. A privileges committee hearing found that the minister had been guilty of contempt. A motion of no confidence was moved in

the Assembly on 18 November 2003. I remind members that it was downgraded to one of grave concern and the motion was passed. This minister has a track record. Back in August 2003 there was a failure by the minister to respect the resolution of the Assembly on the Nettlefold Street trees. On 23 September 2003 there was a successful censure motion of the minister.

**Mr Corbell:** On a point of order: I did not ignore that motion and it is misleading to claim that I did.

**MR SPEAKER:** You accuse the member of misleading the Assembly. That is not a point of order, Mr Corbell. You may raise it as a personal explanation in due course.

**MR PRATT:** I find that particularly rich, given that the Chief Minister is today misleading the community through the media on views supposedly held by me and others on capital punishment. Where is your demonstration mark? Where is the benchmark of ministerial code of behaviour? It does not lie with the Chief Minister, does it? Is that where you get your demonstration of behaviour from?

*Government members interjecting—*

**MR SPEAKER:** Order! Mr Pratt, direct your comments through the chair. Members of the government will cease interjecting.

**MR PRATT:** Their hypocrisy runs rampant. Unfortunately, what we see is a pattern of fairly systemic actions which show that the minister and his colleagues do not give due regard to this Assembly. This motion today simply underlines our grave concern. I support this motion put forward by our leader. The opposition is deeply concerned with the conduct of two ministers who have not exercised cabinet solidarity.

**MS GALLAGHER** (Molonglo—Minister for Health, Minister for Disability and Community Services and Minister for Women) (12.10): As has been flagged by previous speakers on this side, the government will not be supporting this motion, essentially because the motion is wrong and the government cannot support a motion that is wrong. It is wrong on a number of grounds. None of the opposition speakers has shown any understanding of the discussion at the ALP conference. I did not vote against a government decision on school closures. I did not vote against a government decision about changing superannuation arrangements. If the opposition is going to bring a motion of such seriousness to the Assembly, it really needs to do its homework to make sure that the motion it is bringing before the Assembly is correct in the facts it is presenting. It is not. It is wrong on both counts. I was not present at the motion on superannuation either. So that addresses the same points that Mr Corbell has made.

In relation to general resolution No 6, as it is now famously known, which ultimately was voted down by the party, the words in the motion recognise that rationalisation of schools plays an important role in ensuring quality educational outcomes. It was a resolution in support of school closures in line with the government's decisions. So the opposition got a whiff of disunity in the government, and that is wrong. Members opposite got ahead of themselves. They are so excited at the thought that for once the disunity might not be about them. It might not be about the past 2½ years of their doing themselves in publicly—and very nastily, I should say. They got a whiff, they got excited

and they got ahead of themselves. They have scabbled together a motion that is wrong and they want the community to take it seriously.

The community is not taking it seriously. This motion is a fantastic example of how irrelevant the opposition is to the ACT community. After a winter recess, we are going to spend the entire morning session on a political stunt by the Liberal Party. We are not going to be discussing legislation. We are not going to be hearing back from the estimates committee. We are not going to be hearing back from the scrutiny of bills committee. We are not going to get to the radiation legislation or the Revenue Legislation Amendment Bill. We cannot have a discussion about amendments to that because the Liberal Party brings an incorrect motion to the Assembly. It is an absolute joke and no-one will take it seriously.

When one talks to anyone in the community, they say, “Where is the opposition? Where is it? Where are its ideas and where are its plans for the future? We never hear anything from it.” This is why: it is not discussing any of the issues that the Canberra community wants it to discuss. It got all excited at the thought that the government is performing very well and is polling very well. Mr Mulcahy does his polling. It nearly kills him, does it not, to see the results of his colleagues. It is an embarrassment. The government is travelling well. Two ministers performing extremely well, and that is the issue here. Members opposite just cannot stand the fact that they are a hopeless opposition and the government is getting on with the job.

So what do they do? They move an incorrect motion, one that is factually incorrect, and waste the Assembly’s time. That is the opposition’s response. It has no understanding of what went on at the ALP conference. That is clear from the motion that has been moved. I take my job as a minister very seriously. I take my job as an MLA very seriously. I work very hard for my community and it is hard to sit here and listen to the rubbish that is coming out of the mouths of members opposite about my performance and my integrity. It is difficult to sit here and listen to that. I reject it completely. I know from my talking in the community that they reject it completely as well, because we are out and about. This government is out and about talking with the community, engaging in debates, putting forward ideas for the future.

We are not scared to have those debates. They are difficult debates and they are difficult debates within our party as well, but we have had those debates and we will continue to progress this agenda. We continue to engage in the discussions about the education changes. I commend Minister Barr on the hard work that he does, because he does not have an easy job leading this work, leading the debate and asking for the community to engage, to come up with ideas, to come up with ways to provide the best education system we can for our children into the future. He is doing a fantastic job and the government supports him completely.

As I have said, the thing that seems to upset the Liberals so much, the reason they want to waste the Assembly’s time—and they feign seriousness of it at times, although we have had some hilarity during the motion today—is that they cannot stand that the government are performing so well, that we are a unified party and that we present ideas to the community. No wonder Mr Mulcahy understands his factions so well. He heads one of many within his group over there. For once they can try to get the spotlight of factional unrest off them.

I support the government's decision on school closures. I support, as does the ALP as a party, where the controversial resolution was voted down. The party is united, the government is united, the cabinet is united. As much as members opposite do not like that, that is the way things are. We have an opposition that is wasting time, that is irrelevant to the community, and it needs to get on with it. I should not be giving the opposition advice about how to improve its performance because it is doing us quite well the way it is going at the moment. But just move on, get on with it, the issue is closed. The motion is incorrect. It should get its facts straight because the government is not in a position to support a motion which is factually incorrect to begin with. If the opposition wants to be successful with a no-confidence motion, if it wants to find something wrong with my performance as a minister, then get something substantial. Find something where I am not performing as a minister.

**Mr Smyth:** Hospital waiting lists.

**MS GALLAGHER:** Well, bring that back to the Assembly.

**Mr Smyth:** Mental health.

**MS GALLAGHER:** Bring that back to the Assembly.

**Mr Smyth:** I do all the time.

**MS GALLAGHER:** Well, bring it back as a no-confidence motion.

**Mr Smyth:** I do all the time.

**MS GALLAGHER:** If the member has matters of seriousness that he thinks warrant a want of confidence in my performance, bring it back here. He does not because he cannot. I take my job as a minister very seriously, as I said, and as an MLA very seriously. I will continue to work hard for the community but the motion before us today is a political stunt. It is a media stunt and it should be seen as simply that.

**MR BARR** (Molonglo—Minister for Education and Training, Minister for Tourism, Sport and Recreation and Minister for Industrial Relations) (12.19): I move:

That the question be now put.

**Mr Smyth:** Coward.

**Mrs Dunne:** Coward.

**Mr Corbell:** On a point of order, Mr Speaker: you should ask Mr Smyth to withdraw his call of coward against Mr Barr. It is highly unparliamentary of both Mr Smyth and Mrs Dunne.

**MR SPEAKER:** It is uncalled for but I am not going to ask for that to be withdrawn. It is just provocative language that we just do not need, as is the interjection. The interjection was disorderly.



**Mr Smyth:** On a point of order—

**MR SPEAKER:** If you are going to try to use points of order to avoid this question being put, you are wasting your time. I am not going to allow that to happen.

Question put:

That the question be now put.

The Assembly voted—

Ayes 9		Noes 6	
Mr Barr	Mr Gentleman	Mrs Dunne	Mr Stefaniak
Mr Berry	Mr Hargreaves	Mr Mulcahy	
Mr Corbell	Ms Porter	Mr Pratt	
Dr Foskey	Mr Stanhope	Mr Seselja	
Ms Gallagher		Mr Smyth	

Question so resolved in the affirmative.

Question put:

That **Mr Stefaniak's** motion be agreed to.

The Assembly voted—

Ayes 6		Noes 9	
Mrs Dunne	Mr Stefaniak	Mr Barr	Mr Gentleman
Mr Mulcahy		Mr Berry	Mr Hargreaves
Mr Pratt		Mr Corbell	Ms Porter
Mr Seselja		Dr Foskey	Mr Stanhope
Mr Smyth		Ms Gallagher	

Question so resolved in the negative.

**Sitting suspended from 12.24 to 2.30 pm.**

## **Questions without notice**

### **Schools—closures**

**MR STEFANIAK:** My question is to the minister for education. I refer to comments by your colleague Ms MacDonald at the recent Labor Party conference about the government's plans to close 39 schools. She said:

I do not believe that this process ... could have been handled any worse than this Minister has done.

Why have you handled this process so badly?

**MR SPEAKER:** The minister is not responsible for Labor Party conferences.

**Mrs Dunne:** No, but he is responsible for the process of closing schools and the consultation on the closing of the schools. The comments were made that the process for which Mr Barr is responsible could not have been handled worse. This Assembly is entitled to question Mr Barr on his handling of the process of consultation.

**MR SPEAKER:** Would you repeat that, Mrs Dunne?

**Mrs Dunne:** The point I am trying to make is that this Assembly is entitled to quiz Mr Barr on his handling of the process of consultation on the closure of schools.

**MR SPEAKER:** This Assembly is entitled to question Mr Barr on his ministerial responsibilities. The point I make is that the Labor Party does not fall within his ministerial responsibilities.

**Mrs Dunne:** The Leader of the Opposition has used a quote by way of background. It is still reasonable for this opposition to question the minister on his handling of the process of closing 39 schools and amalgamating many more.

**MR SPEAKER:** I still do not think you should be referring to Labor Party conferences.

**Mr Smyth:** The Labor Party can appear on television and refer to events that occurred at conferences. We refer to articles that are published in the *Canberra Times*.

**MR SPEAKER:** The question did not refer to an article that appeared in the *Canberra Times*.

**Mr Smyth:** We refer to the *Hansard* of the ACT Assembly. We source things from many areas.

**MR SPEAKER:** You should take more care in drafting your questions, too.

**Mr Smyth:** What is out of order about the question?

**MR SPEAKER:** I make the point that the minister is not responsible for what happens—

**Mr Smyth:** That is not the question. The scene is set in the context that the government uses so often. The context is that comments were made at a location. The question was about the process.

**MR SPEAKER:** I will listen to the question in its entirety again, but I am not going to allow questions of ministers about the Labor Party.

**MR STEFANIAK:** I am happy to rephrase it. My question is to the minister for education. I refer to public comments made by your colleague Ms MacDonald in relation to the government's plan to close 39 schools, in which she said:

I do not believe that this process ... could have been handled any worse than this Minister has done.

Why have you handled this process so badly?

**MR BARR:** I do not accept the premise of the question that I have handled the process badly. That was a view expressed by an individual at the Labor Party conference. That is a matter for that individual. Clearly, at the end of the day the resolution at the conference showed strong support for the government's position in relation to the school debate. There were a variety of motions covered during the day. Not all of them received the wide reporting that this particular motion did. I note that the conference endorsed the position that the government has put forward.

I believe that this consultation process is a good and constructive one. Certainly, I am finding it to be very valuable. All of the meetings that have been held so far have been positive and constructive. I look forward to the continuation of the consultation process. It is a valuable thing. It is good to see that, at least out in the community and the schools, people are prepared to engage on educational issues and talk about how we can improve public education in the ACT, unlike the experience in this place, where it seems that political point-scoring is the order of the day.

**MR STEFANIAK:** Minister, why have you failed to win the support of the majority of members of the parliamentary Labor Party in relation to an amendment to delay school closures until December 2007?

**MR BARR:** I have not failed. In fact, I received the support of the conference in relation to the government's position and I have the full support of all of my colleagues.

## Employment

**MS PORTER:** My question is to the Chief Minister and Treasurer. Can the Treasurer outline to the Assembly the significance of the latest employment figures for Canberra which were released last week?

**MR STANHOPE:** I thank Ms Porter for the question. The latest unemployment figures are of incredible significance, not only for Canberra of course but indeed for the whole of Australia. Trend unemployment in the ACT reported last week by the Australian Bureau of Statistics is at 2.8 per cent, the lowest on record for all of Australia. Unemployment in the ACT, trending at 2.8 per cent after five years of Labor government, is a fantastic achievement.

Significantly low trend unemployment is a great achievement by this government, by the Canberra community and by employers in the ACT. It is a fantastic result and of enormous significance. The last time any Australian jurisdiction recorded an unemployment rate below three per cent was in 1980, when the Northern Territory recorded an unemployment rate of 2.9 per cent.

The significance of the unemployment rate of 2.8 per cent—and it is truly significant—is put into some context in terms of the labour market here in the ACT when one reflects

that, since we came to office nearly five years ago, 17,000 jobs have been created and added to the labour force, or the work force, within the territory. It is truly remarkable that, in the term of this government, 17,000 additional jobs have been added to the ACT work force. So we have had this incredibly significant increase in the number of people in paid employment in the territory, combined with a record low 2.8 per cent unemployment. Interestingly, for the first time—and it is also something of a milestone—49 per cent of the people in paid employment in the ACT are women. It is truly significant in the context of the changing nature and face of the work force that just on half of all people in paid employment in the territory are women.

When Labor came to office unemployment in the ACT was five per cent. In the five years we have been in government it has dropped just over two full percentage points. Employment has grown by more than six per cent under this government. In recent months we have seen thousands of jobs created in Canberra—800 in July alone—and 3,000 jobs added to the work force between March and June of this year. The number of unemployed fell by 300. There are now 186,900 Canberrans in paid employment in the Australian Capital Territory. Our participation rate at 73.5 per cent is the highest it has been for over a decade. With these figures comes not just security, of course; they enhance the very significant choice. Fundamentally, the figures reflect the strength of the ACT economy.

The significance of the figures is reflected in a whole range of indicators that we refer to and that we are all aware of, but which of course the opposition chooses to ignore in the context of the major achievements of this government of the territory. We see it in the number of job advertisements in the *Canberra Times* and indeed advertised here within the territory. Newspaper job ads in the ACT are up by 11.4 per cent over this last year. On that measure we are exceeding national growth by almost double—in fact, more than double.

Figures like these are a very significant message to Canberra and to the nation that business in Canberra is booming. Certainly the nation is taking note of that. We see it in a whole range of indicators and behaviours. For the first time in over a decade, net migration to the ACT has exceeded net moves of Canberrans out of the territory—a very significant shift, at this stage quite small but growing very significantly and quite rapidly. We have for the first time in the last year increased our population other than through our fertility—other than through the birth of babies—by net migration. I think that is significant. It is reflected in these figures in the context of the extent to which Canberra is now within the notice of Australia that more people, for the first time in 10 years, are coming here.

**MS PORTER:** I have a supplementary question. Can the Treasurer tell the Assembly what the outlook is for the ACT economy?

**MR STANHOPE:** The outlook for the territory is incredibly strong, reflected not just in the unemployment rate of 2.8, not just in the highest participation rate in Australia, not just in the highest levels of retail turnover, not just in the highest level of job advertisements in Australia, not just in the highest per capita level of construction activity in Australia and not just in the most rapid increase in residential housing start-ups in Australia.

How the ACT economy is performing under this government is reflected not just in any of those objective measures; it is also reflected, of course, in the very significant levels of business confidence within the ACT. Business expectations remain incredibly strong—and why would they not in the face of the level of activity, whether it be in construction, whether it be in retail, whether it be in residential housing? Across the board, the level of activity and the consequent level of confidence and expectation continue to be incredibly high.

I touched on the retail trade figures, which show a 5.3 per cent growth over the year, bringing the value of trade in June alone to \$337 million. Consumers are confident, the market is buoyant and businesses keep telling us through all the surveys undertaken here in the territory that they expect to continue to hire and to keep on hiring through this year and into the future.

The latest gross state product figures—the value added to the economy—show growth of three per cent for the year as against national growth of 2.3 per cent. Population growth, as I just mentioned, is turning around. The latest figures show that we have just enjoyed the biggest inflow of interstate migrants for a decade. Indeed, over the course of the last year, population growth has moved from the slowest in the nation of 0.04 as at the December quarter to 0.08. We have again passed Tasmania, South Australia and New South Wales in terms of population growth.

And people are coming here from overseas. Two hundred and seven people have arrived in the ACT through the skilled migration program. I note that, through the continuing efforts of Live in Canberra, just in the last week we received another 200 expressions of interest from people interested in further information on moving from Sydney to Canberra because of the booming economy and the opportunities here.

The property market is growing. As I am sure all members are aware as they leave the Assembly and as they drive around the town, \$5 billion worth of building work has been approved in the territory since this government came to office. Cranes dot the skyline; there is a frenzy of activity. There has been a 40 per cent rise in residential building approvals over the past year, compared with the national performance in relation to residential approvals of a drop of 5.4 per cent—the most stark indication of a soft landing in the territory in relation to residential start-ups: a 40 per cent increase in approvals over the last year as against a national decline of 5.4 per cent and, interestingly, a decline of 16.3 per cent in New South Wales and a national fall of five per cent. I think it is very significant when we consider just those issues there.

We have, despite the outrageous use of data by some in relation to home loan affordability in the nation, the best rate of home loan affordability in Australia, according to the Real Estate Institute of Australia. Canberra households spend 18.8 per cent of income on home-related repayments, the lowest percentage in the nation by far—far below the 35.4 per cent spent in New South Wales. I think that really puts the lie to some of the more outrageous and, I think, politically motivated claims coming from the property council in relation to affordability. We see again today an outrageous use of statistics by the property council.

In the ACT we have a home loan affordability rate of 18.8 per cent as compared with 35.4 per cent in New South Wales, according to the Real Estate Institute of Australia. The property council today would have us believe that there is going to be this rush of people from Canberra to Sydney but they cannot afford to live in Canberra. What arrant nonsense that is.

### **Business—commercial rates**

**MR MULCAHY:** My question without notice is directed to the Treasurer. The Property Council of Australia reported that a large number of Canberra businesses are facing rates bills up to 60 per cent higher than last year. Treasurer, do you dispute that figure? If so, how large do you believe the increase for Canberra businesses will be?

**MR STANHOPE:** I thank the shadow treasurer for his question. In the context of the comments I was making earlier about the property council, I will check Mr Mulcahy's claims that he relayed to the government on behalf of the property council about the quantity of rate increases. I make that comment further to the comment that I made earlier. Today I read in the *Canberra Times* that the property council insisted there would be a rush of potential employees to Sydney because of affordability issues in the ACT residential market.

The property council of the ACT is again talking down opportunities in the ACT. The property council is again acting against the interests of its own members. Twice in the last week Catherine Carter, in relation to commercial activity, and today Chris Wheeler, suggested there would be a rush of commercial providers and Commonwealth government departments to Sydney and to Melbourne because of issues relating to the availability of commercial land.

Six months ago I do not think I could count the number of members of the property council who came to me and almost begged me to ensure that no more land would be released commercially.

**Mr Corbell:** Yes.

**MR STANHOPE:** The Minister for Planning had the same experience. Members of the property council made representations to me about established buildings and existing clients who were a little concerned about competition. They knocked on our doors and said, "We'll all be rooned. There will be 15 per cent vacancies. For goodness sake, don't release any more land." Those were the representations we had from members of the property council six months ago.

**Mr Mulcahy:** Point of order. My question to the Chief Minister, which he has obviously forgotten, related to whether or not rates bills were likely to be going up by 60 per cent, as indicated in the property council's statement. I listened attentively to what the Chief Minister said and he has not remotely addressed that matter in the first two minutes of his reply. Could he be brought back to the question?

**MR SPEAKER:** The Chief Minister has five minutes.

**MR STANHOPE:** Thank you, Mr Speaker. I am talking about the property council and I am giving some background to statements made by the property council in the last week, which I believe goes to the seriousness of those representations and to the position put by the property council driven, of course, by a bit of self-interest—the horse you always back until it has raced. To that extent, the property council made something of this issue. Last week Catherine Carter berated the government about the extent to which opportunities were available for the commercial sector. Six months ago this same council, through its membership, made significant representations to me and to the Minister for Planning about the oversupply of commercial land in the territory. Today we had these spurious claims.

**Mr Mulcahy:** Point of order. Mr Speaker, the Chief Minister is four minutes into his reply and he has still not responded to the question that I asked. Could the Chief Minister confirm the rate increase?

**MR SPEAKER:** The Chief Minister is staying with the subject matter. I cannot direct him how to answer the question.

**MR STANHOPE:** Today the property council made repeated and spurious claims in relation to residential affordability. As a combination of household disposable income, we have lower home mortgage payments than anywhere else in Australia by far—almost exactly half the affordability index of Sydney. Today we had the absolutely nonsensical suggestion by the property council that workers in Canberra, because of affordability issues in the territory, will rush to Sydney where it is exactly twice as difficult—from 18 per cent to 35 per cent—in the context of the portion of one's pay that has to be paid out in mortgage to purchase a home.

**Mr Mulcahy:** Mr Speaker, I refer to relevance. The Chief Minister's answer to my question has no relevance whatsoever.

**MR SPEAKER:** Mr Mulcahy, your question specifically related to statements that the property council made.

**Mr Mulcahy:** My question related to the rates forecast by the property council. It had nothing to do with residential housing and whether or not people could afford to buy homes.

**MR SPEAKER:** I think the Chief Minister was also talking about the credibility of the property council's protestations in other areas.

**Mr Mulcahy:** Does he deny the figure? That is all he has to say.

**MR STANHOPE:** Yes, I am. It is relevant. My point relates to the statements made today by the property council. The statements made today by the property council about home loan affordability and housing affordability are spurious. The shadow treasurer suggested the property council has made other claims that should be passed on to me for comment. Of course, I will check those claims. I checked what it said in relation to affordability and it is simply wrong. It is false, it is spurious and it is political.

**MR MULCAHY:** I ask a supplementary question. How can the Treasurer justify such an incredible increase when the current inflation rate in Canberra is less than five per cent?

**MR STANHOPE:** The government always regrets any impost on the residents of the ACT. It regrets quite specifically the extra burden that both householders and businesses face as a result of decisions taken in the recent budget. In the context of the recent budget, the pressures that this government has dealt with and the issues that it has had to address—many of which were inherited from the previous government—we require, through our rates and charges, a capacity to continue to provide the level of services that we are providing.

As a result of issues we inherited from the Liberal Party and the former government, we have been required to deal with a whole range of unanticipated pressures. Those members who are attempting to interject are suggesting that the government did not have to increase rates to pay for that. We increased funding for the Emergency Services Authority by 42 per cent. We did that because of the state in which we found it. Is there a single member of the Liberal Party who now believes we are overfunding emergency services?

We increased annual recurrent funding for emergency services by 42 per cent. Not a single member of the Liberal Party has suggested it has been overfunded. Therefore, the level of funding—we have had to increase funding to the tune of \$26 million a year—is a direct consequence of the appalling state in which the Liberal Party left emergency services.

**Mr Corbell:** It is a 49 per cent increase.

**MR STANHOPE:** There is a 49 per cent increase, or \$26 million a year, in funding for the fire service, the ambulance service and for emergency services.

Are members of the Liberal Party now saying that that \$26 million a year is not justified or, if it is, we do not have to pay for it? Do we have to wave a magic wand or find some other magical way of paying for it other than through charges to the community? In the context of Mr Mulcahy's question, let us go back to the things we inherited to find out why we have to charge rates at the level we do. It is because of what we inherited in relation to disability services.

Remember the Gallop royal commission, which was commissioned to inquire into the former government's mismanagement of disability services in the territory? We picked up the consequences of the mismanagement of disability services by the former government. We inherited from the former government enormous gaps in funding in disability services, which were exposed through the Gallop report. Are members of the Liberal Party suggesting that they should not be funded? They certainly did not fund them when they were in government.

So far as they were concerned, they were reasonable gaps, otherwise they would have funded them. This government has provided tens of millions of dollars in additional funding in disability services. Is it seriously suggested that we should not have funded



child protection services in the way that we did and that we should not have sought to employ an additional 100 child protection workers—a circumstance that we inherited from the former government?

Let us go through these issues. Why are we asking the community to pay rates at the present level? It is because of what we inherited from the former government in disability services. It is because of what we inherited from it in child protection services, or a lack of them. It is because of what we inherited from it in a totally and inappropriately underfunded emergency services arrangement.

There has been a 49 per cent increase in funding for emergency services because of the maladministration of the former government. The former government did not fund the gaps. The community reaped the consequences of the maladministration of the former government. Let us look at a symptomatic issue of something as simple as the Narrabundah caravan park. In the execution of that policy, have members ever seen a bigger mess? The Liberals should be paying for the Narrabundah caravan park. Brendan Smyth and Bill Stefaniak, the two members of the cabinet that made that decision, showed a total lack of understanding of their responsibilities.

That is symptomatic of the mess left by the former government, a mess that has had to be cleaned up by this government. That cost is attributable directly to the former government, its negligence, its lack of concern and its total disinterest in community services. There were gaps in disability services, child protection and emergency services. The former government had no regard for people at the edge in relation to issues such as Narrabundah caravan park. Under the former government there was a non-funding of wage claims and a complete non-funding of all public service wages. That is why we are charging rates.

### **Schools—student costs**

**DR FOSKEY:** My question is to the Minister for Education and Training and it refers to cost comparisons between large and small schools. On 3 May in the Assembly the Minister said the average cost per student in a primary school with fewer than 100 enrolments is \$18,000 a year. The next day he said the average cost per student in a larger—whatever he meant by that—primary school is \$8,000 a year. Only two small schools could be said to cost close to \$18,000 per student. One is a small rural school and the other is a small school with several disability units. The real figures are about \$12,000 per student in small schools as opposed to \$9,000 in much larger schools. So, in effect, he overstated the extra cost of these students more than threefold. Will the Minister advise the Assembly what steps he will take to apologise to those schools and communities that have been impacted by his incorrect statements and to set the record right with the wider community?

**MR BARR:** No, my comments were not incorrect. Dr Foskey has made a series of false assertions in her question. I will not be correcting the record; there is no need to. The statements I have made are correct. The costs range between \$8,000 and nearly \$20,000 in some of the smaller schools—in fact, I understated the top end. So I see no reason at all to make any retraction of those statements. Even if one works on the basis of Dr Foskey's figures, which I do not agree with, she has understated the cost of small schools in her presentation of figures. The person who should be apologising is

Dr Foskey. In simple terms, even if you accept Dr Foskey's figures, the cost differential is still very significant.

The question is why. What is it about those particular schools that they attract a subsidy for no reason other than that they are small? This is the simple point we are seeking to address here. It is about directing education resources where they need to go, not on the basis of the size of a school but on the basis of educational need, on the basis of socioeconomic need. They are the real issues that need to be addressed. This spurious argument of Dr Foskey, in seeking to manipulate figures in the quite blatant way that she has just done, is an outrageous attempt to distort what the real issues are in this debate. It is something that she should be ashamed of.

**DR FOSKEY:** I ask the minister a supplementary question. I stand here without shame to ask the minister: can he therefore guarantee that every other figure and so-called fact and every other piece of information that he has on his web site and that he has spoken about in the hearings of the estimates committee and in this house are absolutely correct?

**MR BARR:** Yes.

### **Schools—closures**

**MRS DUNNE:** My question is to the Minister for Education and Training. In the *Towards 2020* proposal there is a suggestion for a stand-alone years 5 to 8 middle school as part of the Melba cluster. Members should note that a stand-alone middle school is unprecedented in the ACT. Minister, given your considerable educational experience, what research did you rely upon in deciding to go down this unprecedented path?

**MR BARR:** The ACT education department undertook a particular study into middle schooling. That study, which is available on the departmental web site, formed the basis for the proposal to have a years 5 to 8 school as part of the Melba cluster.

**MRS DUNNE:** It is not a stand-alone middle school.

Mr Speaker, I ask a supplementary question. What indication of support or otherwise have you received from the Melba community for this unprecedented proposal?

**MR BARR:** There has been considerable comment on a whole variety of the proposals that the government has put forward. Mrs Dunne, not surprisingly there are views for and against. It is a proposal we are having a discussion about. This is something that mature people can do but clearly there is no maturity on the other side of the house.

### **Taxis—licences**

**MR GENTLEMAN:** My question is to the Minister for the Territory and Municipal Services. Can the minister tell the Assembly what interest there has been in the latest ballot for new taxi licences?

**Mr Stefaniak:** No interest.

**Mrs Dunne:** It depends on whether the voice recognition system works, doesn't it?

**MR HARGREAVES:** It's your turn, Mr Pratt, to make a dickhead of yourself.

**MR SPEAKER:** Order, Mr Hargreaves! Come to the question.

**MR HARGREAVES:** I withdraw that, Mr Speaker.

**Mr Pratt:** You are a disgrace.

**MR HARGREAVES:** Next! It's your turn, Mr Seselja.

**MR SPEAKER:** Order! Cease the interjections.

**Mr Stefaniak:** See if you can answer the question.

**MR HARGREAVES:** You are out of turn. Mr Speaker, earlier this year the government set out to increase the number of taxis on the road. In March—

**Mr Pratt:** He hasn't got a brain in his head.

**MR HARGREAVES:** You can't help yourself, can you? Good on you! Keep going, son! Mr Speaker, in March we announced our taxi licence release program, under which taxi licences could be leased from the government for a period of six years, following a ballot process. The first set of 10 leased licences was released by ballot in April 2006. Over 100 people applied for those licences, indicating a very high level of interest. All of those 10 new taxis are now on the road.

Following the success of the first ballot, another one was held this morning. Interest in the licences evidently remains high, with over 70 people applying in the second round. As with the first ballot, several existing taxi operators were successful in the ballot. It is anticipated that this new group of 10 taxis will be on the road by the end of the year.

A further 20 licences will be made available through the same process, providing an overall increase of almost 20 per cent in the number of standard taxis. Another outcome of this taxi release program is that it allows people to enter the industry at low costs—\$20,000 per annum for the licence. Leasing taxi licences directly to taxi operators gives them more control over their business. That actually addresses the difficulty people have had in getting into the market by having to come up with \$200,000. That is almost impossible to do in this day and age.

The prattlings of those opposite—and “prattlings” does not mean a little Mr Pratt—seem to indicate that they are holding the government responsible for the network's voice recognition failure. Firstly, that is not our fault. This company has invested quite a lot of money in this system.

**Mr Pratt:** It is your monopoly. Do something about it.

**MR HARGREAVES:** Through you, Mr Speaker, for the benefit of Mr Pratt, who clearly has some sort of phobia about reading legislation, there is nothing in our

legislation preventing another network from starting up a business. That point has been lost on Mr Pratt. I hope I will not have to come back into this place and tell him again.

The issue of increasing the number of taxis actually addresses one of two problems. Firstly, the difficulty for the public of getting hold of a cab certainly can be sheeted home to this voice recognition system not working. Certainly, the Canberra Cabs people are seeking to address that. Let's hope that they will do so fairly soon, because if they do not they will not meet the standards.

The second thing is that plainly there just are not enough taxis on the road. We know that at the airport people are now being asked routinely to go through multihiring. That is just not acceptable. We know that late at night when people are coming out of establishments and doing the right thing by taking a taxi home instead of driving they are having difficulty in acquiring a taxi at a rank. That just says to me that there are not enough cabs on the road. That is something that we can do something about and that is something that this government has done something about. It put 10 licences on the road last April and it has put another 10 on today. If the demand continues like that, there will be further rollouts of taxis on the system.

**MR GENTLEMAN:** I have a supplementary question. Minister, can you outline other reforms that the government has brought to the local taxi industry?

**MR HARGREAVES:** The government has undertaken significant reform of the wheelchair-accessible taxi network. That has included increasing the number of these taxis from 14 to 18 over the past 12 months, up from the record low of, I think, about seven which, Mr Speaker, you might recall me advising this house of less than a year ago.

Last year the government also established a wheelchair-accessible taxi reference group to provide me with recommendations on how to improve the services. The government has implemented the group's two main recommendations—that wheelchair hirings be micromanaged by the network to improve efficiency and reduce waiting times and that the government expand the lift fee program, provision for which was made in the last budget.

Earlier this year the government also implemented approved minimum service standards for taxi networks. These include enforceable standards for taxi waiting times and telephone response times. A failure to meet the standards can result in disciplinary action being taken, including the imposing of financial penalties.

Just by way of flagging something for members, I am hoping to receive in the next couple of days the results of the taxi survey which was recently conducted. When I do, I will be releasing them instantly. I am expecting, without being able to pre-empt it, to see a rise in the satisfaction level for wheelchair-accessible taxis. A number of my friends use that service. Anecdotally, the number of complaints seems to have gone down. So I am hoping the service is better. However, we will see whether the standard taxis actually achieve the same result.

Mr Speaker, you might recall my saying in this place at some time previously that over the last couple of years the average satisfaction around Canberra has been at 73 per cent.

That is just not satisfactory as far as I am concerned. I am sure all members join with me in saying that it is hoped that Canberra Cabs will lift their game with respect to their dispatch system. There are two criteria I will be keeping an eye on. One is the response that people get to the telephone booking system and the other is the response that they get with regard to a taxi actually turning up. Those, to me, are the major things. It is pointless having a *Yes, Minister* approach to our taxi dispatch system. This could be the best system in the world, but nobody is using it. I am not happy about that.

I was also interested to hear anecdotally that the wheelchair-accessible taxi system seems to be on the improve. The Canberra Cabs network was offered, as members will remember, \$100,000 to help micromanage the system. Canberra Cabs did not take us up on that offer. The offer still stands. We will see whether they need it. I would encourage Canberra Cabs to continue the good work that I hope will be reflected in the survey with regard to the wheelchair-accessible taxis and I hope that they will have a very dramatic improvement in their voice recognition system. As I have said in this place before, given reasonable time after the introduction of the standards last June, we will be reasonable about seeing whether they have satisfied the standards but, where they do not reach them, there are penalties attached to the legislation. Let there be no mistake: this government intends to invoke those penalty provisions because it is just not acceptable otherwise.

We had in the federal parliament recently, as reflected in the *Canberra Times* this morning, dissatisfaction expressed by one of the members with the services received from Canberra Cabs. That means that the ACT, in terms of its taxi system, is being bagged right across the country, and we cannot put up with that much longer. The opportunities for the government to fix that are pretty limited, but, as I said to Mr Pratt through you, Mr Speaker, there is nothing in the legislation to prevent another network from actually setting itself up in business. Indeed, I would like to see some work done on enticing people here but, of course, that is up to commercial reality.

### **Schools—closures**

**MR SESELJA:** My question is to the Chief Minister. Chief Minister, on *Chief Minister Talkback* on 4 August, in relation to the sale of closed school sites, you said:

... it is quite likely in the future we will. Whether we sell them for supported accommodation, whether we sell them for the purposes of additional residential, whether we sell some of the land for a whole range of scheduled purposes.

This admission is in stark contrast to statements made by the minister for education, including his statement in the *Canberra Times* of 28 June 2006, where he is quoted as saying:

There will be no land sales as a result of school closures.

Chief Minister, whom are we to believe, you or the education minister?

**MR STANHOPE:** The statements that Mr Barr and I have made are essentially identical. There is some acceptance that there has been some gleam of meaning in the context of the statements made and their interpretation. Mr Barr said that the government

has no plans to sell the school sites. The position that the government takes in relation to all land excess to government requirements is that it will be subjected to a planning process, with an assessment by ACTPLA, and that the highest possible use, consistent with other priorities, will be pursued.

The essential point that Mr Barr makes, and which I was making on *Chief Minister Talkback*—I am flattered that Mr Seselja listens; it is good that he seeks to keep in touch with the community through *Chief Minister Talkback*, so I thank him for that—is that none of the decisions reflected in the government's budget position or in the government's policy proposal of a vision for education for 2020 were based on a consideration of any return from the sale of land. The possible sale of any site of any school that might be closed has not been considered.

The essential point that Mr Barr makes—and he can explain it to you if you care to ask him about the detail of the statement he made—is that none of the decisions and none of the plans and none of the proposals have been based on any consideration of a possible future use of any of the sites. In the expectation that schools will close—and they certainly will in the context of the government taking the decision forward—there will be significant numbers of school closures. Unlike the opposition, we are prepared to put the public interest first. We are prepared to accept the political implications of taking hard, tough decisions. We do not have the wobbly knees that you have exhibited on every occasion when people within your party have sought to take a reasonable, public-minded view and position in relation to the rationalisation, development and creation of a public education system that meets our high expectations of a public education system.

Our public education system is the best in Australia. It fulfils our essential and absolute commitment to ensure equality of access to quality education by all Canberrans, no matter their background or capacity. We will provide that through our determination to address these difficult issues. We will not wobble like Gary Humphries did when he was the minister for education back in 1991. Have you seen the statements that Mr Humphries made at the time and subsequent to his cabinet suffering a loss of political will and folding on him? Mr Humphries then shook a metaphoric finger at politicians of the future and said, "Don't do what I did. Don't fold on this. Don't lose your courage. Do the right thing." That is what Senator Humphries, as he is now, said.

It is interesting to read the press reports of Mr Humphries's retreat from the position that he could not get his cabinet and his government to support. The cabinet documents have been released and Mr Stefaniak, who is not known for strength of character—or strength of any sort—fell over at the first hurdle. He said, "We won't do that."

**MR SPEAKER:** The minister's time has expired.

**MR SESELJA:** I ask a supplementary question. Chief Minister, will you comply with Labor Party policy and direct the proceeds of the sale of school property back into the education system?

**Mr Barr:** A hypothetical question.

**MR STANHOPE:** It is a hypothetical question. I have said that the government has absolutely no plans to sell any school sites, none at all—not one. We have not given it

any consideration. But we all know that if schools do close, and we have not made that decision yet, my expectation is—

**Mrs Dunne:** But you just said significant numbers will close. You just said it.

**MR STANHOPE:** I said it was my expectation. I did not say they would. We are consulting on a proposal. I expect significant numbers of schools to close through that process. No decisions have yet been made. If any school does close, the school and the land on which it is housed will be subjected to a planning study. Those planning studies will inevitably identify higher purposes and uses consistent with the community's expectations.

One would imagine that one of those uses would be the provision of aged care accommodation. There is an enormous interest in people, as they age within a suburb or within a community, being able to live within that community in their senior years. It is an expectation and a hope that we all have that when we do get to a point where we take the decision that we need to live in supported accommodation or a retirement complex, we will not have to move to the boondocks, that we can in fact stay in reasonable proximity to where we live. I would imagine that, if any schools do close, the planning studies that will be pursued will identify uses such as aged care accommodation, affordable housing, perhaps other forms of supported accommodation and certainly a whole range of community uses.

One of the interesting aspects of this process of consultation and conversation that the government is having with the community is the significant number of community organisations that are staking a claim. Even some organisations that have publicly opposed school closures are saying to us, "If they do, will you give us accommodation in one of the closed schools?" There is a whole debate and a whole conversation going on out there and as you would expect there has been significant interest expressed by a range of community organisations staking a claim and making expressions of interest that, in the event that schools close, they would very much like the opportunity to be the beneficiary of some support or accommodation within a closed school building.

Mr Barr has said that none of the decisions that the government has taken were based upon a consideration of a sale of premises. Mr Barr, in answering a range of rigorous, complex, different-headed and nuanced questions, has expanded on that, and if you want Mr Barr's explanation, ask him. But in the context of my position and my understanding of Mr Barr's position, without an understanding of the detail of his language, there is no difference between Mr Barr and me on this issue, and there never has been.

The Liberal Party wishes to set the hares running and to advance conspiracy theories. They are determined to move the debate away from anything they have said or done in government. Their high aspiration in government was to be a government that would take decisions in the interests of public education and the community, decisions taken in the first instance by Mr Kaine and Mr Humphries. But they folded, wobbled, fell over at the first hurdle. They said the community, "Look, this really is just too hard. Fair cop. We don't have the bottle."

Read Mr Humphries's despairing press statements of the time. He said, "I have no support. My ministerial colleagues would not support me. The community is saying

really awful things and I don't like being unpopular. There is an election coming up. Let's put the things that need to be done on the back-burner and leave them to another government on another day." This is the Gary Humphries view, the Bill Stefaniak view, the Brendan Smyth view in government and in cabinet: leave the hard decisions to another government on another day. Hopefully one day, before it is too late, a government with courage and commitment that places the public interest first will appear. And it has. This is a government whose ministers have courage.

### **Schools—closures**

**MR SMYTH:** My question is to the minister for education. The government's proposal *Towards 2020* lists Gilmore primary school for closure at the end of 2007. The Chief Minister has admitted that school land will be sold. Minister, why are you closing this school?

**Mr Stanhope:** On a point of order: I have not admitted that school land will be sold. That statement is not correct. I have not said that school land will be sold. It is simply false.

**MR SPEAKER:** What was the question again?

**MR SMYTH:** I am happy to repeat it. Minister, the government's proposal *Towards 2020* lists Gilmore primary school for closure at the end of 2007. The Chief Minister has admitted that school land will be sold. Minister, why are you closing this school?

**MR BARR:** I thank Mr Smyth for the question. The government has put forward a proposal on the future provision of education in the Tuggeranong region. I have stated publicly at the public meetings and the subsequent meetings I have held with schools in that region that the change in demographics in Tuggeranong has meant that there are simply too many primary schools in that region and that the increase in the student population and demand is at the college and post year 12 level. That is where we need to be looking in terms of the future provision of education in Tuggeranong. That is why the government has put forward a proposal for the Tuggeranong region that reflects those changes in demographics.

To quote Rosemary Lissimore from the Tuggeranong Community Council, nappy valley has grown up. The predominance of nappies is at the southern end of the Tuggeranong Valley, in the Lanyon Valley, where there is projected future growth at primary school level. Across the rest of Tuggeranong, particularly the northern end of Tuggeranong, the enrolment projections and the current enrolments are significantly below their peaks when that area was first being settled. Certainly when I lived in Kambah in 1980, as a six and seven-year-old, there were a lot of kids of my age around then.

It is clearly the case in 2006 that the demographics have changed. You need look only at the peak enrolments of the particular schools in those parts of Tuggeranong where the demographics have changed to see that now they are significantly below where they were. A sensible government will make provision for that change in demographics and seek to meet the new and emerging needs which are clearly at college level and post year 12 education level in Tuggeranong.



That is an area of significant focus and an area that I will continue to work on because it is important that there is that education provision or else the students in Tuggeranong will miss out. That is not acceptable, and it is not acceptable to hang onto an education system that was designed in the 1970s and 1980s just because it suited the times then. It does not suit the times now and it certainly will not in 10 years and 15 years. That is why we need to make some tough decisions. That is where a little bit of policy credibility comes into play.

That is where the Liberal Party is sadly lacking. You have no policy. You have nothing to say on public education, other than that every idea that comes from anyone else is bad because it comes from this side of the house. That is the fundamental principle of what you guys have put forward. It is disgraceful. It is abandoning public education in this territory. It is unacceptable.

We will not abandon public education. We will strengthen it. That is why we are investing the single largest amount of money in public education that any government has in the history of self-government. Only a Labor government will do that. We are committed to ensuring that there is a viable public education system into the future. That means taking tough decision and engaging in a serious debate about where education systems should be, not just in two years but in five, 10 and 15 years.

These are serious issues and issues that this government is going to take on. Something that I am very pleased to be able to advocate is strong public education. I will not back away from that, no matter what you guys throw at me. This public education system needs investment and it is getting it from this government. We are going to strengthen our public education system.

**MR SMYTH:** Minister, why have you listed Gilmore primary school for closure, other than that its panoramic views mean it is likely that it will return a premium to the territory when the real estate is sold?

**MR BARR:** I completely reject that assertion from Mr Smyth. That is an outrageous assertion.

**Mr Smyth:** You are not going to sell it?

**MR SPEAKER:** Mr Smyth, cease your interjections.

**MR BARR:** As I indicated previously, in the Tuggeranong region there are too many primary schools; there are not the demographics; there are not the children. The most recent ABS statistics show that across the ACT there has been an eight per cent drop in the number of people under the age of 15 years in the last 10 years. As an absolute number, there are fewer students. More are going to the private system.

**Mr Smyth:** What have you done to address that?

**MR BARR:** I have put forward the most significant reform proposal for public education in the history of self-government.

**Mr Pratt:** You do not even know why there is a drift. You have got no idea why there is a drift.

**MR SPEAKER:** Resume your seat for a minute, minister. Mr Pratt, silence please. Mr Smyth, next time you will be on a warning. No further interjections. The minister has the floor.

**MR BARR:** Thank you, Mr Speaker. The answer to Mr Smyth's question about what we are doing to address it is that we put forward the most significant reform package in the history of self-government to ensure that our public education system remains viable, strong and, in fact, is strengthened into the future. That is the whole point. Do you think I would go through the process that we have been through in the last couple of months for the sake of it, with no actual desire, no passion, to see an improvement in public education? Come on! There is a real and definitive need to undertake this reform. It cannot wait.

Previous governments, as the Chief Minister has indicated, have shirked taking the tough decisions that are necessary to ensure the strength of public education into the future. A decision to defer, to put off, until some time in the future for some other government, will not cut it anymore. We cannot sit by and allow our public education system to drift into minority status. It is unacceptable and it is something this government will not stand for.

It is why we are investing a record amount in public education. It is why we are upgrading IT in our schools. That is why there is a \$20 million package over the next four years, to ensure that every school in the territory has broadband internet access, that students in the ACT are at the cutting edge of information technology, that we take advantage of all of the new areas of teaching and learning that can incorporate technology, that we do so in school buildings that are of a decent standard, that we reject what we previously accepted as acceptable for a school building and that we can do better and we should.

That is why we are investing this money. That is why the government is pursuing a significant reform of public education. The time has come to do it. I am prepared to get up here and argue for it and I am prepared to argue for as long as it takes to ensure that we get a viable public education system, a strong one and one that in 10 years or 15 years time has a chance of being better than it is now. The judgment on exactly how well we go with all of this will be how strong our public education system is in 2015 and 2020, long after most of us in this place have gone. If we fail at this point, then I am concerned that public education will simply be a safety net for those who cannot afford private education. That is unacceptable. The time to act is now. This government is doing so.

**MR SPEAKER:** Chief Minister, if you want to raise anything in relation to questions that have been asked and you think you have been misrepresented, you can do so after question time.

### **Schools—closures**

**MR PRATT:** My question is to the Minister for Education and Training. Minister, now that you have announced that the first tranche of government schools will be closed on

21 December 2006, what arrangements are being developed to ensure that all affected students, teachers and families are told of the consequences of these closures so that they can make considered decisions for the 2007 school year?

**MR BARR:** If I can correct the first part of Mr Pratt's question, no decisions have been taken. The government have indicated that at the conclusion of the consultation period we will make announcements about the future of certain schools. There is obviously a range of proposals that have been put forward by the government and we are engaging in what is a very constructive debate with school communities. Some very exciting options are being put forward by school communities around aspects of the proposal. Some schools are in fact keen to begin some of the programs that are proposed to commence in 2008. They would like to see them commence in 2007. There is a degree of excitement in many of the schools that there is a possibility here to take the increased investment in public education and put it to good use.

It is an important part of the consultation process that we engage with students and families who may be affected at the conclusion of the consultation process. That is why at the beginning of term 3 the department of education began transition planning with students who may be affected. So each individual student and their family will be consulted around, if you like, a plan B should their school close, so that they have certainty at the end of the school year should a decision go a particular way as to their future education options.

It is very clear, though, that we are engaged in a consultation process, that no decisions have been taken and that there are a variety of options on the table. In some instances, the addition of a year 6 at Stromlo and Kaleen high, for example, is something that has been welcomed by those schools and is something that they are looking to get under way as soon as possible. It is a chance to be a little bit innovative in how we look at public education. It is a chance to move beyond the 1970s model that has served us reasonably well but it has reached a point now where it needs some tweaking in order to be relevant in 2020. It will be 50 years old by then.

On a number of occasions I have posed a question to people who have lauded the success of the college system. It is absolutely right to say that it was a courageous decision at the time to move away from the particular model that had prevailed for a significant period and to engage and embrace some new educational models. The concern I have is that if the sorts of responses led by Mrs Dunne about not wanting to be innovative had been listened to then, we would never have even had the college system. This would not have happened if Mrs Dunne, advocating her particular brand of conservatism, had been around at that time.

I think it is worth noting that the educational research that underpins these proposals goes back a significant number of years. There have been a large number of educational studies. The list on the web site is significant. I encourage Mrs Dunne to broaden her mind by having a look at some of that. Nonetheless, it is the natural default position of the Liberal Party to be conservative. I expect that. I suppose that if there is an area of disappointment it is that those people who would purport to be progressive and advocate progressive policies in this place have adopted an equally conservative and reactionary response to any discussion of change. I find it very alarming that we cannot even engage in a debate and put forward some proposals without being accused of ripping up this

1970s nirvana education system. The time has come to look at where education needs to be in 2020. The time is now and the government is doing it.

**MR PRATT:** Mr Speaker, I ask a supplementary question. Minister, why have you made this decision date so late in the year and so close to Christmas?

**MR BARR:** Obviously the proposal was put forward on 6 June. The Education Act requires a minimum of six months consultation. That is the government's position. At a number of public meetings I have in fact been asked to make decisions now—to bring forward the decision-making process. I think it is important to note that it does not matter what date the government settles on to conclude a consultation process, there will always be someone who will be unhappy with that date.

Fundamentally, though, the issues remain unchanged. Regardless of what date you settle on, the issues remain unchanged. We are getting bogged down, as we inevitably do in this place, in a debate about process with no debate or significantly less debate about the real issues that need to be addressed. So much of the questioning has been around this date and that date. It has been all about process. Probably it is a reflection upon the inability or the unwillingness of those opposite to actually engage in a serious policy issue. In fact, we can see from the array of matters that have been set down for tomorrow further evidence of seeking to hide from presenting a policy and a position—of actually having something significant to say about this issue. That is what we are seeing, Mr Speaker.

I repeat: the time to address these issues is now. We are having the debate. Let us get fair dinkum about it. Let us see some actual policy, some actual options and some serious thought about how we can improve public education in the ACT. That is a debate I am very happy to engage in. I think it is a crucial debate in this territory. It is one of the most important things that we can debate in this Assembly. But so far it is all about name-calling; it is all about who said what to whom and who said what about whom. Surely we can do a bit better than that.

As I indicated before, Mrs Dunne, the Liberal Party needs to be mature enough to stand up for what it really believes, what it really knows to be the situation and what needs to be done. The Chief Minister alluded to the fact that Mr Stefaniak previously sat in exactly my position in this place. He should come to a similar conclusion. Here is your chance to show some ticker, mate. Let us see what you have got.

**Mr Stanhope:** Mr Speaker, I ask that further questions be placed on the notice paper.

### **Personal explanations**

**MR STANHOPE** (Ginninderra—Chief Minister, Treasurer, Minister for Business and Economic Development, Minister for Indigenous Affairs and Minister for the Arts): I take a point of order, Mr Speaker, and seek your guidance on an appropriate response. In question time today, Mr Smyth—

**MR SPEAKER:** You can make a personal explanation under standing order 46. I take it that you claim to have been misrepresented.

**MR STANHOPE:** I have, but I was interested in your ruling, Mr Speaker, on what a member, not wishing to be unruly, might say or do on an occasion when the member is being misrepresented in a question. Yes, under standing order 46, I claim to have been misrepresented. Mr Smyth claimed in a question to the minister for education that I had said that school sites would be sold. I have said no such thing and any—

**Mrs Dunne:** You said it on 2CN.

**MR STANHOPE:** Get the transcript and have a look. I did not say that school sites would be sold. I said that one possible outcome of the scenario would be that land might be sold. The land, if a school is closed, reverts to the Department of the Territory and Municipal Services under an administrative arrangements order. The process that we would then put in place, or the Department of the Territory and Municipal Services, would be to commission ACTPLA to undertake a planning study that would look at a whole range of issues in terms of appropriate planning outcomes consistent with the territory plan and potential future uses and then decisions would be made. That is what I said. And then I said, in a hypothetical way, one such outcome of such a planning study might be that the land would be sold for uses such as aged care accommodation, supported accommodation or affordable housing—that is what I said—consequent on a whole range of steps, namely, the school closing in the first place, and those decisions have not been made.

I was at pains to say that if schools close, if the land becomes available, if the Department of the Territory and Municipal Services then commissions a planning study, which would be our process, and, if the planning study reveals that an appropriate use would be aged care accommodation, yes, of course the land would then be sold. But I was at pains to indicate that at this stage the government had made no decisions. Any suggestion in the context of the one that Mr Smyth has made today—a blunt statement that I have said school land will be sold—is simply false, and it is not an uncommon practice of members to ask ministers questions based on a false premise.

**MR SMYTH (Brindabella):** Under standing order 46, I would like to make a personal explanation.

**MR SPEAKER:** Have you been misrepresented?

**MR SMYTH:** I have, Mr Speaker. During question time, the Chief Minister said that the transfer of the Narrabundah caravan park to Koomarri was the result of poor planning and that the sale was therefore the result of this poor planning. That is incorrect. The sale occurred because in November last year Koomarri rang the Chief Minister's office and asked whether it was okay for them to honour the terms of their lease and sell the land and were given the go-ahead by the Chief Minister through his office.

They then rang my office and asked the same and I said that, if they have complied with the terms and conditions of their lease, then it was up to them to do what they want with their property. The sale of the Narrabundah caravan park occurred because both the Chief Minister's office and my office—I through my office and I assume he through his office—agreed to its going ahead.

**MR STANHOPE** (Ginninderra—Chief Minister, Treasurer, Minister for Business and Economic Development, Minister for Indigenous Affairs and Minister for the Arts): Mr Speaker, I now must make a further personal explanation. That statement—

**MR SPEAKER:** This could be personal explanations at 10 paces.

**MR STANHOPE:** It could. Mr Smyth has to stop standing up in this place and failing to tell the truth.

**MR SPEAKER:** Order! Do you claim to have been misrepresented?

**MR STANHOPE:** My office gave no such undertaking. As to any claim by Mr Smyth that they did, I should just call it for what it is, a lie, but I will not. It is just not true. Really, you do need, Mr Smyth, to be a little bit careful in what you say in this place or we will have to take the appropriate steps and move a substantive motion against you for your consistent and persistent failure to tell the truth. That is not true. It is not true. It is a lie.

**MR PRATT** (Brindabella): Mr Speaker, I rise under standing order 46, while we are on the misrepresentation bandwagon—

**MR SPEAKER:** Leave is granted, Mr Pratt.

**MR PRATT:** Mr Speaker, this morning the Chief Minister said in a debate that I had voted for, or supported, a motion in a Liberal Party meeting in Canberra supporting the death penalty. He said that. Mr Speaker, my explanation is that I have not, in the ACT Liberal Party, supported or got up and debated a motion about the subject of the introduction of the death penalty. I remind this place also of the *Hansard* of what I said on 16 November 2005. I commenced the debate by saying:

I rise to speak against the death penalty.

Nowhere in the *Hansard* representation of that speech on that day is that qualified to any extent; it is as clear as that. I say again, Mr Speaker, that I explained to the house that the position I have stated here is absolutely consistent with everything I have said in Liberal Party meetings in the ACT.

**Mr Corbell:** We will check that.

**MR PRATT:** Go for your life.

**Mr Stanhope:** I apologise to Mr Pratt, Mr Speaker, but I do not withdraw what I said about Mr Stefaniak.

## **Leave of absence**

Motion (by **Mrs Dunne**) agreed to:

That leave of absence be given to Mrs Burke for this sitting period 15-17 August 2006.

## Paper

**Mr Speaker**, pursuant to standing order 271, presented the following paper:

Civil Unions Act 2006—Address by the Legislative Assembly—Response from the Governor-General, dated 13 June 2006.

## Papers

**Mr Speaker** presented the following papers:

Auditor-General Act—Auditor-General's Report—No 4/2006—Road Safety, dated 27 June 2006

Study trips—Reports by:

Mr Berry, MLA—International Conference on Legislatures and the Protection of Human Rights—University of Melbourne, Centre for Comparative Constitutional Studies, 20-22 July 2006.

Mrs Burke MLA—817th Wilton Park Conference—West Sussex, United Kingdom, 5-9 June 2006 and Visit to the House of Commons—London, 14 June 2006.

Mr Mulcahy MLA—United States, United Kingdom, Ireland and Hong Kong, April and May 2006.

Mr Seselja MLA—55th Seminar on Parliamentary Practice and Procedure at Westminster—London, United Kingdom, 6-9 March 2006.

## Executive contracts

### Papers and statement by minister

**MR STANHOPE** (Ginninderra—Chief Minister, Treasurer, Minister for Business and Economic Development, Minister for Indigenous Affairs and Minister for the Arts): For the information of members, I present the following papers:

Public Sector Management Act, pursuant to sections 31A and 79—Copies of executive contracts or instruments—

Contract variations:

- Anne Thomas, dated 26 May 2006.
- Christine Healy, dated 20 and 29 June 2006.
- David Turner, dated 15 May 2006.
- Helen Papas, dated 9 May 2006.
- Ian Cox, dated 25 July 2006.
- Karl Phillips, dated 12 July 2006.
- Loretta Zamprogno, dated 16 June 2006.
- Margaret Cotton, dated 26 July 2006.

Long-term contracts:

Meredith Whitten, dated 11 July 2006.

Sue Marriage, dated 27 June 2006.

Short-term contracts:

Alan Galbraith, dated 26 May 2006.

Catherine Hudson, dated 7 July 2006.

Chris Tully, dated 15 and 19 May 2006.

David Turner, dated 15 May 2006.

Frank Duggan, dated 17 July 2006.

Glenn Bain, dated 20 July 2006.

Ian Hickson, dated 25 May 2006.

Irene Dorothy McKinnon, dated 9 June 2006.

Jeremy Lasek, dated 13 and 18 July 2006.

John Paget, dated 9 June 2006.

John Stanwell, dated 13 June 2006.

Kate Nesar, dated 26 July 2006.

Leanne Power, dated 26 July 2006.

Louise Denley, dated 13 July 2006.

Mark Cormack, dated 25 and 28 July 2006.

Maureen Sheehan, dated 23 June 2006.

Michael Chisnall, dated 26 May 2006.

Michael William Kegel, dated 19 July 2006.

Michael Vanderheide, dated 26 May 2006.

Pam Davoren, dated 26 May 2006.

Patricia Wilks, dated 26 July 2006.

Paul Wyles, dated 14 July 2006.

Pauline Brown, dated 14 July 2006.

Penny Farnsworth, dated 12 July 2006.

Penny Shakespeare, dated 13 July 2006.

Richard Waldron Johnston, dated 1 and 5 June 2006.

Stephen Hughes, dated 25 May 2006.

Susan Hall, dated 30 June 2006.

I ask for leave to make a statement in relation to the papers.

Leave granted.

**MR STANHOPE:** Mr Speaker, I have presented another set of executive contracts. These documents have been tabled in accordance with sections 31A and 79 of the Public Sector Management Act, which require the tabling of all executive contracts and contract variations. Contracts were previously tabled on 6 June 2006. Today I have presented two long-term contracts, 28 short-term contracts and eight contract variations. The details will be circulated to members.

## Papers

**Mr Stanhope** presented the following papers:

Remuneration Tribunal Act, pursuant to section 12—Determinations, together with statements for:

Chief Executives and Executives—Determination No 195, dated 31 May 2006.

Full-time Holders of Public Office—Determination No 196, dated 31 May 2006.



Members of the ACT Legislative Assembly—Determination No 194, dated 31 May 2006.

Part-Time Holders of Public Office—

Chair, Stadiums Authority Board—Determination No 198, dated 31 May 2006.

Commissioner for Surveys—Determination No 197, dated 31 May 2006.

## **Legislation program—spring 2006**

### **Paper and statement by minister**

**MR STANHOPE** (Ginninderra—Chief Minister, Treasurer, Minister for Business and Economic Development, Minister for Indigenous Affairs and Minister for the Arts): For the information of members, I present the following paper:

Legislation Program—Spring 2006, dated August 2006.

I ask for leave to make a statement in relation to the paper.

Leave granted.

**MR STANHOPE:** Mr Speaker, I am pleased to present the government's legislation program for the spring 2006 sittings. Since re-election, the government has continued to focus on economic growth, sustainable development, environmental management, law reform, and human rights. It has done so with a strong reforming policy agenda aimed at keeping the territory healthy and to further grow its potential.

That was added to by the structural reforms and other initiatives announced in the 2006-07 ACT budget. The legislation program will follow up the government's reform agenda and also get on with the job of meeting its previous commitments. Mr Speaker, in the time available, I intend to comment only briefly on some of the legislation the government will introduce during the spring 2006 sitting period.

Among the reforms outlined in this year's budget was a change in the way the government is structured and the way it conducts its business. To facilitate these reforms, the government will be amending the territory's financial framework. In this regard, some of the more significant changes have already been implemented through the 2006-07 ACT budget, such as realigning departmental cash balances. Further key amendments are to be made to the Financial Management Act 1996 to support these changes.

As announced in the 2006-07 budget, the government is introducing a utilities land use permit fee to commence on 1 January 2007. The Land Use Amendment Bill 2006 will amend the Land Titles Act 1925, the Trespass on Territory Land Act 1932 and the Land Tax Act 2004 to provide for the collection of a fee for the use of the territory's land by utilities service providers.

To fulfil the ACT's commitment to taxation reform under the intergovernmental agreement on the reform of commonwealth-state financial relations, the government will introduce a new Duties Amendment Bill 2006 (No 2). It will cease the collection of duty

on hiring arrangements, leases and unquoted marketable securities, thereby completing the program for tax reform that was announced in the 2005-06 ACT budget.

The Duties Act and the Taxation Administration Act 1999 also will be amended to facilitate the introduction by the ACT Revenue Office of an online lodgment and payment service. The bill implements a 2005-06 ACT budget initiative to improve the services of the ACT Revenue Office by allowing for certain duty transactions to be processed and paid online and for the closure of the revenue office shopfront.

Under section 53, a review is required this year of the operation of the Government Procurement Act. When completed, a Government Procurement Amendment Bill 2006 will give effect to any government decisions to amend the act to ensure that the procurement framework applying to ACT government agencies continues to be effective, efficient and appropriate.

The government's law reform program is an ongoing priority. Work will continue to modernise and update ACT legislation by way of various statutory law amendments and portfolio legislation.

Amendments to the Legal Profession Act 2006 will effect the national legal profession model law. The government flagged that when the act was introduced in June of this year. As well as bringing the territory's act into line with the national model, it will be an opportunity to make a number of corrective amendments and some changes that reflect policy agreement with the legal profession that had not been finalised at the time the act was passed.

The application of the Commonwealth Evidence Act in ACT courts has, over time, also created a number of constitutional difficulties. Specifically, these have been in relation to the application of the ACT Supreme Court rules, general inconsistency of other subordinate laws, and misunderstanding about the legal relationship between commonwealth evidence law and ACT law. An ACT Evidence Bill 2006 will deliver certainty and maintain sovereignty of laws made by the ACT parliament.

Some changes are also to be made to the Courts Act following development of uniform court rules and the ACT Auditor-General's Office performance audit report on courts administration. The amendments will clarify governance arrangements in the courts, will clarify the role of court registrars and will provide statutory recognition of the role of the courts administrator.

To make territory exemptions for privacy under the Freedom of Information Act consistent with commonwealth provisions, amendments will be introduced in relation to terminology and consultation with affected third parties. Exemptions will also be provided for documents relating to security issues such as counter-terrorism activities.

Mr Speaker, the government is committed to social justice, human rights and caring for disadvantaged persons. To progress these, there is to be new legislation for the recognition of carers and to provide for enduring powers of attorney.

A Human Rights Commission (Child Death Review) Bill 2006 will also establish a child death review function as part of the responsibilities of the Human Rights Commission.

That will provide a legal framework for the establishment of a child death review committee, the collection of data, the identification of trends and patterns, and the examination of policies and practices, and for the committee to report on any outcomes.

The control of firearms is a major public safety issue that needs both a national and a local approach. A Firearms Amendment Bill 2006 will address the illegal trade in firearms, increase penalties for firearms offences and require applicants for firearms licences to satisfy more stringent criteria before a firearms licence is issued. Separately, a new chapter 5 will be added to the Criminal Code, relating to offences against the person.

Road safety will also be improved with a bill to provide a nationally consistent and best practice legislative scheme to improve compliance and enforcement of the road transport laws for heavy vehicles. This will minimise adverse impacts on road infrastructure and on the community and will promote effective and efficient observance of road transport laws by all parties which have a role in the transport of goods or passengers by road. It is also intended to increase the level of penalties for the offence of failing to stop at the scene of an accident where a person has been injured or killed.

Mr Speaker, fire safety requires everyone's participation. Over the past 12 months, there has been a significant increase in the number of house fires in the ACT, with the fire brigade attending on average one house fire every three days. That is double the average of previous years. For this reason, the government will introduce the Smoke Alarm Legislation Amendment Bill 2006 that will require the installation of smoke alarms in all residential premises.

Another government initiative on housing will modernise the pre-self-government Housing Assistance Act 1987, making clearer the lines of decision making and authority, and introducing stronger information privacy protections for applicants and tenants.

Reform of the territory's planning and lease administration system is a high priority. This will be significantly progressed by the introduction of the Planning and Development Bill 2006. The government has already released an exposure draft for public consultation and will look to debate the bill in the last quarter of 2006. The bill includes the review and amalgamation of the Planning and Land Act 2002 and the Land (Planning and Environment) Bill 1991 and will address the matters identified in the government's announced final reform directions for the planning system reform project.

Proposed education legislation includes amendments to the University of Canberra Act 1994 that flow from a review report on the governance structures of the university. These will address the size and composition of the university council, make a minor change to its decision-making process, and address the election of the chair of the academic board.

New national agreements in higher education and joint ministerial decisions in vocational education and training also require technical amendments and other changes to the university approval processes of the Tertiary Accreditation and Registration Act 2003.

To overcome compliance difficulties with payment of the building and construction industry training levy, the government will change the definitions of "exempt work" and

“project owner”. These currently allow some owners of work to contest their liability to pay the levy. Amendments will also address the way in which approved valuers are appointed to assess the value of work and to move the approval date for annual training plans from 30 June to 30 October.

Long-term sustainability is to be assisted by amendments to the Fisheries Act 2000. One of the key and current issues affecting sustainable fisheries management in Australia is the illegal trafficking in priority species. Priority species include abalone and different types of lobster. The changes to the act will prevent the sale and trafficking of illicit priority fish species and ensure that the provisions are commensurate with those of other jurisdictions.

Animal welfare reforms will also receive attention. The Animal Welfare Act 1992 is to be amended to take into account increased understanding of the needs of animals, changing community attitudes and latest scientific knowledge. Proposed amendments will improve the offence provision and operational aspects of the act. This should accommodate the concerns raised by the animal welfare committee and meet national requirements identified by the primary industries ministerial council. Additionally, the government will review the domestic animals legislation to address issues raised by stakeholders and peak bodies and for introduction of operational enforcement issues raised by domestic animal services.

Other government legislation to be introduced includes changes to the Long Service Leave (Building and Construction Industry) Act 1981 and the Long Service Leave (Contract Cleaning Industry) Act 1999. Amendments will simplify reporting requirements, improve consistency between the schemes and more closely align the benefits available with those in other jurisdictions.

An Annual Reports Amendment Bill 2006 will also improve reporting by the government in annual reports. It will amend the present requirement for all agencies to report on the implementation of particular policies or legislation. Instead, consolidated service-wide reports will have to be prepared and tabled by agencies that have overall responsibility for implementation of a policy or piece of legislation. This form of reporting will be more useful to members of the community who are interested in a particular issue, such as environmental policy or public interest disclosures.

Mr Speaker, those are just some of the initiatives proposed for the spring 2006 legislation program. The program reflects the government’s current reform priorities and continues its other important work for community wellbeing and good governance. I commend the program to the Assembly.

## **Administrative arrangements**

### **Paper and statement by minister**

**MR STANHOPE** (Ginninderra—Chief Minister, Treasurer, Minister for Business and Economic Development, Minister for Indigenous Affairs and Minister for the Arts): For the information of members, I present the following paper:

Administrative arrangements—Administrative Arrangements 2006 (No 2)—  
Notifiable Instrument NI2006-206 (S3, dated Tuesday, 20 June 2006).

I ask for leave to make a statement in relation to the paper.

Leave granted.

**MR STANHOPE:** Mr Speaker, for the information of members, I have tabled revised administrative arrangements that were notified on 19 June and gazetted the following day for commencement from 1 July 2006. The new arrangements were prepared for the purpose of implementing the government's structural reform agenda that followed on from the changed ministerial arrangements that I announced in April 2006. They therefore reflect the government's consideration of the strategic and functional review of the ACT public service sector and services and administrative changes in the budget.

Some miscellaneous changes to functions and legislation that occurred after the ministerial reshuffle in April 2006 have also been included and legislation updated by adding the Legal Profession Act 2006 and deleting 17 repealed acts. Three key changes made to administrative units are the retitling of the Department of Urban Services as the Department of the Territory and Municipal Services, the disestablishment of the Department of Economic Development, and absorption of the Emergency Services Authority into the Department of Justice and Community Safety.

Mr Speaker, the new arrangements are another step in the government's ongoing efforts to deliver better efficiencies and future sustainability while looking to create clearer lines of responsibility and accountability between departments and ministers.

## **Annual reports directions Paper and statement by minister**

**MR STANHOPE** (Ginninderra—Chief Minister, Treasurer, Minister for Business and Economic Development, Minister for Indigenous Affairs and Minister for the Arts): For the information of members, I present the following paper:

Annual Reports (Government Agencies) Act, pursuant to subsection 9 (5)—Chief Minister's Annual Report Directions—2005-2006.

I ask for leave to make a statement in relation to the paper.

Leave granted.

**MR STANHOPE:** Mr Speaker, this instrument has been issued in accordance with the Annual Reports (Government Agencies) Act 2004 and provides the framework for the preparation of 2005-06 annual reports. The instrument includes the annual report directions for this reporting year. Under the act, this instrument must be tabled, although it is not disallowable. The instrument is notifiable under the Legislation Act.

The annual report directions were provided to the Standing Committee on Public Accounts for consultation. The chair advised on 28 June 2006 that the committee had considered the draft directions. The committee provided comments which have been considered in finalising the directions. I will write separately to the committee to provide further details.

The structure and scope of annual reporting requirements have been reviewed as part of the budget process. The structure of annual reporting will change significantly in 2006-07 to streamline reporting requirements. I will introduce legislative amendments later this year to implement these changes.

The annual reports directions require responsible ministers to provide reports to the Speaker who, in turn, is required under the act to provide them to the members of the Assembly. This must occur before the end of September. Annual reports will also be made publicly available at that time.

Under the act, I may declare a day before the end of September on which reports are to be presented to the ministers by reporting entities. To facilitate the provision of reports, I propose to declare 22 September 2006 as the date by which reports must be provided to ministers. All reports must include audited financial statements and performance statements when presented.

### **Financial Management Act—instruments Papers and statement by minister**

**MR STANHOPE** (Ginninderra—Chief Minister, Treasurer, Minister for Business and Economic Development, Minister for Indigenous Affairs and Minister for the Arts): For the information of members, I present:

Financial Management Act, pursuant to section 18A—

Authorisation of Expenditure from the Treasurer's Advance to the ACT Emergency Services Authority, including a statement of reasons, dated 8 June 2006.

Authorisation of Expenditure from the Treasurer's Advance to the Department of Economic Development, including a statement of reasons, dated 23 June 2006.

Authorisation of Expenditure from the Treasurer's Advance to the Department of Economic Development, including a statement of reasons, dated 26 June 2006.

Authorisation of Expenditure from the Treasurer's Advance to the Legislative Assembly, including a statement of reasons, dated 20 June 2006.

I ask leave to make a statement in relation to the instruments.

Leave granted.

**MR STANHOPE:** As required by the Financial Management Act, I table four instruments issued during June 2006. Under section 18A of the act, the direction and the statement of reasons for the above instruments must be tabled in the Assembly within three sitting days of being given.

The instruments provide for additional funding for the ACT Emergency Services Authority for unforeseen and unavoidable expenditure incurred by the ESA, as well as \$1 million to the Department of Economic Development to meet a longstanding commitment to the John Curtin School of Medical Research at the ANU. This

contribution will assist in the redevelopment of the school and ensure that the facility continues to contribute to medical training and research. It also recognises a significant contribution the institute makes to the territory. The provision of this funding fulfils a commitment made by the previous government to provide these funds on the completion of stage 1 of the redevelopment.

The Department of Economic Development will receive \$200,000 for the Fairbairn Park Control Council for completion of a development application and a preliminary assessment relating to the Fairbairn Park motor sport facility. An amount of \$166,000 will go to the Legislative Assembly to meet unexpected and urgent costs associated with opposition staffing. These costs include severance payments following the change in the Leader of the Opposition and additional staffing costs related to elongated Assembly sittings. Mr Speaker, I commend the instrument to the Assembly.

## **Financial Management Act—instruments**

### **Papers and statement by minister**

**MR STANHOPE** (Ginninderra—Chief Minister, Treasurer, Minister for Business and Economic Development, Minister for Indigenous Affairs and Minister for the Arts): For the information of members, I present:

Financial Management Act—

Pursuant to section 15—Instrument directing a transfer of funds between output classes within the Department of Education and Training, including a statement of reasons, dated 28 June 2006.

Pursuant to section 17—

Instrument varying appropriations related to Commonwealth funding to ACT Health, including a statement of reasons, dated 26 June 2006.

Instrument varying appropriations related to Commonwealth funding to the Department of Territory and Municipal Services, including a statement of reasons, dated 28 June 2006.

Instrument varying appropriations related to Commonwealth funding to the Department of Education and Training, including a statement of reasons, dated 28 June 2006.

Instrument varying appropriations related to Commonwealth funding to the Department of Education and Training, including a statement of reasons, dated 30 June 2006.

Instrument varying appropriations related to Commonwealth funding to the Department of Disability, Housing and Community Services, including a statement of reasons, dated 28 June 2006.

Pursuant to section 19B—

Instrument varying appropriations related to the Natural Disaster Mitigation Program—Emergency Services Authority, including a statement of reasons, dated 28 June 2006.

Instrument varying appropriations related to the Natural Disaster Mitigation Program and the Bushfire Mitigation Program—Chief Minister's Department, including a statement of reasons, dated 28 June 2006.

Instrument varying appropriations related to the Natural Disaster Mitigation Program—ACT Forests, including a statement of reasons, dated 28 June 2006.

Instrument varying appropriations related to the Natural Disaster Mitigation Program—Department of Territory and Municipal Services, including a statement of reasons, dated 28 June 2006.

I ask leave to make a statement in relation to the instruments.

Leave granted.

**MR STANHOPE:** As required by the Financial Management Act, I table instruments issued under sections 15, 17 and 19B of the act. The directions and the statements of reasons for the above instruments must be tabled in the Assembly within three sitting days of being given.

These instruments for the 2005-06 financial year were signed during the final days of June. Copies of the instruments and statements of reasons for all the variations tabled have been issued to all members of the Assembly. I draw members' attention to the explanations supplied with each individual instrument. I commend the papers to the Assembly.

### **Financial Management Act—instruments Paper and statement by minister**

**MR STANHOPE** (Ginninderra—Chief Minister, Treasurer, Minister for Business and Economic Development, Minister for Indigenous Affairs and Minister for the Arts): For the information of members, I present:

Financial Management Act, pursuant to section 18—Authorisation of Expenditure from the Treasurer's Advance, including a statement of reasons.

I ask leave to make a statement in relation to the instrument.

Leave granted.

**MR STANHOPE:** As required by the Financial Management Act, I table a summary of expenditure under section 18 of the act. Section 18 of the act allows the Treasurer to authorise expenditure for the Treasurer's Advance; the authorisation I provide for expenditure in excess of an amount already specifically appropriated; or an expenditure for which there is no appropriation.

Section 18A of the Financial Management Act requires that, where the Treasurer has authorised expenditure under section 18, within three sitting days of the end of the financial year the Treasurer must present to the Assembly a summary of the total expenditure authorised for that financial year. The 2005-06 Appropriation Act provided



\$25.7 million for the Treasurer's Advance. The final expenditure against the Treasurer's Advance for the 2005-06 financial year totalled \$13.250 million, leaving \$12.450 million unallocated. I commend the papers to the Assembly.

## **Financial Management Act—consolidated financial management report**

### **Paper and statement by minister**

**MR STANHOPE** (Ginninderra—Chief Minister, Treasurer, Minister for Business and Economic Development, Minister for Indigenous Affairs and Minister for the Arts): For the information of members, I present:

Financial Management Act, pursuant to section 26—Consolidated Financial Management Report for the financial quarter and year-to-date ending 30 June 2006.

This paper was circulated to members when the Assembly was not sitting. I ask leave to make a statement in relation to the paper.

Leave granted.

**MR STANHOPE:** I present to the Assembly the June quarterly management report for the territory. This report is required under section 26 of the Financial Management Act. The information included in the June quarterly management report is current as at 30 June 2006. However, it may be subject to change as part of the audit process.

The territory's audited annual financial statements are currently being developed and will be provided to the Assembly in October 2006. The preliminary net operating balance for the general government sector is for a deficit of \$91.6 million in 2005-06. The net operating balance is measured on a government finance statistics basis. This represents a \$71 million improvement on the result published as the estimated outcome in the 2006-07 budget papers.

The preliminary Australian Accounting Standards operating result for the general government sector is for a surplus of \$176 million, reflecting strong investment windfalls in the territory's superannuation investments in 2005-06. This is a \$55.8 million improvement on the result published in the estimated outcomes in the 2006-07 budget papers.

Consistent with the basis on which the budget was prepared, the government used the Australian Accounting Standards outcome in this report. In seven years in government the Liberal Party presented budgets that were consistent with the Australian Accounting Standards, but not once in all the years they were in government did they bother to provide the level of detail in relation to general financial statistics that we have provided. It is interesting to note that this is the largest surplus ever delivered by an ACT government. It puts to shame and in some context budgets delivered by the Liberal Party in seven years under the Australian Accounting Standards. Most of those budgets were in deficit.

Mr Speaker, while these preliminary figures are welcome, the ACT budget continues to face significant longer term pressures. That is why the government is determined to take

the measures necessary to build strong foundations for the ACT's future finances. The accounting standards result shows a surplus last year, but it was built significantly on windfalls and asset sales, particularly land. We have already seen in recent months that the very strong investment gains recorded in the last two years cannot continue indefinitely.

It should also be stressed that the approved outcome in 2005-06 was driven by a number of one-off factors. For example, over \$8 million in commonwealth government Roads to Recovery funding was received earlier than our department expected. Indeed, this funding has been factored into the territory's budget for 2006-07. Whilst this funding was received in 2005-06, there will now be a negative impact on estimated revenue in this financial year.

More generally, it cannot be assumed that the improvement in the 2005-06 budget outcome will flow directly through into this year and future years, and, while this interim result is welcome, it should also be remembered that the GFS net operating deficit is still significant. The preliminary GFS deficit last year, measured on the same basis as that used by other Australian governments, was over \$90 million, and that will require careful management across the budget forward estimates.

Looking ahead, the government's 2006-07 budget focuses not only on getting today's financial position right, but importantly it focuses on the financial position of the territory. The budget lays the foundation to help successive governments meet the needs of the community into the future. The budget aims to significantly improve on the existing financial position in order to provide the capacity to meet the challenges of the future. In this context the budget was framed to take into consideration longer term issues such as an ageing population, increasing health costs and an ever-decreasing proportion of revenue available from land sales. In meeting these challenges this government has made significant decisions around reducing the cost of government services to bring costs back into line with those generally realised in other jurisdictions. These changes are still essential to the longer term financial sustainability of the territory.

This report should be commended to the territory. I look forward to the shadow Treasurer acknowledging that, under the same accounting standards that his colleagues applied in seven years in government, this government in the last financial year has produced the most significant surplus that any government has ever produced in the ACT.

It is notable that Mr Mulcahy is now banging on about the fact that this is an Australian Accounting Standards budget outcome or surplus and asking why we do not actually refer to it in the context of the GFS. He ignores the fact that when he and his party were in government for seven long years it was incredibly convenient never to mention the fact that in four years they produced four deficit budgets. Their deficits were, of course, reported against the Australian Accounting Standards. I look forward to Mr Mulcahy's eventual acknowledgement that an Australian Accounting Standards surplus of \$176 million is a very significant achievement and something that should be applauded, recognising, of course, the underlying—

**Mr Mulcahy:** In fact there is a \$123 million deficit.

**MR STANHOPE:** No, it is not.

**Mr Mulcahy:** It is.

**MR STANHOPE:** No, it is not. It is a \$91 million GFS from last year.

**Mr Mulcahy:** That is when you take into account the 7.5 per cent gains on super.

**MR SPEAKER:** Order!

**MR STANHOPE:** Go back to the accounting standards applied by your party in government. Go back to the accounting standards applied by the Australian Bureau of Statistics in relation to budget.

**MR SPEAKER:** Chief Minister, direct your comments through me.

**Mr Mulcahy:** It is a 50-page report. You should read it.

**Mr Barr:** Why do your colleagues oppose every measure that actually addressed that bit?

**MR SPEAKER:** Order, members! That includes you, Mr Barr. The house has given the Chief Minister leave to make a statement. That means without interjection.

**MR STANHOPE:** Thank you, Mr Speaker. I will conclude. It is, of course, ironic, and it is, I suppose, part and parcel of the argy-bargy and hypocrisy of the shadow Treasurer, whose mantra is that we should not be reporting against the Australian Accounting Standards; we should be reporting only against the government finance statistics standard. That is not what he and his party did in government but it is convenient now, of course, because the result is so good.

The Australian Accounting Standards result for 2005-06 of \$176 million is in the same way an outstanding result. As the shadow Treasurer bangs on about this, it needs to be said that we took the tough decision, the hard decision, in a way a decision that exposes this government and any government of the future that moves to the GFS. His party did not have the bottle to do it. It did not put the public interest first. It put the short electoral cycle first. It put the party advantage first. This is becoming the recurring theme of the Liberal Party in this place now and in the past: no bottle, no courage and no guts.

When it came to the tough decisions, they left it to another government on another day. They did not do it themselves. It is interesting that Mr Mulcahy refers back to what the Liberal Party did in government. His most recent comment was in relation to the Narrabundah caravan park. That was an appalling policy decision and outcome and was, of course, very much the work of his previous leader. I was wondering: why is Mr Mulcahy continually drawing public attention to this appalling policy outcome, which is the legacy of his previous leader, Mr Smyth? Then, of course, it dawned on me. We know why. It is basically the final cut after having undermined—

**Mr Corbell:** Making sure he is properly buried.

**MR STANHOPE:** That is right. That is exactly right. The body is dead. Let us make sure it is buried, never to be revived. I knocked him off. I undermined him from the minute I came into the place. He is dead, but he is not buried. So let us keep referring back to the Narrabundah caravan park to make sure the corpse is well and truly buried, never ever to rise again.

That allows Mr Mulcahy to move on to phase 2 of the leadership strategy, and the betting is on: can Mr Stefaniak survive till Christmas? We were pondering this as well. Along with the \$176 million Australian Accounting Standards surplus, for a member to come into this place and, during one term, through gross disloyalty, support a replacement leader and knock off the replacement will be an Australian record in any parliament, and probably any parliament in the Westminster system. It will be Mr Mulcahy's legacy. Having knocked off Mr Smyth, he will now move on to phase 2 and knock off poor old Bill. It is phase 2 of the leadership strategy.

## Papers

**Mr Stanhope** presented the following paper:

Cultural Facilities Corporation Act, pursuant to subsection 15 (2)—Cultural Facilities Corporation—Quarterly report 2006 (1 January to 31 March 2006).

**Mr Barr** presented the following papers:

Interest Subsidy Scheme—Allocation of unspent funds—Letter from the Non-Government Schools Education Council to the Minister for Education and Training, dated 19 May 2006.

Education Act, pursuant to section 73—Government Schools Education Council—Interim Report—Promotion of Public Education, dated July 2006.

**Mr Corbell** presented the following papers:

Subordinate legislation (including explanatory statements unless otherwise stated)

Legislation Act, pursuant to section 64—

Adoption Act—Adoption (Fees) Determination 2006 (No. 1)—Disallowable Instrument DI2006-114 (LR, 20 June 2006).

Agents Act—Agents Amendment Regulation 2006 (No. 2)—Subordinate Law SL2006-24 (LR, 1 June 2006).

Agents Act, Associations Incorporation Act, Births, Deaths and Marriages Registration Act, Business Names Act, Classification (Publications, Films and Computer Games) (Enforcement) Act, Consumer Credit (Administration) Act, Cooperatives Act, Court Procedures Act, Guardianship and Management of Property Act, Instruments Act, Land Titles Act, Liquor Act, Partnership Act, Pawnbrokers Act, Prostitution Act, Public Trustees Act, Registration of Deeds Act, Sale of Motor Vehicles Act, Second-hand Dealers Act, Security Industry Act, Trade Measurement (Administration) Act—Attorney General (Fees) Determination

2006—Disallowable Instrument DI2006-141 (without explanatory statement) (LR, 30 June 2006).

*Animal Diseases Act—*

*Animal Diseases (Fees) Determination 2006 (No. 1)—Disallowable Instrument DI2006-167 (LR, 6 July 2006).*

*Animal Diseases Regulation 2006—Subordinate Law SL2006-39 (LR, 13 July 2006).*

*Animal Welfare Act—Animal Welfare (Fees) Determination 2006 (No. 1)—Disallowable Instrument DI2006-168 (LR, 6 July 2006).*

*Architects Act—Architects (Fees) Determination 2006 (No. 1)—Disallowable Instrument DI2006-154 (without explanatory statement) (LR, 4 July 2006).*

*Building Act—*

*Building (Asbestos code—asbestos removal control plan) Determination 2006—Disallowable Instrument DI2006-174 (LR, 13 July 2006).*

*Building (Asbestos code—minor maintenance work) Determination 2006—Disallowable Instrument DI2006-175 (LR, 13 July 2006).*

*Building (Fees) Determination 2006 (No. 1)—Disallowable Instrument DI2006-155 (without explanatory statement) (LR, 4 July 2006).*

*Building and Construction Industry Training Levy Act—Building and Construction Industry Training Fund Board Appointment 2006 (No. 1)—Disallowable Instrument DI2006-173 (LR, 13 July 2006).*

*Children and Young People Act—Children and Young People (Childrens Services Council) Appointment 2006 (No. 1)—Disallowable Instrument DI2006-153 (LR, 3 July 2006).*

*Community Title Act—Community Title (Fees) Determination 2006 (No. 1)—Disallowable Instrument DI2006-156 (without explanatory statement) (LR, 4 July 2006).*

*Construction Occupations (Licensing) Act—Construction Occupations Licensing (Fees) Determination 2006 (No. 1)—Disallowable Instrument DI2006-157 (without explanatory statement) (LR, 4 July 2006).*

*Corporations Act—Supreme Court (Corporations) Repeal Rules 2006—Subordinate Law SL2006-41 (without explanatory statement) (LR, 24 July 2006).*

*Court Procedures Act—Court Procedures Rules 2006—Subordinate Law SL2006-29 (LR, 16 June 2006).*

*Crimes (Sentence Administration) Act—*

*Crimes (Sentence Administration) Amendment Regulation 2006 (No. 1)—Subordinate Law SL2006-26 (LR, 1 June 2006).*

Crimes (Sentence Administration) Board Appointment 2006 (No. 1)—  
Disallowable Instrument DI2006-163 (LR, 6 July 2006).

Crimes (Sentencing) Act—Crimes (Sentencing) Amendment Regulation 2006 (No. 1)—  
Subordinate Law SL2006-25 (LR, 1 June 2006).

Dangerous Substances Act—Dangerous Substances (Fees) Determination 2006—  
Disallowable Instrument DI2006-146 (LR, 30 June 2006).

Domestic Animals Act—Domestic Animals (Fees) Determination 2006 (No. 2)—  
Disallowable Instrument DI2006-97 (LR, 15 June 2006).

Domestic Violence Agencies Act—Domestic Violence (Project Coordinator)  
Appointment 2006—Disallowable Instrument DI2006-107 (LR, 10 July 2006).

Electoral Act—Electoral (Fees) Determination 2006—Disallowable Instrument  
DI2006-152 (LR, 30 June 2006).

Electricity Safety Act—Electricity Safety (Fees) Determination 2006 (No. 1)—  
Disallowable Instrument DI2006-158 (without explanatory statement) (LR, 4 July  
2006).

Emergencies Act—Emergencies (Fees and Charges 2006/2007) Determination  
2006—Disallowable Instrument DI2006-164 (without explanatory statement) (LR, 6  
July 2006).

Environment Protection Act—

Environment Protection (Fees) Determination 2006 (No. 1)—Disallowable  
Instrument DI2006-165 (LR, 6 July 2006).

Environment Protection (Fees) Determination 2006 (No. 2)—Disallowable  
Instrument DI2006-110 (LR, 14 July 2006).

Environment Protection Amendment Regulation 2006 (No. 1)—Subordinate  
Law SL2006-27 (LR, 2 June 2006).

First Home Owner Grant Act—First Home Owner Grant (Objection Fees)  
Determination 2006 (No. 1)—Disallowable Instrument DI2006-136 (LR, 29 June  
2006).

Fisheries Act—Fisheries (Fees) Determination 2006 (No. 1)—Disallowable  
Instrument DI2006-169 (LR, 6 July 2006).

Gaming Machine Act—Gaming Machine (Fees) Determination 2006 (No. 1)—  
Disallowable Instrument DI2006-112 (LR, 20 June 2006).

Hawkers Act—Hawkers (Fees) Determination 2006 (No. 1)—Disallowable  
Instrument DI2006-98 (LR, 15 June 2006).

Health Act—Health (Fees) Determination 2006 (No. 1)—Disallowable Instrument  
DI2006-145 (LR, 30 June 2006).

Health Professionals Act—

Health Professionals Amendment Regulation 2006 (No. 4)—Subordinate Law SL2006-28 (LR, 8 June 2006).

Health Professionals Amendment Regulation 2006 (No. 5)—Subordinate Law SL2006-38 (LR, 7 July 2006).

Health Professionals Regulation—Health Professionals (Medical Board) Appointment 2006 (No. 2)—Disallowable Instrument DI2006-190 (LR, 3 August 2006).

Health Records (Privacy and Access) Act—Health Records (Privacy and Access) (Fees) Determination 2006 (No. 2)—Disallowable Instrument DI2006-135 (LR, 29 June 2006).

Housing Assistance Act—Housing Assistance Public Rental Housing Assistance Program 2006 (No. 2)—Disallowable Instrument DI2006-178 (LR, 17 July 2006).

Land (Planning and Environment) Act—

Land (Planning and Environment) (Fees) Determination 2006 (No. 1)—Disallowable Instrument DI2006-159 (without explanatory statement) (LR, 4 July 2006).

Land (Planning and Environment) Amendment Regulation 2006 (No. 3)—Subordinate Law SL2006-19 (LR, 25 May 2006).

Land (Planning and Environment) Amendment Regulation 2006 (No. 4)—Subordinate Law SL2006-33 (LR, 29 June 2006).

Land (Planning and Environment) Approved Form of Land Management Agreement 2006—Disallowable Instrument DI2006-183 (LR, 27 July 2006).

Legal Profession Act—

Legal Profession (Bar Association Council Fees) Determination 2006 (No. 1)—Disallowable Instrument DI2006-143 (LR, 30 June 2006).

Legal Profession (Barristers and Solicitors Practising Fees) Determination 2006 (No. 1)—Disallowable Instrument DI2006-151 (LR, 30 June 2006).

Legal Profession (Barristers and Solicitors Practising Fees) Determination 2006 (No. 2)—Disallowable Instrument DI2006-186 (LR, 2 August 2006).

Legal Profession Regulation 2006—Subordinate Law SL2006-37 (LR, 30 June 2006).

Legislative Assembly (Members' Staff) Act—

Legislative Assembly (Members' Staff) Members' Salary Cap Determination 2006 (No. 1)—Disallowable Instrument DI2006-130 (LR, 29 June 2006).

Legislative Assembly (Members' Staff) Speaker's Salary Cap Determination 2006 (No. 1)—Disallowable Instrument DI2006-139 (LR, 29 June 2006).

Legislative Assembly Precincts Act—Legislative Assembly Precincts (Licence Fees) Determination 2006—Disallowable Instrument DI2006-89 (LR, 5 June 2006).

Lotteries Act—Lotteries (Fees) Determination 2006 (No. 1)—Disallowable Instrument DI2006-113 (LR, 20 June 2006).

Machinery Act—Machinery (Fees) Determination 2006—Disallowable Instrument DI2006-150 (LR, 30 June 2006).

Magistrates Court Act—Magistrates Court (Workers Compensation Infringement Notices) Regulation 2006—Subordinate Law SL2006-20 (LR, 25 May 2006).

Nature Conservation Act—Nature Conservation (Fees) Determination 2006 (No. 1)—Disallowable Instrument DI2006-166 (LR, 6 July 2006).

Occupational Health and Safety Act—

Occupational Health and Safety (ACT First Aid in the Workplace) Code of Practice 2006—Disallowable Instrument DI2006-94 (LR, 15 June 2006).

Occupational Health and Safety (Fees) Determination 2006—Disallowable Instrument DI2006-147 (LR, 30 June 2006).

Pharmacy Act—Pharmacy (Fees) Determination 2006 (No. 1)—Disallowable Instrument DI2006-188 (LR, 3 August 2006).

Physiotherapists Act—Physiotherapists (Fees) Determination 2006 (No. 1)—Disallowable Instrument DI2006-189 (LR, 3 August 2006).

Poisons and Drugs Act—Poisons and Drugs Amendment Regulation 2006 (No. 1)—Subordinate Law SL2006-40 (LR, 24 July 2006).

Psychologists Act—Psychologists (Fees) Determination 2006 (No. 1)—Disallowable Instrument DI2006-144 (LR, 30 June 2006).

Public Baths and Public Bathing Act—Public Baths and Public Bathing (Active Leisure Centre Fees) Determination 2006—Disallowable Instrument DI2006-133 (LR, 30 June 2006).

Public Health Act—Public Health (Risk Activities) Declaration 2006 (No. 1)—Disallowable Instrument DI2006-137 (LR, 24 July 2006).

Public Place Names Act—

Public Place Names (City) Determination 2006 (No. 2)—Disallowable Instrument DI2006-177 (LR, 13 July 2006).

Public Place Names (Fyshwick) Determination 2006 (No. 1)—Disallowable Instrument DI2006-179 (LR, 20 July 2006).



Public Place Names (Harrison) Determination 2006 (No. 2)—Disallowable Instrument DI2006-96 (LR, 9 June 2006).

Public Place Names (Harrison) Determination 2006 (No. 3)—Disallowable Instrument DI2006-176 (LR, 13 July 2006).

Public Place Names (Phillip) Determination 2006 (No. 1)—Disallowable Instrument DI2006-185 (LR, 31 July 2006).

Public Sector Management Act—

Public Sector Management Amendment Standard 2006 (No. 6)—Disallowable Instrument DI2006-142 (LR, 30 June 2006).

Public Sector Management Standards 2006—Disallowable Instrument DI2006-187 (LR, 2 August 2006).

Race and Sports Bookmaking Act—Race and Sports Bookmaking (Fees) Determination 2006 (No. 1)—Disallowable Instrument DI2006-111 (LR, 20 June 2006).

Radiation Act—Radiation (Council) Appointment 2006 (No. 1)—Disallowable Instrument DI2006-181 (LR, 24 July 2006).

Rates Act—Rates (Certificate and Statement Fees) Determination 2006 (No. 1)—Disallowable Instrument DI2006-104 (LR, 15 June 2006).

Residential Tenancies Act—Residential Tenancies Amendment Regulation 2006 (No. 1)—Subordinate Law SL2006-42 (LR, 3 August 2006).

Roads and Public Places Act—Roads and Public Places (Fees) Determination 2006 (No. 1)—Disallowable Instrument DI2006-99 (LR, 15 June 2006).

Road Transport (Dimensions and Mass) Act—

Road Transport (Dimensions and Mass) (Dimensions of Vehicles or Combinations) Determination 2006 (No. 1)—Disallowable Instrument DI2006-120 (LR, 22 June 2006).

Road Transport (Dimensions and Mass) (Mass Limits of Vehicles or Combinations) Determination 2006 (No. 1)—Disallowable Instrument DI2006-119 (LR, 22 June 2006).

Road Transport (Dimensions and Mass) B-Double Exemption Notice 2006—Disallowable Instrument DI2006-118 (LR, 29 June 2006).

Road Transport (Dimensions and Mass) Concessional Mass Limits (CML) Exemption Notice 2006—Disallowable Instrument DI2006-134 (LR, 29 June 2006).

Road Transport (Dimensions and Mass) Higher Mass Limits (HML) Exemption Notice 2006—Disallowable Instrument DI2006-132 (LR, 29 June 2006).

Road Transport (Driver Licensing) Act, Road Transport (General) Act, Road Transport (Public Passenger Services) Act and Road Transport (Safety and Traffic Management) Act—Road Transport (Public Passenger Services) Amendment Regulation 2006 (No. 1)—Subordinate Law SL2006-32 (LR, 26 June 2006).

Road Transport (General) Act—

Road Transport (General) (Application of Road Transport Legislation) Declaration 2006 (No. 6)—Disallowable Instrument DI2006-91 (LR, 5 June 2006).

Road Transport (General) (Application of Road Transport Legislation) Declaration 2006 (No. 7)—Disallowable Instrument DI2006-123 (LR, 22 June 2006).

Road Transport (General) (Application of Road Transport Legislation) Declaration 2006 (No. 8)—Disallowable Instrument DI2006-184 (LR, 27 July 2006).

Road Transport (General) (Application of Road Transport Legislation) Revocation 2006 (No. 1)—Disallowable Instrument DI2006-122 (LR, 22 June 2006).

Road Transport (General) Demand Responsive Services Fees Determination 2006 (No. 1)—Disallowable Instrument DI2006-126 (LR, 29 June 2006).

Road Transport (General) (Driver Licence and Related Fees) Determination 2006 (No. 1)—Disallowable Instrument DI2006-127 (LR, 26 June 2006).

Road Transport (General) (Numberplate Fees) Determination 2006 (No. 1)—Disallowable Instrument DI2006-117 (LR, 22 June 2006).

Road Transport (General) (Parking Permit Fees) Determination 2006 (No. 1)—Disallowable Instrument DI2006-116 (LR, 22 June 2006).

Road Transport (General) (Refund Fee and Dishonoured Cheque Fee) Determination 2006 (No. 1)—Disallowable Instrument DI2006-115 (LR, 22 June 2006).

Road Transport (General) (Taxi Licence and Stand-by Hire Car Permit Fees) Determination 2006 (No. 2)—Disallowable Instrument DI2006-121 (LR, 26 June 2006).

Road Transport (General) (Vehicle Registration and Related Fees) Determination 2006 (No. 1)—Disallowable Instrument DI2006-128 (LR, 26 June 2006).

Road Transport (Offences) Amendment Regulation 2006 (No. 1)—Subordinate Law SL2006-30 (LR, 26 June 2006).

Road Transport (General) Act and the Road Transport (Public Passenger Services) Act—Road Transport Legislation (Taxi Licences) Amendment Regulation 2006 (No. 2)—Subordinate Law SL2006-31 (LR, 26 June 2006).

Road Transport (Public Passenger Services) Act—

Road Transport (Public Passenger Services) Demand Responsive Services Guidelines 2006 (No. 2)—Disallowable Instrument DI2006-124 (LR, 26 June 2006).

Road Transport (Public Passenger Services) Demand Responsive Services Minimum Fares Determination 2006 (No. 1)—Disallowable Instrument DI2006-125 (LR, 26 June 2006).

Road Transport (Public Passenger Services) Exemption 2006 (No. 1)—Disallowable Instrument DI2006-180 (LR, 20 July 2006).

Road Transport (Public Passenger Services) Maximum Fares Determination 2006 (No. 1)—Disallowable Instrument DI2006-106 (LR, 15 June 2006).

Road Transport (Public Passenger Services) Maximum Fares for Taxi Services Determination 2006 (No. 1)—Disallowable Instrument DI2006-140 (LR, 29 June 2006).

Road Transport (Public Passenger Services) Regulation—

Road Transport (Public Passenger Services) (Defined Rights Conditions) Determination 2006 (No. 2)—Disallowable Instrument DI2006-171 (LR, 6 July 2006).

Road Transport (Public Passenger Services) (Minimum Service Standards for Demand Responsive Services) Approval 2006 (No. 1)—Disallowable Instrument DI2006-172 (LR, 6 July 2006).

Scaffolding and Lifts Act—Scaffolding and Lifts (Fees) Determination 2006—Disallowable Instrument DI2006-149 (LR, 30 June 2006).

Stock Act—Stock (Fees) Determination 2006 (No. 1)—Disallowable Instrument DI2006-170 (LR, 6 July 2006).

Surveyors Act—Surveyors (Fees) Determination 2006 (No. 1)—Disallowable Instrument DI2006-160 (without explanatory statement) (LR, 4 July 2006).

Taxation (Government Business Enterprises) Act—

Taxation (Government Business Enterprises) Amendment Regulation 2006 (No. 1)—Subordinate Law SL2006-21 (LR, 25 May 2006).

Taxation (Government Business Enterprises) Amendment Regulation 2006 (No. 2)—Subordinate Law SL2006-36 (LR, 29 June 2006).

Taxation Administration Act—

Taxation Administration (Amounts Payable—Duty) Determination 2006 (No. 1)—Disallowable Instrument DI2006-109 (LR, 22 June 2006).

Taxation Administration (Amounts Payable—Home Buyer Concession Scheme) Determination 2006 (No. 1)—Disallowable Instrument DI2006-105 (LR, 15 June 2006).

Taxation Administration (Objection Fees) Determination 2006 (No. 1)—Disallowable Instrument DI2006-103 (LR, 15 June 2006).

Taxation Administration (Rates) Determination 2006 (No. 1)—Disallowable Instrument DI2006-101 (LR, 15 June 2006).

Taxation Administration (Rates—Fire and Emergency Services Levy) Determination 2006 (No. 1)—Disallowable Instrument DI2006-129 (LR, 26 June 2006).

Taxation Administration (Rates—Rebate Cap) Determination 2006 (No. 1)—Disallowable Instrument DI2006-102 (LR, 15 June 2006).

Tertiary Accreditation and Registration Act—

Tertiary Accreditation and Registration Council Appointment 2006 (No. 1)—Disallowable Instrument DI2006-95 (LR, 9 June 2006).

Tertiary Accreditation and Registration (Fees) Determination 2006—Disallowable Instrument DI2006-131 (LR, 29 June 2006).

Unit Titles Act—Unit Titles (Fees) Determination 2006 (No. 1)—Disallowable Instrument DI2006-161 (without explanatory statement) (LR, 4 July 2006).

University of Canberra Act—

University of Canberra (Courses and Awards) Amendment Statute 2006 (No. 1)—Disallowable Instrument DI2006-92 (LR, 5 June 2006).

University of Canberra (University Seal) Amendment Statute 2006—Disallowable Instrument DI2006-93 (LR, 5 June 2006).

Utilities Act—Utilities (Industry Code) Approval 2006 (No. 1)—Disallowable Instrument DI2006-182 (LR, 24 July 2006).

Victims of Crime Act—Victims of Crime (Coordinator) Appointment 2006—Disallowable Instrument DI2006-108 (LR, 10 July 2006).

Waste Minimisation Act—Waste Minimisation (Landfill Fees) Determination 2006 (No. 1)—Disallowable Instrument DI2006-100 (LR, 15 June 2006).

Water and Sewerage Act—Water and Sewerage (Fees) Determination 2006 (No. 1)—Disallowable Instrument DI2006-162 (without explanatory statement) (LR, 4 July 2006).

Water Resources Act—Water Resources (Fees) Determination 2006 (No. 1)—Disallowable Instrument DI2006-138 (LR, 29 June 2006).

Workers Compensation Act—Workers Compensation (Fees) Determination 2006—Disallowable Instrument DI2006-148 (LR, 30 June 2006).

## **Strength of economy and job market**

### **Discussion of matter of public importance**

**MR SPEAKER:** I have received letters from Dr Foskey, Mr Gentleman, Mr Mulcahy, Ms Porter and Mr Stefaniak proposing that matters of public importance be submitted to the Assembly. In accordance with standing order 79, I have determined that the matter proposed by Ms Porter be submitted to the Assembly, namely:

The strength of the ACT economy and ACT job market.

**MS PORTER** (Ginninderra) (4.20): I would like to put on the record in this place just how pleased I am to be a member of the Stanhope government. I am a member of a visionary government, a government that is committed to a sustainable future where high-quality services are delivered to the people of the ACT on the back of a strong economy and job market.

Let us be very clear about this. As we have just heard from our Chief Minister and Treasurer, the ACT does have a strong economy. The former Treasurer, Mr Ted Quinlan, regularly told us to look to the skies around Canberra to find proof of the strength of our economy. But there is more proof of the strength of our economy than the state of our skies and the number of cranes that are in it.

If we briefly take a look at the ACT job market, we have the highest work force participation and the highest female work force participation rates in the country. Unemployment is at just 2.8 per cent, the lowest rate on record across the country. This is one of the more remarkable achievements of the Stanhope government, further emphasising that job creation is more than healthy in the ACT, healthier than it has been since 2001. It is something that this government can rightly be proud of. No other government in the history of this nation can match our level of record unemployment.

Our retail sector continues to grow, and this is a reflection of consumer confidence here in the ACT. The people of Canberra know they are in good hands with the Stanhope government. The people of Canberra know they can trust the Stanhope government to keep our economy strong.

Residential building approvals in the ACT are up to June this year. At the same time they dropped 5.4 per cent nationally and 16.3 per cent across the border in New South Wales. Meanwhile, according to the Real Estate Institute of Australia, the ACT has the best home loan affordability in the nation. Canberrans spend 18.8 per cent of their income on home loan repayments compared with 35 per cent in New South Wales.

Canberra is an innovative place and the fact is that our economy is rich in knowledge and assets. This is not a debatable point. The facts speak for themselves. The Australian Bureau of Statistics has told us that the ACT is home to approximately 12 per cent of Australia's total public sector research and development. That is an extremely high statistic on a per capita basis and is something I do not think we highlight enough. We spend approximately 12 per cent of Australia's total public sector research and development budget.

Spending on research and development by the higher education sector in the ACT in 2004 was equivalent to 2.39 per cent of the ACT's gross state product. This is the highest proportion of any jurisdiction and well ahead of the second highest jurisdiction, South Australia, with 0.54 per cent of GSP. Overall business expenditure in research and development has more than doubled over the past four years, from \$27 million in 1999-2000 to \$61 million in 2003-04.

The Australian Bureau of Statistics report *Research and experimental development: higher education organisations* confirms Canberra's position as one of the most intensive centres of research in the nation. Around \$800 million is spent on research and development in the territory, with more than half being spent in the highest education sector. The government sector is investing more than \$300 million per year on research and development in the ACT and more than \$60 million is being spent by the private sector.

The Australian National University is consistently rated as Australia's top university in various international rankings and in the top 25 universities worldwide. The ANU currently spends well over \$600 million per year. Let us not forget the significant contribution of the CSIRO to research and development in Australia. Twenty-two per cent of CSIRO staff are located here in Canberra and the CSIRO is rated as one of the four most influential research agencies in the world in the areas of environmental and agricultural sciences.

Statistics consistently confirm that the ACT has the most highly educated work force of all jurisdictions. In 2005, 32.6 per cent of people in the ACT aged from 15 to 64 had a bachelor's degree or higher compared with the national average of 19.6 per cent. This is an increase from the 2003 rate of 29.8 per cent. In addition, 7.8 per cent of people in the ACT hold a postgraduate degree and, at 88.1 per cent, we have the highest retention rate of full-time students from year 10 to year 12.

The ACT is ranked as having the highest concentration of knowledge-based activity in Australia. Information communication technology is a key industry in Canberra, and our strength in ICT was fundamental to our success in securing the national ICT Centre of Excellence. This will see an investment of \$380 million in the ACT by the commonwealth government.

We have a large number of international students in the ACT, coming from every corner of the globe. They recognise that the ACT is a great place to study and a great place to access one of the best centres of education in the world. In 2005 we had over 6,000 international students studying here, and that is a 20 per cent increase on international student enrolments since 2002.

Canberra is also a centre for biotechnology. The ANU has specialist biotechnology centres, the John Curtin School of Medical Research, the Research School of Biological Sciences and the Australian Phonemics Facility. Some of their researchers are Nobel Prize recipients and they should be congratulated on that.

The University of Canberra houses the Gadi Research Centre in medical and health sciences, while the National Health Sciences Centre carries out research for many

international pharmaceutical companies. Some \$110 million a year is spent on public sector biotech research in the ACT. In 2005, 13 per cent of all US biotech patents granted in Australia were in the ACT. We recently participated in *BIO 2006*, known as Chicago UCS BIO, the world's premier biotechnology event. This event was an opportunity to showcase ACT firms to new markets and for them to build relationships and partnerships with like-minded organisations.

The ACT has significant capabilities in space science, defence technology, public administration, environmental science and industry and sports science and management. As an example, the ANU has signed a memorandum of understanding to join an elite international group of research institutions planning to build the world's most powerful telescope. The group includes Harvard University, the Smithsonian observatory and the University of Arizona.

Canberra is an emerging international centre of innovation. Yet, while great strides have been made in recent years, the ACT government believes the region has not fully realised the commercial potential that exists. In response, the government announced in its recent 2006-07 budget that it would undertake a comprehensive study of ACT innovation systems. This review will look at all elements of the system and how they interact: enterprises, institutions, talent pools, regulative and support environments and how the ACT can better capitalise on these assets in new ways led by the business community.

The ACT is actively engaged in the commonwealth's national collaborative research infrastructure strategy exercise. It will provide funding in excess of \$500 million over the next five years to enhance and develop R&D infrastructure of national importance. The ACT government has provided funding of \$10 million towards a \$30 million early phase commercialisation fund in conjunction with the ANU and the Motor Traders Association of Australia—the ANU-MTAA Super Venture Partnership.

*Focus on Business 2006*, a biannual showcase of Canberra businesses to the rest of Australia and to the world, is the ACT's government major business event. *Focus on Business 2006* will be held from 13 to 15 September 2006 and will have a strong emphasis on innovation and exposing the ACT economy to the international stage. International delegations attending this year's event include the Hong Kong Commissioner for Innovation and Trade, Anthony Wong, who will be a keynote speaker, and the Minister for Trade and Commerce for the Republic of Ireland, Michael Ahern. Five Irish companies that are looking for business matching opportunities will accompany Minister Ahern. Mr Dan Ostergaard, the former Executive Director of the US Homeland Security Advisory Council, and Ms April Dubois, the International Development Manager for the Greater Washington Initiative, will also attend. All of these people will participate as guest speakers. There will be, of course, many more participants who will take home the great news that business in Canberra is strong and Canberra is a good place to do business in.

The 2006-07 budget outlines some new business assisted program. These programs include a new \$1 million program that will provide a range of information and mentoring services to business within the ACT. This new service, to be operational in early January 2007, will provide more services to a broader range of businesses than previous assistance programs because it will focus on skill development.

The budget also announced the establishment of the Office of Regulatory Services, which will be responsible for a broad range of business, occupational and consumer regulation. Functions to be incorporated into the office include the Office for Fair Trading, the Registrar-General's Office, ACT WorkCover, the licensing and regulatory functions of the Independent Competition and Regulatory Commission, the ICRC, and approvals and administration of a range of business activities associated with the use of public land.

It is expected that the new office will greatly reduce the amount of time businesses need to be spending dealing with government red tape, and I am sure that this will be welcome to Canberra businesses. As I said when I began my remarks, this government is a visionary one, one that has paved the way for a sustainable future in Canberra, one that is committed to ensuring we have a strong economy to take us into the future and one that ensures that we can continue to deliver the quality of services Canberrans have come to expect and to enjoy under the Stanhope government—a government of which I am proud to be a member.

**MR MULCAHY (Molonglo) (4.32):** I must say that I recall reading once that, because of a dispute with Winston Churchill, a newspaper in Scotland—I think it was in Aberdeen—managed to omit his name from any article during the entirety of the Second World War. That was quite an interesting accomplishment. That story prompted me to reply. I listened to Ms Porter's dissertation about the ACT economy. Unless I am misrepresenting her, I do not think I heard any reference to the Howard government as having any role or relevance. There was a brief mention of the words "commonwealth government" in relation to a particular grant but generally there was a very substantial omission in terms of the commonwealth playing any role.

I have noticed in recent weeks that the Chief Minister has been pumping out these statements, all of which he weaved into a reply earlier today, that claim great credit for low levels of unemployment, high levels of work force participation, investment in construction, business migration and all sorts of things. Every time I read them, I keep looking for some credit being given to the biggest employer in town and the one that is driving this national economy through their sensible policies but, surprisingly, there is never ever a mention. I hope I can put a little bit of that on the record today so that those obvious oversights can be remedied.

Let us look at—and I have looked at them—some of the recent comments that have been made on the role of the national government and its impact on our economy. The latest figures that were released at the end of July by Dr Stone, who is the Minister for Workforce Participation, indicated that the number of people receiving unemployment benefits fell nationally by 18,983, 3.3 per cent, between June 2005 and June 2006. The minister said:

... the drop in unemployment benefit recipients reflected the strong performance of providers of Australian Government employment services, which help people to move from welfare into work.

The ACT recorded substantial improvements in this area as well. But the minister pointed out:



The Howard Coalition Government's strong economic management has resulted in the generation of over 1.8 million ... new jobs since March 1996, over half ... of these have been full-time positions.

The ... Government is investing \$3.6 billion to deliver greater employment services and other assistance, including rehabilitation, long and short term wage subsidies, funds to modify workplaces to meet the needs of disabled employees, upskilling and training of jobs seekers.

I put it to the Assembly that it is in fact this enormous level of stimulation that the ACT is benefiting from. One might say, "Why is the ACT doing better than others?" It is because the commonwealth government is home-based here in Canberra.

The commonwealth government has an ambitious program for the creation of employment within the ACT and elsewhere, and our biggest challenge will be producing the work force to meet that need because of the reduced desirability now of people to move into the territory, thanks to the taxation regime that has been imposed across this community through the latest budget. It is worth looking at that because it is quite extraordinary that, in a country where things are so prosperous, things are going so well and governments as far away as Western Australia are making concessions to the people in terms of tax relief, the 2006-07 budget will go down in infamy as the budget that condemned the people of Canberra to years of acute and progressively worse financial pain.

It is interesting, Mr Deputy Speaker, that not one member of the government is sitting on the benches opposite, so I feel as though I am talking to you and the clerks. Nevertheless, I will proceed.

**Mrs Dunne:** And me.

**MR MULCAHY:** And Mrs Dunne, who is obviously enthralled by my observation about this territory's poor economic management. That budget was inevitable and it was the product of over four years of economic mismanagement and irresponsible government.

I find it fascinating that Ms Porter would really have, dare I say it, the gall to put up a matter of public importance about the ACT economy and the ACT job market and to do so against the background of the massive tax increases that are belting the life out of Canberra residents, families, people on fixed incomes and business. We only have to look at some of the issues that have been pursued, including in particular one by you, Mr Deputy Speaker, the fire and emergency services levy, to see the terrible impost on households. It is \$84 a year. It does not matter whether you live in Forrest or Charnwood, you are going to be hit at the same level. It is disproportionately a massive blow to those on lower incomes, the battlers and those that our friends opposite purport to represent but in fact do them a major disservice through the tax regime that they are in the process of inflicting on them.

These are the things that people find curious. They see what has gone on in the rest of Australia. They have seen what the Howard government has done in stimulating the economy, in creating employment and in creating opportunity. In fact, they are

bewildered as to why they are being punished so severely here in this territory through the territory government's budget. The Howard government is delivering the employment services and other assistance, including vocational rehabilitation, to successfully assist more unemployed Australians into the work force. If we want to talk about the local job market, the real point to understand here is that the strong economic management of the Howard government has in fact delivered record low unemployment and more than 1.8 million new jobs.

Why has this not happened in every other part of the world? It is because Australia has been prudently, sensibly and cautiously managed by a government that has had the reins under control since it took office in 1996 and has managed to wind back that massive level of debt that it inherited from the Keating government and his predecessor. All of us have stood to benefit from that economic prosperity in this country.

It was interesting that, in the last budget, the 2005-06 budget, \$360 million was provided to assist the very long-term unemployed get back into paid employment. It is interesting that it is a Liberal government that is creating this employment and a Liberal government that is creating this prosperity.

It is the Stanhope government that is benefiting from the initiatives that I am citing here. Indeed, the territory has been probably the biggest beneficiary of the Howard government but, despite their contributions in the ACT, despite their contributions towards stimulating employment in the ACT, they are continuing to be subject to relentless attack from the Chief Minister and his colleagues on all manner of peripheral issues. The real issues that people in Australia care about are their jobs, their taxation levels and the like. Increasingly, people have come to realise that in fact it has been the federal government that has delivered them these benefits, and they are looking now with horror at the ACT government removing those funds and those gains from their after-tax position through various hikes in charges and rates.

It was interesting that in the recent budget Mr Stanhope claimed that, due to the dominance of the public service within the ACT labour market, the ACT had significantly higher per capita payrolls than the Australian average per capita payroll collections, due to the inability to tax the Australian government, contributing to the territory's below-average capacity to raise revenue. This was the excuse for all manner of problems he is facing.

The fact of the matter is that the ACT government expects to receive grants of \$1.2 billion, over \$65 million more than its 2005-06 estimates, and this included compensation for deficiencies in payroll tax receipts. The reality is that the payroll tax rates that the ACT misses out on due to commonwealth government exemptions are more than compensated for by extra commonwealth grants that are received. Put simply, payments from the commonwealth take the place of tax revenue forgone.

If we are going to talk about economics, the simple economics of our situation suggest that over the years ACT government revenues have been more than sufficient, after taking into account its single-tier structure and its receipt of commonwealth grants. This territory government has been taking advantage of increasing GST revenues without holding up its end of the bargain by reducing taxes and charges.

The interesting thing is that a literal approach is taken to the tax relief that all of us thought, when the GST was coming in, would be adhered to by the state governments and territory governments that have absolutely had windfall gains through these GST receipts. Even in the papers that they distributed last night and tabled today, there were more windfall gains and GST receipts.

It was an interesting omission from Mr Stanhope's statement when he tabled those documents today because he does not want to acknowledge that this territory government has been saved time and again by the windfall from GST revenues—\$3.8 billion to date; \$80 million in excess of budgeted expectations. But this territory government has failed to live up to lower territory taxes in the broader sense, as was the understanding when it entered into the intergovernmental agreement with the federal government and the other states and territory. This Treasurer has taken a very literal interpretation, as did his predecessor, of the ACT's agreement with the federal government and the states in reducing only specific taxes and charges and certainly has failed to adhere to the important spirit of the agreement that committed it to reducing the overall tax burden on all Canberrans.

It is certainly true that the economy of this territory has been robust, but it is certainly also true that the success of this is due primarily to the impact of an Australian government which has created employment and economic prosperity across the board. The ACT is not in a unique position where it alone has caused all of this success, but Australia can claim to be very much on its own when compared with the global performance because our ratings in a range of different criteria put us head and shoulders above pretty well everyone in the developed world, even with the Asian meltdown some years ago. The cautious and sensible policies being applied by both the Australian government and the reserve bank at that time ensured that our country weathered the storm that was inflicted on so many of our neighbours to the north, and the people of Australia were the beneficiaries.

I continue to be amazed, as I said at commencement of my remarks, that this territory is unwilling at any time to give credit to the commonwealth. They are the largest contributor in the town but they are treated as though they are a hostile interest or a hostile force. They employ a very large number of Canberra men and women. The children of many of our citizens of this city are gainfully employed by the commonwealth here and elsewhere. Credit must be due to the commonwealth for the enormous success we have enjoyed as Australians over recent years, thanks to the election of the Howard government. It is certainly an area where I would like to see greater recognition.

The biggest challenge we are going to have as a territory is filling the jobs that the commonwealth government is wanting to create in this region. It certainly will not be assisted if people get the impression that, one, the ACT government is out in left field on every issue that comes across the table; and, two, that it is willing to apply punitive tax measures on its citizens. If you come here, you are going to be taxed out of your existence. As that message spreads—and sadly it is spreading into the Sydney media and elsewhere—people will think twice about coming to this territory.

If we do not see a substantial and sustained improvement in net migration and immigration intake, then we will not be able to see the territory's economy strengthen. We will become completely dependent on the commonwealth for future growth. If they cannot attract skilled labour we run a very real risk of the problem we had back around the time of the Whitlam government: government departments packing up and moving to Melbourne and elsewhere.

**MR STANHOPE** (Ginninderra—Chief Minister, Treasurer, Minister for Business and Economic Development, Minister for Indigenous Affairs and Minister for the Arts) (4.46): I am very happy to contribute to this debate today on the strength of the ACT economy and the ACT job market. We have had evidence just in this last week, in the context of the unemployment figures, of the strength of the economy. As I indicated earlier in question time, there are a whole raft of indicators that give an indication, I guess, of the strength of the boom which the ACT economy is currently experiencing.

Mr Mulcahy, the shadow Treasurer, beseeches us to give due recognition to the commonwealth while failing to give any recognition to the ACT government at all. Is this not an interesting aspect of politics? We are in a boom; we have the record highest surplus under the Australian accounting standard ever; we have had five consecutive surpluses under my government. People tend to forget that the Liberal Party, when it came to power, delivered four consecutive deficits. Mr Mulcahy would never concede the history of the Liberal Party, his party, in government—four consecutive deficits under the Australian accounting standard. That is the legacy. This is the strength, the capacity and the history—

**Mr Gentleman:** Would that not have been under GFS?

**MR STANHOPE:** Yes, that is right. We see this amazing turnaround today. Four consecutive deficits were the Liberal Party's introduction to the Australian accounting standard—its history and the legacy that it bequeathed—as against five consecutive surpluses under my government, including the highest surplus of \$176 million delivered in the last financial year and the second highest surplus of \$153 million delivered in 2003.

It is quaint that Mr Mulcahy today beseeches us, almost painfully in a sense, to give credit to John Howard and Peter Costello—that this is essentially about them. A couple of those early deficits, those four consecutive deficits, were also under John Howard and Peter Costello. There is the rub, of course. We are today beseeched to give credit to the federal government for these incredibly good times we are experiencing in the territory, but we were not asked to reflect at all on the contribution of the federal government to the four consecutive deficits which the Liberal Party delivered in government.

It is an interesting contrast, but it is part of the argy-bargy and is what we would expect and what we have come to expect. They are pleased to give all the credit to the federal Liberal government for the enormously successful economy and environment here in the territory but they give absolutely no credit to the ACT government. They give the Liberal government, when it was the ACT government, credit for every good indicator. That is what he is doing. That was not the result of decisions taken by the commonwealth. That

was all a result of the actions of the Liberal Party. That is the nature, I guess, of political exchange and it is what we would have expected.

In the face of a record Australian accounting standard surplus of \$176 million, announced today, one would have expected and hoped for a touch of graciousness from the shadow Treasurer, a touch of an acceptance that perhaps the economy is strong and perhaps some acceptance that this government has delivered five consecutive surpluses and has a right to accept some responsibility for that.

**Mr Mulcahy:** Under GFS?

**MR STANHOPE:** We accept, too, the kudos that will come for taking the tough decisions and moving to the GFS, something that the Liberal Party was not prepared to do because it was not prepared for the long term. It was not prepared to build from solid foundations; it simply wanted an electoral cycle, election to election, attitude or reflection of its own behaviours. We see that in a whole range of areas, most particularly today and over coming months, in relation to the lack of engagement by the Liberal Party in the most important policy debate of the day; namely, public education.

The ACT economy is moving. I am proud of it and pleased at the extent to which the economy is strong. The job market is going from strength to strength. The economy is booming. We have seen the creation of 17,000 jobs in the ACT since we came to government five years ago. The unemployment rate has dropped by a full two percentage points. That is truly remarkable. When we came to government the unemployment rate was five per cent; it is now 2.8 per cent—our lowest on record. No jurisdiction, as I said earlier, has ever recorded an unemployment rate that low. The last state to come close before the territory was the Northern Territory.

The latest figures also show—and this is a very significant figure—that 49 per cent of the paid work force are women. The trend unemployment rate for women is a staggering 2.2 per cent. It is quite interesting to differentiate those unemployment rates for men and women. The trend unemployment rate for women in the Australian Capital Territory, the 49 per cent of women in the paid work force, is 2.2 per cent. The work force participation rate for men is 77.7 per cent—an absolutely staggering participation rate by men in the ACT. Mr Mulcahy even derides the fact that we have been able to achieve such high rates of employment. We are a most employable community. Interestingly, in relation to that participation rate, it is seven per cent higher than in New South Wales. He cannot have it both ways.

The mantra from the Liberal Party today is that we are being rated out of existence and we will all go to New South Wales. Why is it, if we are being rated out of existence, if this is now the place of least attraction and if this is the place that will not attract investment and will not be able to hold its work force, that we find, in relation to every indicator, that we leave New South Wales for dead? We hear it today in this speech from Mr Mulcahy: we will all be rooned; all our workers will fly up the highway to Sydney to escape the rates boom in the ACT.

We find that our participation rate is a full seven per cent higher than in New South Wales. We find that in relation to housing affordability—this other force that, according to the profit accounts from the Liberal Party, is going to force all investors and all

workers up the highway to Sydney—affordability in Sydney is twice the rate of the ACT. Eighteen per cent is the level of contribution that the average Canberra household makes to their mortgage; 35 per cent is the average contribution in Sydney. The property council and the Liberal Party think that people are going to run to Sydney to buy a house because they cannot afford one in Canberra. Get a grip on reality; get a grip on the basis of the statistics. It is significant.

We have had an issue in relation to population. We all know that. We have had an issue in relation to the availability of workers. We have had a significant issue in relation to skills. These are issues that we need to continue to work on, and each of us has a role to play in relation to that. But the scaremongering which has now become a feature, particularly of the property council, backed up by the Liberal Party, is not helpful to the territory. These things can become truths.

Mr Mulcahy, in his speech on this matter of public importance, says that the word is spreading throughout Sydney and the Sydney media that this is a high-taxing regime, that affordability is low and that investors, commonwealth departments and workers will leave the town. That is arrant nonsense. It is talking down the territory and it is creating an environment, particularly within the media that love to bash Canberra. For the property council and the Liberal Party to be feeding that Canberra-bashing mentality that we have to live with is shameful. It is talking down our town, talking down our prospects, talking down our future, which have never, ever been stronger than they are now. We all know it. It is a matter of severe disquiet to the opposition that the economy is so strong. Is not politics funny? The Liberal Party hate the fact that we are successful. They hate the fact that the economy is so strong.

**MR DEPUTY SPEAKER:** Chief Minister, your time has expired. Mr Gentleman, do you wish to make a contribution?

**MR GENTLEMAN (Brindabella) (4.57):** Yes, I would love to have a chat to you about this. Mr Deputy Speaker, you heard earlier the Chief Minister say that the economy is booming. In the year to June 2006, the ACT has experienced growth in the economy, with increases in employment, businesses and innovation key indicators of such growth. Much of this growth has been in excess of the national average and is evidence of ongoing consumer and business confidence in the local economy.

To sustain and further encourage economic growth, it is essential that skills shortages be addressed and initiatives such as Live in Canberra, the ACT Skilled and Business Migration Program and the establishment of the ACT Skills Commission are supported and encouraged. Innovation is also a crucial part of the territory's economic development. With the ACT leading the way in research, development and education, it has placed itself in a prime position to contribute to the future of innovative practices and continue to enhance and develop its knowledge base to world-class standards.

Despite the positive employment figures, there is ongoing concern that there are skill shortages across many businesses and industry sectors within the ACT. According to the Australian Chamber of Commerce and Industry, 79 per cent of employers of all sizes are concerned about their ability to recruit employees with appropriate skills, and 82.5 per cent of large employers also feel this way. This has the potential to severely

constrain future investment decisions for employers, employment levels and, ultimately, economic growth.

The lack of appropriately skilled labour is stemming from the development of new kinds of work, a new breed of organisation and new patterns of employment. Additionally, a low-wage base in many industries such as the building and construction industry means that potential workers are not taking up positions in apprenticeships and traineeships and are not developing the world-class skill base that industry requires. Solutions to this problem have been debated across many levels in many states, and the ACT has the opportunity to capitalise on a strong economy and develop solutions to this issue.

The establishment of the ACT Skills Commission in the ACT government's recent budget is an example of the ACT government moving forward in this area, as is the Live in Canberra campaign conducted in April 2006. Both initiatives seek to encourage the development and transference of skills to the nation's capital.

By working closely with the Department of Education and Training, the ACT government is able to contribute to the need for a coordinated approach to vocational education and training. If we extend the approach to solving the skill shortage from a domestic focus to an international focus, the ACT government has already been seen to address this issue through the ACT Skilled and Business Migration Program which was set up in 2005. This program has encouraged applications from international businesses and skilled individuals to work in the ACT.

So far, over 257 applications have been approved across both areas, and this is in line with Australia's migration program focus of encouraging skilled migrants, both temporary and permanent. During 2005-06, approximately 5,000 places were allocated nationally for skilled migration. The advantages for potential employers in the ACT are that there is no migration paperwork, and access to the skill matching database has been set up by the Department of Immigration and Multicultural Affairs.

A growing population through migration spends and invests more and more, and thus contributes to the expansion of the economy. Along with essentials such as housing and food, migrants help business expansion through investment, which then produces extra goods and services in both the private and government sectors. Migrants also contribute in terms of not only skills and labour but by their contribution to new technologies, innovation and research. In this increasingly technological age and with increasing international cooperation and competition, the move is towards not only improving the skills of workers domestically but also gaining those skills from international sources through skilled migrants.

Other initiatives to increase the ACT skills base have included the recent agreement between the ACT government and Qantas to build a new crew base in Canberra. This agreement creates 30 jobs in Canberra and, along with Qantas's intention to increase passenger capacity by 12 per cent and the new centre for operations for the maintenance of military and civilian aircraft, it emphasises Canberra airport's role as an economic force in the region.

It is crucial that the ACT government continue to address skill shortages. By delivering the skills required by industry in a flexible and responsive manner through new skill

initiatives and development programs, further economic growth can be achieved in the territory.

The ACT is considered to have a knowledge-based economy, with the highest concentration of knowledge-based activity in Australia. With over \$800 million being spent on research and development each year, innovation is an essential component of a successful economy. Innovation is not only the domain of new or high-tech industries but also essential to the future of many of Australia's traditional sectors.

The current business environment is highly competitive, and investment is important on all levels. As research requirements in both the public and private sectors increase in the ACT and across the nation, so must ACT research and development in institutions such as the ANU, the University of Canberra, the CSIRO and other private facilities. We heard a little earlier from Ms Porter on the CSIRO.

The ANU and the CSIRO head a great deal of this research, with the ANU spending over \$600 million a year to position itself consistently as Australia's top-ranking university and in the top 25 universities worldwide. Thirty per cent of ANU research is in the top five per cent worldwide, and the CSIRO is rated as one of the top four most influential research agencies in the world with respect to environmental and agricultural sciences.

Australia has a reputation for adopting new technologies at a faster rate than most other countries and enters the new millennium with one of the highest rates of internet access in the world. Such research indicators have led to several world-class biotechnology and ICT institutions basing themselves in the nation's capital. These include the John Curtin School of Medical Research; as we have heard earlier, the Gadi Research Centre in Medical and Health Sciences; the National Health Sciences Centre; and the National ICT Centre of Excellence, amongst others.

Of note, the ACT has significant capabilities in space science, defence technology, public administration, environmental industries, sports science and management. This has led to the ANU signing an MOU to join an elite international group of research institutions, planning to build, as we have heard earlier, the world's most powerful telescope. The ACT government seeks to support such projects and has provided funding of over \$10 million towards the ANU and the Motor Traders Association of Australia Super Venture Partnership.

As businesses are growing there has been a corresponding two per cent increase in the number of employed persons. This translates to over 16,000 jobs having been created within the ACT over the last five years, with a drop of 44.4 per cent in unemployment over the same period. In July 2006 alone, 800 people found jobs in Canberra and the number of jobless fell by 300. This has contributed to the lowest unemployment rate on record in Australia, a record low rate of 2.8 per cent. Only the Northern Territory has come close, and that was 2.9 per cent in 1980. The future is positive for employment within the ACT, and the continued skills development in conjunction with education can only further this trend.

**MR DEPUTY SPEAKER:** The debate has now concluded.



## **Estimates 2006-2007—Select Committee Report**

**MS PORTER** (Ginninderra) (5.06): Pursuant to order, I present the following report:

Estimates 2006-2007—Select Committee—Report—Appropriation Bill 2006-2007, dated 14 August 2006, including additional comments (*Dr Foskey, Mr Gentleman*) and a dissenting report (*Mr Pratt, Mr Smyth*), together with a copy of the relevant minutes of proceedings and supplementary papers.

I seek leave to move a motion authorising the report for publication.

Leave granted.

**MS PORTER:** I move:

That the report be authorised for publication.

Question resolved in the affirmative.

**MS PORTER:** I move:

That the report be noted.

I table the report of the Select Committee on Estimates for the Appropriation Bill 2006-2007. This year the select committee met for a record number of 14 days and undertook nearly 24 hours of deliberative meetings. A record number of 435 questions on notice were requested by both committee members and non-committee members, which of course is both an indication of the amount of interest that members had in the detail of the budget papers and also the amount of scrutiny that they undertook. It is also a reflection of the nature of the ACT budget for 2006-07.

This year the budget was delayed to allow recommendations from a whole-of-government review, the strategic and functional review of the ACT public sector and services. The budget papers were presented to the Assembly on 6 June 2006. As forecast, they outlined significant changes to the structure and administrative arrangements for the ACT government and its agencies, as well as additional revenue-raising initiatives, efficiencies and changes to the ACT accounting system.

When tabling the appropriation bill, the Chief Minister told the Assembly that he believed the government was behaving in a responsible manner by constraining spending and introducing these structural changes. Members will recall that the government also embarked upon a program of introducing triple bottom line reporting in the 2005-06 budget. Establishing an effective evaluation framework is a complex and ongoing project which the committee is keen to see continue and bear fruit in coming years. The government members of the committee find that this is indeed a strong and visionary budget that gives the ACT the first opportunity it has been afforded to work towards achieving a sustainable future. What other government in the ACT has before taken these steps?

When we examine this budget we find that it places the finances of the territory on the path to a sustainable future. As I said, it details revenue measures that enable the government to continue its delivery of excellent services that our community in the ACT have grown to expect. The expenditure measures and the greater efficiencies contained in it will achieve for the government the resources it will need. I believe that through this budget we will be able to address the greatest priorities the territory has and provide the services to those in greatest need. As the Chief Minister has often said in this place, this should be the government's ultimate goal.

As a person who entered this Assembly very much believing in the vision of a government that has significant social and economic principles, I am pleased that this budget does not ask us to relinquish these important social and economic principles that are so well laid out in the government's vision for the city, the Canberra plan. Instead, it sets us firmly on the path to a sustainable territory while incorporating the important vision and values of the Canberra plan.

The budget papers contain much detail about many initiatives. As I said and as all of us expected, members of the committee focused their attention on the *Towards 2020* proposal. There is a commitment to renew our government education system through the significant undertaking to allocate \$90 million to refurbish our education facilities, \$20 million to upgrade school ICT resources and a commitment to embark on a consultation process with school communities regarding the 2020 plan. Another area of great interest was the introduction of a shared services centre, and members of the committee believe it will be interesting to review its operations after it has been in action for 12 months.

Members were pleased to see the government's ongoing commitment to health. However, the government also recognises the need to bring down the overall costs of the ACT health system in future years while maintaining and building on the excellent level of care and service provided. Members were also pleased to see the commitment to additional police numbers and the soon to be initiated "police suburban ownership program", which will see a more visible police presence in our suburbs.

Members will be aware that the Standing Committee on Education, Training and Young People is undertaking an inquiry into skill shortages in the ACT, so the establishment of a skills commission is good news indeed. The committee is interested in obtaining more detail about the commission and how it will work. However, I am pleased that this commission will assist the government in tackling this very real challenge, which of course is an issue that many jurisdictions face.

As I said, the select committee was keen to examine the budget in great detail. Some members of the committee and non-members posted a large number of questions on notice. Although the bulk of these were answered, some were unable to be answered within the time frame simply because of their great volume. Mr Deputy Speaker, I think you would have noticed the big stack of papers that we had before us. These were the questions on notice and answers. I should inform everybody that because of the large volume of questions on notice and the fact that some members posted questions not directly related to this budget, ministers concentrated their efforts on answering questions that directly related to the budget.

The reductions in public servant numbers outlined in the budget will be largely achieved through redundancies and natural attrition. As well, there will be movement of staff from some departments to a shared services centre and other centralised services. The budget also proposes a reduction in the number of boards and advisory committees and the amalgamation of central functions—for instance, into the new Department of Territory and Municipal Services. This presented issues for all involved in tracking staff movements and actual staff numbers relevant to each department or agency and, obviously, estimates of expenditure related to these functions. Because of this raft of changes, the budget papers at times were complex, creating some difficulties in navigation. These presentation issues should become less challenging in the budget papers for next year, and we have made some of the recommendations with regard to that.

Ministers and witnesses were carefully questioned about these changes to departments and their responsibilities. The committee acknowledges that with such radical change comes a need to allow various departments and agencies to negotiate some arrangements with staff where that is desirable. However, as you know, the government has a firm commitment to the process of transparency and accountability provided by the estimates committee, and the report asks the government to clarify and, in some cases, review or report back on some policies and initiatives.

Those opposite will no doubt say that they needed more of this or that. But, after 14 days of public hearings and nearly 24 hours of deliberative meetings and a record number of 435 questions on notice, there can be no doubt that this year's Select Committee on Estimates has been the most thorough and the process the most open and exhaustive that this Assembly has ever seen.

There are always people to thank when a report like this is tabled. At this point I would like to thank all members of the committee for their hard work through the process. Whether we agree or not at the end of the process, it is still a fact that the committee worked long and hard and I would like to particularly thank members for their support of me as chair. I would like to thank all of those who appeared before the committee—ministers, departmental officials and representatives of community groups. As you would probably realise, our personal staff are always asked to work long hours during this process, and they deserve a big thank you as well.

Finally I would like to publicly thank the staff of the committee office for all their work during the estimates process. Particularly I want to put on the public record the extraordinary job Sandra Lilburn has done as the secretary of the committee. Sandra is less than one year into her time with the committee office, and to have been secretary to estimates so early in her time with us and to have carried out her job so tirelessly and professionally at such a superior level is a great achievement indeed. Thank you, Sandra. Especially I would like to thank her for her support of me as chair. Robina Jaffray, the manager of committees, was always on hand to give Sandra additional support when necessary. Of course, all the committee staff took their turn to support us during the public hearings, and we appreciate all of that support. Indeed, the committee, recognising the large volume of work that our committee office undertakes, has called for more resources to be afforded this office.

Let us not forget the attendants and the wonderful morning and afternoon teas that kept us going, and the Hansard staff who battled with the sometimes hard to follow cut-and-thrust of the robust questioning. The estimates process is a team effort, so each person in that team needs to be acknowledged and recognised for their contribution. So thank you again. Mr Deputy Speaker, I commend the 2006-07 budget to the Assembly.

**MR SMYTH** (Brindabella) (5.17): The report that has been tabled does not contain a recommendation from the estimates committee for 2006-07 that the budget be passed. It does not do that because this is a budget with more holes in it than a kilo of Swiss cheese, with more holes in it than a colander, or with more holes in it than a fishing net. It is full of errors, omissions, mistakes, contradictions, assertions and wild hopes. The estimates process has uncovered many of them, and many more will be uncovered in the coming year. All of this leads me to doubt the ability of the Treasurer to deliver any of these reforms. He has not justified any of the reforms in his documents or in the answers that he gave either in the estimates process or to questions taken on notice.

You have to remember, Mr Deputy Speaker, that this is not an ordinary estimates committee. There were six members on this committee this year to help scrutinise the government's budget. There was a government chair—a chair from the Labor Party. It was a stacked committee. Half the members were Labor and the committee still refused to endorse the budget of the Stanhope government. And why, Mr Deputy Speaker? It is because of the errors. It is because of the omissions, the mistakes, the contradictions, the assertions and the wild hopes contained in the budget. That is why I take great pleasure in bringing to the attention of the Assembly today the dissenting report written by you and me.

I note that we have a dissenting report from Mr Gentleman in largely a butt-covering exercise, because it is Mr Gentleman who caused the most disruption in this committee; it is Mr Gentleman who had to apologise to the committee for his appalling behaviour and his offensive language; and it is Mr Gentleman who has now written a dissenting report to, I guess, try and cover up for his mistakes. It is interesting that Mr Gentleman sent an email apology to all of us and apologised on Monday in the committee hearings. But you have to question—and I note that Dr Foskey has put in a couple of comments as well—whether this was all a sham to put the committee off its course.

Ms MacDonald, the cause of most of this problem, is now safely in New Zealand. It is interesting to reflect, Mr Deputy Speaker, on the *Canberra Times* article that appeared in Monday's paper under the headline "MLA in mercy dash to stave off ambush". Well, it was probably more like a stupidity dash by MLA to stave off a second own goal, having kicked the first one. Ms MacDonald left the committee at midday on Wednesday before the report was finished—in fact, halfway through the deliberations that day, with a final day of deliberations on the Friday. It was her incompetence and negligence to do her duty that caused us to meet again on Monday, extending the time for consideration and, of course, denying non-government members a decent period to write their dissenting report.

The *Canberra Times* article said that opposition committee members planned to ambush and rewrite parts of the final report. Well, we were not rewriting the final report, because consideration of the draft report had not been finished. I know that we all—certainly

Dr Foskey and you, Mr Deputy Speaker—attempted to amend, as is appropriate, the report. The bottom of the first column in this article from Monday talks about Ms MacDonald's intervention. Well, it is hardly intervention. She has been hauled over the coals and she has had to pay for it herself. I would like an assurance from the Speaker that Ms MacDonald paid for her return from New Zealand from her own funds because, as a result of her ineptitude, it would be inappropriate for the government or the CPA to pay for it. The article said that her intervention came after a fiery but brief meeting on Friday when Ms MacDonald had left the country.

For the record, Ms MacDonald left on Wednesday. We are told that she had to go then because she was off on Assembly business with one of our colleagues and that was the last plane she could get. The only colleague that I have who is off on Assembly business is Mrs Burke. She left for New Zealand on Sunday, not Wednesday. Seats were certainly available on the flight that she took. Certainly seats were available on the Qantas flight that afternoon that Ms MacDonald could have taken. So there is some answering to be done.

The last paragraph in the *Canberra Times* that I want to address reads:

The Opposition would not cede a vote to offset Ms MacDonald's absence: a practice usually observed during votes in the Assembly but very rarely used in committees.

I have never seen it used in committees. There is no pairing system in committees—there never has been; there never should be. I remind members that this could all have been avoided if the recommendation from the Assembly that finished in 2001 allowing electronic communications had been accepted. In the 2004-04 Assembly the Labor Party removed the recommendation; they did not like to have phone conferencing at deliberative meetings. If that modern use of technology had been in place this could all have been avoided. So they have fouled their own nest in this case. But there are no pairs, and there was no pair given before Ms MacDonald left. So let us get the record straight.

Then, of course, we come to the extraordinary telephone calls. Committee deliberations are meant to be in secret. It allows people to be frank and fearless. It allows—

**Mr Gentleman:** You have just spent the last 15 minutes talking about them.

**MR SMYTH:** No. Once the minutes are tabled it is all public. You have got to learn the procedures. You have got to know how this works before you interject. You have been here for almost two years now so you should know this, otherwise go back to MLA school and get somebody to explain it to you.

Then we had the extraordinary phone calls on Friday afternoon from Mr Friedewald, the chief of staff of the Chief Minister, to the chief of staff of the Leader of the Opposition asking for a pair. The question has to be asked: how did that man know that a pair was needed? He could only have known if somebody had revealed to him the internal workings of the committee. Then, even more extraordinary, on Saturday afternoon we have a phone call from the Chief Minister, Mr Stanhope, to the Leader of the Opposition, Mr Stefaniak, demanding a pair, laying down the law that there be a pair: "How dare you not give us a pair!" How did the Chief Minister know about the internal workings of the

committee? Who revealed them to him? These are unfortunate incidents and questions have to be answered. We need to be given an answer to the serious question: how did Mr Stanhope and Mr Friedewald know what was going on inside the committee.

Mr Deputy Speaker, key on the list of problems that the committee had was the behaviour of ministers, and Mr Hargreaves is singled out for his appalling behaviour in the committee. Mr Hargreaves is singled out because of his obfuscation, his inability to answer, and indeed, in many cases, his simple refusal to answer. Mr Hargreaves expects us to vote him a budget of many hundreds of millions of dollars. I assume that he wants us to do so on trust. Mr Corbell has just joined this debate, and that is a good thing. Mr Corbell told us exactly how many staff would be lost from his department. He told us what areas they would be coming from. He even told us what jobs would be lost inside those areas, and that is exactly how it should be.

If you have put your budget together, you should have a reasonably close idea about what is going. After we got over the initial confusion of what is happening in the health budget, Ms Gallagher was able to do the same. As I recall the numbers, there are to be 136 off to shared services, seven in from Healthpact, 91 new initiatives, and 32 are to be lost. The accounting that she gave did not match the numbers in the budget papers but, when asked, Ms Gallagher could give us a good breakdown, a reasonably accurate breakdown, of what jobs would be lost. This was not the case with the Minister for Territory and Municipal Services, the Minister for Education and Training or the Chief Minister. The excuse was: "Well, we have not taken over those bits of the department yet. We do not know; we have not been briefed." Well, you put the budget together. You signed off on it. You want the money appropriated to you but you do not know what you are doing. On the basis of that you should not get the money. If you cannot justify what you are going to use it for and what you are going to spend it on, you should not get the money.

The committee has concerns about the failure to answer questions adequately. The Chief Minister has a special little answer to the question "where has the money gone?" He says, "We have to make up for all your mistakes. The money went on ESA and mental health and the Gallop report and other things." So I put a question on notice to the minister to detail what the cost was of the things that he had rattled off in his litany and how many jobs were involved. He could not tell me. He said, "Ask the other ministers; I am not responsible." Well, the Chief Minister is responsible for the entire budget. He has an obligation to answer the question and he just simply refused to do so.

Mr Hargreaves again scored very poorly in respect of language and insults. It is a severe embarrassment to him. If members want to search the *Hansard* they will see that the language is appalling. It certainly would not be used in here. You would not allow it to be used here, Mr Deputy Speaker, and it should not be used.

The nub of the committee's concerns came down to the functional review. This is an interesting issue. We have a review of several hundred pages carried out by Mr Costello that tells us why they are doing everything they are doing in the budget. But they cannot tell us why, and that is the nub of the problem. That is why this committee report does not recommend that the budget be passed. We do not know why they have done this. The rationale has been denied to us, and they are hiding behind the claim of cabinet-in-confidence. Mr Stanhope, when in opposition, said he would not hide behind cabinet-in-

confidence; he would make information available; he would be more honest, more open, more accountable. Well, that has fallen over well and truly by now.

This has been an extraordinary committee because, not only did we have the first in-camera hearing for an ACT estimates committee, but maybe this was the first in-camera hearing ever for an estimates committee in this country. We should have had a second. The committee received a confidential submission about certain sexually inappropriate behaviour in an ACT government school. The gentleman who wrote the submission asked that it be kept confidential but he implored us to do something about it. When we had the questioning in the committee, the minister got very nervous and there was a thought that we might have the hearing in camera. Out of respect for that school and the students involved, we said, "Well, let us talk about it later." Mr Pratt and I fought very hard for the matter to be heard in camera but that did not happen. There is a wishy-washy recommendation from the committee that the education committee have a watching brief for 12 months. How you can have a watching brief on inappropriate sexual behaviour is beyond me. I think it is negligence.

In our dissenting report we call for the education minister to table what has happened, for the education minister to table what has been done from the education perspective, and for the police minister to tell us where the investigation has gone or has not gone. As we say in our dissenting report, if there were an outbreak of head lice at your kid's school there would be a note sent home the next day. Everybody knows that to stop the spread of head lice you get a note that is sent home, you wash your child's hair and you do all the appropriate things to stop the spread of something that affects their health. Yet we have received a quite a detailed document with a list of allegations, numbers involved, what happened and where it happened. We have decided to keep the document confidential so it will not be in the papers, but it will now sit as a confidential document that will not see the light of day. We have not been given an answer to what happened to the young women affected and what action has been taken, and that, members, is a shame.

Errors, omissions, mistakes, contradictions, assertions and wild hopes lead Mr Pratt and me to doubt the ability of the Treasurer to deliver or justify any of his reforms, and that is why the estimates committee has not passed a recommendation to support the 2006-07 budget. In the dissenting report, which I hope people take time to read, we have tried to do the best we can. Most of it is material that was knocked off by the committee and we were able to cobble it together last night. I apologise if there are spelling errors, formatting errors or typos, but it was a late night. We look at what happened, we ask that the review be tabled and we ask that more detail be tabled for all the proposals. We think just to say "trust us; we have an idea; we think it will cost x million dollars" is unacceptable in this day and age.

The old AAS versus GFS applies here. Because of the Stanhope-modified GFS and depending on which number you want to take, today the ACT either had a \$176 million surplus, a \$122 million deficit or a \$91 million deficit. There has to be some consistency here and there has to be consistency with the other states. We make recommendations in respect of that. We look at the inability or refusal of ministers to detail proposals and, indeed, ministers stopping public servants answering questions that they could have answered.

In chapter 8 of our report we outline three matters of grave concern. The first I have discussed: the second in-camera hearing. We think something should be done about this submission. There are serious allegations and, to the best of our knowledge, the matter is not being handled adequately. Ms Porter offered to get briefings from the minister for Mr Pratt and me. She was told that that would happen but they never happened. Mary, I thank you for your efforts. I know that you were genuine; others were not.

The other two matters concern Mr Corbell and his behaviour over the EpiCentre and Dr Harrison. We believe Mr Corbell should apologise to the Assembly for his behaviour in the whole EpiCentre fiasco and table all the documents that he has so that we can get a clear picture of what actually occurred. In regard to Dr Harrison, we believe that Mr Corbell has abused his position as a minister and the privilege of the committee and he should apologise. If he does not, we would recommend that the committee take action. I would like to say thank you to the committee staff for helping us put this report together.

**DR FOSKEY** (Molonglo) (5.32): I also want to speak about the estimates committee process. I want to preface my remarks by saying that probably 90 per cent of that process was very much in order. As Ms Porter mentioned—and I will take her word for this—we met probably more than any other estimates committee. On the whole, our meetings were very congenial and we often had consensus. Any rejection of people's words, points or recommendations was generally taken in good spirit. I think we have heard from Mr Smyth the nub of his and Mr Pratt's concerns. They certainly pushed a lot of those concerns in the knowledge that the rest of the committee probably would not accede to them. However, that is their role and it did make for some robust discussion, and I think robust discussion is quite appropriate in the estimates committee process.

I want to thank my staff for the long hours they worked. There is no way I could have examined the whole of the budget and got to know it as I did without their work in thoroughly examining the four budget documents and all the related papers. I thank them for their personal and physical support of me through the long weeks of estimates, because it is a very wearing process. I remember Roslyn Dundas saying to me that you really have to look after your health during estimates because if you are going to get a cold that is when you will get it. Last year I did not get a cold, but this year I did, and there is not really a lot you can do about that, especially when there is no-one else who can turn up for you at a meeting.

I also want to thank Sandra Lilburn who I think showed evidence of having amazing calmness, which is so suitable for an estimates committee secretary.

I want to say also that the process of examination of the budget through the estimates committee is one that I respect. I relinquished this year the opportunity to attend a United Nations conference on housing and urban design, known as the UN conference on habitat, in Canada—a conference for which I had Mr Speaker's approval to attend. In the end, I decided that I could not really afford to miss a week of hearings if I was really going to participate properly in the estimates process. I put a lot into it and I do not think there really should be any surprises in my additional remarks. I believe that what I have said is entirely consistent with everything that I have said since this budget was tabled in



this house and I do not believe that my recommendations could have been different to the ones that I made.

I thank the committee for their tolerance in allowing the inclusion of some paragraphs and some recommendations that only a Green would put forward. I am talking here about triple bottom line accounting and probably more scrutiny of issues related to the environment and sustainability and to social justice and housing than I heard other committees members raise. I will pay them the respect of saying that perhaps it was just that I raised them first and they had every intention of putting them.

I chose to be involved because the estimates process is so important. I think the budget is the heart—or should I say “guts”, because we have had that word mentioned a few times today—of government. Volumes of words are spoken in this house and in other committee meetings but this is where words have to be turned into numbers and where we see, we hope, what government actually intends to do over the next financial year.

The importance of this process has to be the only explanation that I can come up with for the extraordinary shenanigans that we saw last Friday and the weekend. I have to say that I guess I went into shock when this started. I have respect for government as an institution, and I went into the estimates process with an understanding of the numbers on the committee. You do not have to have a political science doctorate to know that governments and all political players like to advantage themselves. I was prepared for that but I was absolutely unprepared for the kind of thing that we saw happening on Friday.

Let me just go through what happened. On Friday morning we had a meeting, which was meant to be our last deliberative meeting, at which the committee was expected to adopt the report. As you are well aware, Ms MacDonald was absent. There are various theories relating to that but it is really only the Labor Party that can answer those questions. We went through each of the recommendations and affirmed them, threw them out or neatened them up. So there was a real sense of ownership of that part of the report.

Not everyone agreed. Mr Gentleman voted against a number of the recommendations, and I am sure you will see that recorded in his additional remarks. However, in view of everything that we had put in the report, there is no way that I could have agreed to the final recommendation in the report that the Appropriation Bill be recommended to the Assembly for passing, or words to that effect. To do so would have been absolutely inconsistent with everything that I have said about this budget and everything I have learned about this budget, which is not nearly as much as one would expect to learn from an estimates committee process. All kinds of things can be said. This is my opinion and I will hold to it.

Our failure to agree to that proposal—it is not unusual for an estimates committee not to make a recommendation that an appropriation bill be passed—was quite disturbing to the government members. I think they are more sanguine about it now but at that time I think it was very upsetting. We decided to have another meeting that afternoon and that I would come up with a form of words and talk to the government members beforehand. I did come up with a form of words and I talked to the opposition members and the government members beforehand. Most of us turned up to the meeting but two did not. So it was not a meeting. It was not quorate and that meeting was never officially opened.

I do not want to go into it because there is a member who is probably, I hope, very regretful of his behaviour. As a result of that, the meeting ended in disarray and we were left wondering what was going to happen. I think Mr Smyth has covered the shenanigans of the weekend very well, and I will just refer to the recommendation. Finally when we had our meeting at 1.30, no doubt to accommodate aeroplane timetables to at least some extent, I put the recommendation for the end of that report and it was rejected.

To me the heart of this matter is the functional review. We have been told that everything that is in this budget comes out of that functional review. I have people in the community saying, "What has happened to this government? What is going on?" They want to see the functional review, too. I am saying, "You don't have to show us the whole thing. Just show us what you can." I say to Mr Stanhope, his ministers and the rest of the government that this would help people a lot. ACT people are intelligent people. Most of them are numerate and they would like to know what is going on. If you do, they might be with you and they might not be quite so confused about what has happened to a government that made a social plan and that is so committed to public education.

**MR PRATT** (Brindabella) (5.43): I rise to speak to the committee report today, and the Liberal members' dissenting report on the 2006-07 budget. Before I start, I would like to echo the words of Dr Foskey and Mr Smyth about the shenanigans that occurred late last week. I do not need to go over the hoary detail of what occurred; I just echo and express my disgust at the way this matter was handled.

In the end, sadly, reflecting on Mr Hargreaves's intervention in this particular issue, he sits there and says, "You guys are a bunch of hypocrites and we can do whatever we like." We reflect sadly on Mr Hargreaves and what we see is the arrogance of his government, which is: do not allow a committee to scrutinise in a transparent fashion, and let us not have the fair rules of how we might undertake scrutiny and debate, just do as we, the majority government, say. I think the theatre of late last week, through the weekend and on Monday morning, reflects sadly on this government and that attitude.

Before I get into the detail of the discussion, I want to acknowledge the significant efforts made by my fellow MLAs, the committee secretary, Sandra Lilburn, in particular and the parliamentary staff throughout as we put together this onerous budget scrutiny process.

I also wish to acknowledge the contribution made by all those who made submissions to the estimates committee and all those who appeared before the committee to give evidence. It has been an intensive but necessary process. My heart goes out to the many school bodies and committees who turned up, often with very little time to present quite onerous stories of how they have been duded by the government.

This year this government has produced one of the most diabolical territory budgets we have seen for four years. At the heart of it lies the failure of the government to come clean on the Costello review. A lot has been said about that here this afternoon.

I was privileged enough to be part of the estimates committee and able to more closely scrutinise the budget than I have been in previous years. In fact, it has only served to deepen my fears that this government is driving the territory's finances deeper and deeper into the ground. We discern from the 2006-07 budget estimates process that the

Stanhope government is more committed than ever to pressing ahead with ideological pet projects that are costing ACT taxpayers millions of unnecessary dollars, while at the same time cutting services in areas of need.

The Stanhope government is now having to charge taxpayers through the nose to pay the price of its incapacity to formulate and manage a sensibly balanced budget. The residents of Canberra should be very afraid of what this government has done under Mr Stanhope's leadership. That has become clear through the estimates committee process.

The 2006-07 budget is one of hypocrisy and inconsistency. It is a monster budget. Mr Stanhope's monsters with bottomless stomachs are being fed cash at an extraordinary rate, while the rest of the community starves and pays the price to help feed Mr Stanhope's insatiable monsters.

While the committee chair has now tabled the committee's 2006-07 budget estimates report, I and my Liberal colleague Mr Brendan Smyth do not agree with the committee's report on many fronts. We were happy to see some of our recommendations adopted. There are some very good aspects in that report, but we say that the report does not go nearly far enough to comment on this government's failed budget preparations.

For starters, many of the recommendations put forward for inclusion in the committee's report were predominantly voted out by the Labor members of the committee—as we know, a committee that was stacked by the Chief Minister from the start to protect his flanks, to protect the Labor Party from a committee backlash over what was clearly a very difficult budget for him to sell.

However, the strategy of the Labor Party to stack the committee certainly backfired on the Chief Minister late last week. When a final recommendation was put to the committee by Dr Foskey to recommend against the Assembly passing the budget unless the Chief Minister released the functional review there was a vote, three to three, against the recommendation. Indeed if Ms MacDonald had not scrambled back from New Zealand, aided and abetted by the Labor members' collapsing of the committee process last Friday, Dr Foskey's amendment to not allow the government's budget to pass would have got up, and that would have been a farce.

The claim we have seen in the *Canberra Times* that the Liberals ambushed the committee process is a sham and, I might add for the record, a damning reflection of the *Canberra Times'* incompetent, and perhaps biased, reporting on this matter. Perhaps that paper should get out and scrutinise actions more than it does.

The voting impasse has meant that the Labor Party has not been able to include a recommendation in the committee's report for the Assembly to pass the budget, as they would like to have done. In fact, it means that the committee is, by default, recommending that the budget should not be passed at all, as the committee has not given the budget majority support.

The Labor government's attempt to stack the estimates committee has been a dismal failure for them and at least a little bit of a win for the community, who do not deserve to be punished by such a monster budget as the government is trying to pass off on them

under Mr Stanhope's stewardship. This is a budget that no committee in its right mind would find acceptable to pass, yet all three Labor members voted to pass it.

Getting to the detail of the report, Labor members of the estimates committee voted against numerous recommendations which were put forward by myself and my colleague Mr Smyth for inclusion in the report. Sensible recommendations put forward by Dr Foskey were thrown down the can.

Many of the recommendations made perfect sense in the context of this year's budget and in light of the scrutiny that took place, but the Labor members obviously have been given orders to protect their Chief Minister in his new role as Treasurer. That is why we have come up with this dissenting report.

I would like to discuss some of the recommendations and issues coming out of the budget estimates scrutiny process that I think are significant. The committee's report may have touched on these but did not express strong concern or include tough enough recommendations on those issues. I will focus on a couple.

Police: one of the key areas of concern that I have coming out of the estimates process is the failure of this government to have released both the policing agreement and the ACT police joint study prior to the estimates hearings. While I understand that the government did not want to release either of these documents until after cabinet deliberations and until after the budget was announced, there seems to be no reason why they could not subsequently have released the joint study and the police agreement to allow the estimates committee to take both of those into account when scrutinising the government over their budget allocations for police services.

The estimates committee in effect had to question the government on policing matters with one hand tied behind its back while the government was privy to much more detailed information that should have been tabled, that should have been allowed to be before the committee, for the public's benefit.

That is what the committee was there for; it was there for the public's benefit. Instead the police minister made these documents available very shortly after the estimates committee hearings ended. I must say that was convenient for him but made a sham of the whole democratic process in this place.

In fact, we all know now that the ACT police joint study was completed over a year ago, way back in June 2005. The then police minister, Mr Hargreaves, outrageously sat on that report and failed to expedite its release to the public. Now we can see why—because the joint study gives a damning insight into the severe lack of resources that ACT police have to police this community adequately.

The Emergency Services Authority is another area of major concern. While the committee report made some strong recommendations in this area—and I am pleased to see that we were able to stick to our guns on that—such as recommendation 40, which calls on the Auditor-General to undertake an audit of all ESA communications projects since the 2003 bushfires, there are still areas where the committee's report does not go far enough.

We have talked about the trunk radio network, we have talked about the project FireLink and a number of communications projects, but there are questions about the very late introduction of services, and questions of performance. These are issues the committee did not report adequately on. There are also concerns about conflicts of interest that needed to be uncovered and have not been.

Education: why the drift from government to non-government schools? I was pleased to see the committee making observations about that and some recommendations, but this is a critical concern. Why has the committee not made stronger recommendations to get to the heart of this concern?

Mr Smyth has also talked about the bullying and violence issue. That was a time critical issue that needed to be addressed. This is a horror budget and we think the committee report could have been stronger, but I commend the dissenting report to the government and the house.

**MR GENTLEMAN** (Brindabella) (5.53): I will not keep you too long. We are nearly at the adjournment debate. I want to talk a little bit about the report that has been tabled today, as well as the dissenting report and additional comments by Dr Foskey, Mr Pratt and me.

Firstly, I think I should correct both Dr Foskey and Mr Pratt. The government did not have a majority on the committee. The committee was not stacked. There were three Labor members, two opposition members and one crossbench member. That is three against three.

The final vote, that was talked about earlier on in this discussion, went three against three—hardly a majority in that case. I think that shows the good accounting that this opposition has. Three against three is hardly a majority. These estimates hearings were held over a record number of days with a record number of questions put and a record number of questions on notice taken and answered.

There were over 330 questions taken on notice and answered during the course of the estimates committee hearings—I understand near double that of last year. All these questions on notice were required to be answered within five working days, a huge workload for all officers, including those from the committee office.

I would like to congratulate all those who put in so much hard work. The report as a whole has some areas that I feel could have been enhanced. But it was a long process and I guess there are times when we all get a little emotional. I know I did. I move on to some of the content of the report, or lack of content, and some of the failings in the report. The report fails to address statements made by the Treasurer in relation to the necessity for fiscal responsibility.

It also fails to recognise the lack of control exercised by previous governments and how this has brought us to this fiscal necessity. We have seen this again today with Messrs Pratt and Smyth making some 90 recommendations for expenditure in their report, with no explanation as to where the money is going to come from. It has not been recognised that the Stanhope government has worked towards the best future for the ACT

community in this report. A failure to respond at this time would only leave an incredible burden for future governments, ACT residents and their children.

As a member of this important committee I felt it my duty to add additional comments to the report reflecting my views on the hearings, the ministers' responses and parts of the report that I agree and disagree with. The first two recommendations I found almost laughable.

For the opposition to talk about time-wasting and avoidance tactics, just look at this morning's debacle. There must be a stage where long-term memory loss kicks in. If the opposition were serious about reflecting what has occurred during estimates hearings from the last time they were in government, they would see how facetious they were.

This is just the beginning of many issues raised in the report. Possibly the most far-reaching inaccurate recommendation is where there have been calls for ministers to clarify discrepancies between staff numbers quoted during hearings and in response to questions taken on notice.

The answers given to the committee during the hearings and provided as answers to questions taken on notice have been correct. Members of the opposition have tried to misrepresent the truth by attempting to now put questions that were not put in the hearings into the final report.

Further to this comment, I would like to advise the Assembly that, as a government committee member, I am confident that the facts presented by ministers and officials are accurate and an honest appraisal of the information at hand.

There were several references in relation to shared services proposed in the budget. The committee heard evidence that the incorporation of certain areas of government as a whole was a huge cost saving, and there is yet to be evidence to the contrary. I therefore do not support recommendations with regard to the dissolution of some of the shared services being undertaken over this financial year.

If during hearings there was evidence to support the financial gain of reversing the decision made to include boards, committees and programs into departments, then I would be more than happy to support recommendations stating this. But as I have stated in my additional comments, there was no evidence given during hearings or recommendations by the committee.

Yet another area where Mr Smyth and his colleagues have tried to lead the committee into areas they felt they needed to go and raise issues they wanted to raise was during questions about the Lower Cotter catchment. You will see that there have been recommendations in the major report with regard to the Googong Dam and fire management but in the transcript I could not find, and could not remember, any questions asked with regard to this.

I raised questions with regard to the Lower Cotter catchment, and in the answers given there was reference to Googong Dam, but there were no questions raised in relation to the management of Googong Dam. The recommendation in reference to Googong Dam is one I cannot support.

I could stand here all day and talk about the recommendations I could not support, but there are many parts of the report that I do support. There were many hearing dates open to the public, and in those hearings many community members and unions raised issues relating to the employment terms of employees in the ACT public sector. The committee has made recommendations with regard to this that I support.

There are issues with regard to the continuation of the Rally of Canberra. As you are aware, I have a close association with rallying, and this event is something I cherish. It is a chance for the world to see our backyard, a chance to experience the ACT at its best, a chance to, I believe, recognise motor sport enthusiasts, tourists and over 480 volunteers attached to this event. So I am sure it is no surprise that I support recommendations 54 and 55.

As I have stated, there are many areas that I have supported and those that I have not in my additional comments. I hope members take the time to read those comments. I suggest that recommendations in the major report Nos 1, 2, 7, 8, 10, 13, 39, 40, 44, 63, 68 and 73 not be agreed to.

Finally, I recommend that the Assembly support the Appropriation Bill 2006-2007. I wish to thank my staff for the fantastic effort they put in, and also Sandra Lilburn. I believe she has done a remarkable job.

Debate (on motion by **Mrs Dunne**) adjourned to the next sitting.

## **Leave of absence**

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

That leave of absence be given to Ms MacDonald for this sitting period 15-17 August 2006.

## **Adjournment**

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

That the Assembly do now adjourn.

## **Death of Mr Fred Stauder**

**MR MULCAHY** (Molonglo) (6.00): I rise tonight to pay my respects to Mr Fred Stauder, who sadly passed away in Melbourne on 21 July 2006. Among other things, Fred Stauder was the owner of Dollar Sweets, a Melbourne business that during the mid-1980s became involved in an industrial dispute that was to change the face of industrial relations in Australia.

Dollar Sweets was not a large corporation. It was established by Fred's father in 1947 and by 1985 it had employed 27 people on above-award wages. At the time of the dispute I was the chief executive officer of the Confectionery Manufacturers of Australia

and worked closely with Fred in his 143-day battle with a militant union, the Federated Confectioners Association.

The dispute began because the unions wanted a 36-hour week at the 38-hour rate, a figure that outstripped the award, broke the terms of the ACTU federal Labor government accord and would have sent Dollar Sweets broke. Indeed, Fred Stauder told me only a few weeks ago that he repeatedly said to the union, "Come and look at my books and you will understand." That was never accepted or taken up.

The arbitration commission informed the union that it could not claim a 36-hour week. Despite this, 15 staff members, encouraged by the union, refused to work under the existing conditions. Applications to fill these positions flooded in and, to prevent business from resuming, the union began to picket the Dollar Sweets factory.

Over the course of the 143-day stand-off we experienced a sustained campaign of violence, threats and intimidation from the union. Fred, who had always maintained good relations with his employees, was bewildered by the violence but unwavering in his determination to hold his ground and not give in to the union's tactics. Indeed, I met with Bill Kelty, who was then with the ACTU, who sympathised and was of considerable assistance to me in discussions with Mr Hawke and his office over this particular industrial dispute.

After the union defied an arbitration commission's order to return to work, Fred was left with no alternative but to take the fight to test Dollar Sweets's case at common law. Until this time, because of the dependence of business on unions, nobody had dared test an industrial dispute claim at common law and instead had relied solely on often ineffective arbitration commissions.

The result was a landmark ruling in favour of Dollar Sweets that showed that the courts were willing and able to rule on industrial disputes and that illegal tactics by the unions would not be tolerated. It led to other small businesses taking court action to prevent themselves from misused union power.

I was privileged to be able to call Fred Stauder a close friend, indeed one of my closest friends. Although he became sympathetic to the Liberal cause, he was by no means a political ideologue and had friends on both sides of politics. He was an affable character and only when challenged by the militant Federated Confectioners Association and allies of theirs did he stand up for what he believed in, to protect himself, his family and his company.

It was the generosity of this man that, when he had little financial resources and was experiencing reduced mobility, he came to Canberra and campaigned here for me for one month in the 2004 elections and insisted on calling on homes around the suburbs of Canberra when I suggested he could work in an office. We remained in close contact. I dined with him just a couple of weeks before he passed away and spent an enjoyable day with him and my youngest children. In the evening we reminisced about the battles we had fought together.

That was the last time we were to be together. A large number of people attended Fred's funeral, including the federal Treasurer, Peter Costello. It was indicative of the respect in



which Fred was held by the large number of people who came into contact with him when we saw the wonderful roll up to farewell a great Australian and a champion of small business.

### **Schools—closures Renewable energy**

**MRS DUNNE** (Ginninderra) (6.05): There are a couple of items I would like to address this evening. One of them is the difficult role that staffers play in this Assembly. From time to time I have noticed that members on the other side seem to think that I am some sort of Svengali, especially in the Humphreys government. I would just like to reflect on something that came to my attention the other day, a letter that appeared in the *Canberra Times* on 30 May 1990. It reads:

While Dr Willmot accepts (CT, May 29, p. 9) the community building role neighbourhood schools play, he argues, as the ACT's most senior education bureaucrat, for the abandonment of the concept.

Faced with a Government demand to cut education expenditure, his narrow argument is purely an economic one. The broader point often missed in the debate about threatened school closures is the non-education value that resides in the neighbourhood-school concept.

Canberra is characterised by its urban planning in which access corridors of pedestrian and cycle paths bypass busy roads and lead safely to neighbourhood schools.

Without the schools where is the need for access corridor? Here is another chance for the Alliance Government to sell off the character of the city to balance the books.

In the face of Dr Willmot's assertion that the neighbourhood-school concept is not universally accepted, we the majority want to keep both the concept and the character of our home.

That was signed by G Friedewald of Kambah and I just want to reflect on that. Someone pointed it out to me and said, "See, they are being hypocritical", but that is not the case. Mr Friedewald made an impassioned plea and I am sure he still holds those views today. It shows that even the best will of staffers is not always carried through and the best advice of staffers is often ignored. I commiserate with Mr Friedewald and his position. I would like to table a photocopy from the *Canberra Times* and a transcript, because the photocopy is a bit ordinary. I seek leave to table a copy of a letter from Greg Friedewald to the Editor of the *Canberra Times*, received 30 May 1990.

Leave granted.

**MRS DUNNE:** I table the following papers:

Copy of letter from Greg Friedewald to the Editor, the *Canberra Times*, received 30 May 1990, together with a transcript of the letter.

I would like to touch upon one of the better aspects of being a member, the opportunities that come to bring you into contact with truly remarkable, extraordinary people. In the last Assembly it was my privilege to attempt an inquiry into renewable energy in the ACT, which unfortunately was not particularly supported by the Labor Party at the time.

In many ways the inquiry was far more ambitious than the resources of an overstretched planning and environment committee. In the course of dealing with the inquiry into renewable energy I met some fantastic people. I was thinking about this over the weekend when I was reviewing the *Stateline* program, where Dr Andy Blakers was extolling the virtues of his revolutionary sliver cell solar technology.

I was thinking how fantastic it must be to be an innovator of that sort, how fantastic it was for me to visit Dr Blakers' laboratory on one occasion, how exciting it is to see such innovation, how Canberra should be proud of it and how I think it is unfortunate that short-sightedness on the part of governments of all sorts means that we are not taking advantage of the huge solar technology innovation we have in this town. For too long people have thought that the importance of renewable technology that does not produce greenhouse gases is unimportant, or that they can put all their eggs in one basket and concentrate on something like clean coal or geosequestration.

I think we are coming to the situation, as Dr Blakers said to me the other day, where people have started to realise that there is no silver bullet when it comes to addressing greenhouse gases, that there needs to be a multiplicity of solutions. I hope this means that governments of all sorts and at all levels will start to appreciate the work being done by people like Dr Blakers, who is not just an innovative scientist but also an innovative thinker in areas of greenhouse policy. Many of his colleagues at the ANU are doing great work in improving our capacity to produce energy without the unnecessary by-product of greenhouse gases.

### **Canberra Hospital—pay parking**

**MR PRATT** (Brindabella) (6.09): I rise to express my concern that the government has proceeded, with effect yesterday, with their pay parking plans for the Canberra Hospital. I remind the house that, for a confusing assessment of what that revenue will rein in for the government—somewhere between \$600,000 and \$1 million, depending on who you speak to this week or next week—the government has imposed a regime that will mean a very extensive amount of disruption for a lot of people who rely on being able to get conveniently and comfortably to the Canberra Hospital to see their loved ones or to access services in the hospital precinct.

Not only do we have the problem that medical students studying full time—because most medical students have to study full time—are only able to attract an annual revenue of \$8,000-odd; they will also now have to pay up to five per cent of their annual income for parking at the hospital. I think it is a very tough call for a student to have to pay up to five per cent of their annual income on parking, but that is what it is going to mean for them. They will not be exempt under this government's policy on the requirements of pay parking at Canberra Hospital.

The same applies to Canberra nursing students. While there have been some compensations made by the government, they are still not enough. Altogether, we see a situation where people who go to Canberra Hospital out of a duty of care and love for their families—that is, they are going there because they have to go there, not for some recreational or shopping reason—are now going to be forced to pay for parking.

In the first instance they now have the obligation to pay for their parking. In the second instance, if they have to spend a significant amount of time there, as some do, from day to day, they have to be able to get outside and plug those machines to continue to be able to park. That is a serious inconvenience to people visiting that place who are not feeling particularly relaxed.

What about day patients? What about patients in general who have to park their cars? I do not see, in the government's regime, sufficient provisions put in place to cover for families who urgently attend or find they have to stay for a few hours to look after a loved one. I do not think the government has thought this through.

The other point I make is that the government say they have no choice in the need to regulate parking to ensure that the right people, those who deserve to park there, park there. They say they have to put a pay parking regime in place. The government has not been able to produce, to table—and, again, we asked them in estimates—the rationale and the proof that the Canberra Hospital parking precinct is being overwhelmed by commuter parkers. I have no doubt that there will be some dedicated commuter parkers parking in that place.

If the government is going to receive the support of this Assembly and the opposition of this tremendous impost on the Canberra community, they need to take us into their confidence and show us the detail of why Canberra Hospital has been invaded by a significant number of commuter parkers. They have not done that.

The Red Cross is an essential service; it is an emergency service. Yes, it is not an ACT government agency or government department, quango or anything else, but it is an NGO. It is a non-government organisation which has both a national and a domestic presence. They provide a life-saving service.

We expect the Red Cross to be able to collect blood, do it professionally and do it carefully. I think the pay parking that is imposed on their staff and those who volunteer to go and give blood is another impost which makes their day at work just that much harder.

What about Alcoholics Anonymous? AA meet at the hospital on Saturdays. They are saying that half of their members are now not attending because of this pay parking regime. I think the government has made a great mistake and I will be calling upon them to reverse that policy.

**The Assembly adjourned at 6.15 pm.**