



Debates

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Wednesday, 30 May 2007

The Assembly met at 10.30 am.

(Quorum formed.)

MR SPEAKER (Mr Berry) took the chair at 10.30 am and asked members to stand in silence and pray or reflect on their responsibilities to the people of the Australian Capital Territory.

Live music

MR GENTLEMAN (Brindabella) (10.31): I move:

That this Assembly:

- (1) acknowledges that live music should be accorded a recognised cultural value;
- (2) recognises the importance of:
 - (a) live music and live music venues to the Canberra community; and
 - (b) protecting live music venues in Canberra; and
- (3) requests the Government investigate ways of ensuring the protection of live music venues in Canberra.

Every weekend Canberra's pubs, bars and clubs play host to regional, interstate and international acts. They do this because music is key to a cultured society, and live music is the ultimate form of expression for many artists. From Tuggeranong to Belconnen and Weston to the city centre, live music venues host a diverse range of performers who add to the colour and flavour of Canberra.

However, increases to the residential population in inner north and south Canberra suburbs, along with demographic and land use changes, make these areas more mixed in character. This is an exciting new era in Canberra urban development. However, there can be conflict—and there has been—between residential and other land uses as a consequence of these changes. This difficulty facing live music in Canberra is a result of the collision of the needs of musicians, live music venues, their patrons and neighbouring residents. The fragile relationship between residents and venues has long been the topic of community debate. Unfortunately Canberra's live music venues such as Gypsy Bar have had to close as a result of the inability to conciliate to find solutions that address the conflicting interests in this debate.

This motion seeks to bring to the attention of the Assembly the important issues that arise as a result of this conflict. For Canberra to grow as a cultural capital, as a harmonious community, it is necessary that respect is given to live music for the cultural value it brings.

In an age of increasing consumerism, some argue that live music, particularly that of newly established acts, has no place in the music scene; that music is to be consumed at the fastest pace by the fastest means; that live music is a thing of the past and we should accordingly pack up the stage and replace it with a stereo that beats out the top 40; and that culture and artistic expression are being replaced with bubblegum

culture—easy to chew but ultimately not good on the stomach. I believe that to the holders of these views the cultural value of live music has been lost.

Any argument about live music needs to explore the cultural value it brings to our community. When examining the cultural value of live music we need to look at three key players: the artists, their audience and the wider community. For the artists, live performance is an important form of artistic expression. Live performance remains crucial for the initial development of artists. It is also an exercise in refining business skills for artists pursuing music as a full-time career.

Central to live performance is a venue that can cater for musicians and audience. Peter Garrett, formerly of Midnight Oil, now the Labor federal member for Kingsford Smith, once said:

... every Australian band comes from a different pub, and it's there they define what they're about. Every band remembers that pub, and it's more than sentimental value; it's something much stronger.

For the audience, live music facilitates appreciation of the talent and skill of musicians. It is an opportunity to be inspired. It is also an opportunity to listen to up-and-coming acts that are yet to be digitally compromised for wider consumption. It is also an opportunity to be involved in your community. I want to congratulate Paz and other players that come along to the Wanniasa tavern. I have enjoyed their music and their contribution to the Tuggeranong community.

Live music is crucially important to the community as it adds to the vitality of the city. In 2003 the Victorian government Live Music Taskforce report stated of live music venues:

They are places that nurture culture and social interaction. ... Particular cultural recognition should be afforded to those venues that provide ongoing opportunities for musicians playing original material.

Proven already is the depth of Canberra's local talent. Bands like Little Smoke, the Re-mains and Meatbee now travel around the nation playing at live music venues and festivals. Clearly, it was the ACT's live music venues that gave these bands the leg-up to the national stage. While it is to be expected that great acts like these bands travel interstate to play to bigger audiences and to diversify their musical experience, it is a shame that some feel as though there is no future in Canberra.

Bryan Fitzpatrick, the owner of Toast bar in Civic, believes that his greatest motivation to continue with the business despite years of litigation is to provide a forum for local bands to perform. For Bryan it is particularly important to have live music venues in Canberra: all his friends have been moving away to Melbourne, Sydney and Brisbane due to the lack of live music opportunities in Canberra. He does not see why there cannot be a great live music scene in Canberra where bands can pursue a career in music and reach their potential playing to their friends and local fans. Bryan Fitzpatrick has survived various attempts to have his bar shut down and his licence taken away due to noise complaints. But due to the motivations just mentioned he has been successful in keeping Toast open to Canberrans.

Clearly there is a need to encourage local musicians to stay in Canberra and not to drive them out to other capital cities because of the lack of opportunity here. Added to this, live music makes living in Canberra more exciting, both for performers and for patrons.

Debate on the rights and responsibilities of live music venues and their neighbouring residents has not been limited to this community. Every state in Australia has seen fit to investigate these rights and responsibilities, with particular focus on delivering a model where interest groups at the core of the issue can come together in understanding.

In 2003 both the New South Wales and Victorian governments looked at the issue of the decreasing number of live music venues. In New South Wales it was discovered that there was a definite link between the increase in gambling facilities in pubs and clubs and the decreased willingness of pubs and clubs to host live music events. Even though gaming is restricted to clubs only in Canberra, this is still a problem. The social and economic benefits of having live music entertainment more regularly in both clubs and pubs would be significant in discouraging people from participating in gambling.

The New South Wales report was broader than that of Victoria in taking account of more social issues, but the Victorian government report focused solely on the issue of noise from live music venues. Early in 2003 the Victorian minister for planning and minister for arts established a task force to examine the effectiveness of current legislation, how current noise policies were working, the effect of these policies on the live music industry and the approaches taken by other states and territories in managing the issues.

In December 2003 the Victorian government Live Music Taskforce handed down a report on their findings. The report identified seven key issues concerning the fragile relationship between venues and residents. It said that submissions to the task force clearly articulated a wide range of support for the Melbourne live music scene. Further, live music through the pub music scene was distributed across many suburbs and regional centres in Victoria. Support for live music was as broad and diverse as the venues that host it. The report noted that demographic and land use change in inner urban areas is increasing with the residential population. Where once a pub had no neighbours, chic apartments now surround it. Conflict arises as a consequence of these changes.

Noise complaints are seen as a threat by venues, and residents are concerned with how venues are operated. The view was expressed that great opportunities for individual and community dialogue between venue operators and residential communities may reduce the potential for conflict. The task force also examined the issue of once compliant venues that are deemed non-compliant as a result of nearby construction of residential properties. Further, some venues are constrained locations where immediate compliance with regulations cannot always be achieved.

The Victorian experience demonstrates that this balance can be obtained—that live music venues can be protected and reinvigorated while maintaining harmonious

relations with the local community. The key to harmony between musicians, live music venues, their patrons and neighbouring residents is to have a clear understanding. One of the potential casualties of the ongoing conflict between live music venues and neighbouring residents is Civic's own Toast bar. Accused of excessive noise by residents in the neighbouring Waldorf Apartments, over the past few years Toast has had to defend its attempt to keep live music a part of Canberra's culture.

The complaints surrounding noise levels like those of the Toast bar can be handled in two ways. The first approach to dealing with this conflict is the one taken by our Assembly colleagues in the Liberal Party—the blame game. Whichever group it seems most advantageous to blame is on their target list. The problem for our colleagues is that they cannot make up their minds as to who should be blamed and who is to be labelled the faultless victim. Unlike our colleagues in the Liberal Party, the government is about finding solutions that deal with the issue at hand and seeks forward vision should similar issues arise in the future.

Mr Mulcahy: So what is your solution?

MR GENTLEMAN: If you listen you will hear, Mr Mulcahy. There are other ways in which the ACT government has been successful in promoting live music outside our pubs and clubs while dealing with mixed area use and subsequent noise complaints. I am pleased to say that the government continues to support the live music sector through direct support for performance development and production.

A number of government facilities—such as the Belconnen Community Centre, Woden CIT, Tuggeranong Arts Centre and Woden Youth Centre—combine to provide important venues for youth music. Added to this, in 2007 the ACT Arts Fund provided assistance to a range of individuals and organisations to support the presentation, promotion and production of live music. These included a youth live music festival, Canberra Band Explosion, held in February; a diverse series of new jazz performances; the promotion of touring activities for live music performance; support for local contemporary musicians to produce high-quality recordings of their original work for distribution; and support for performance opportunities and skill development through support for the Australian National Eisteddfod.

The ACT Arts Fund also supported skills development in contemporary music by providing multiyear funding for Music for Everyone and funding for ArtSound FM. For example, in 2006 Music for Everyone provided classes in drum kit and electric guitar, and ArtSound FM continued to record, promote and broadcast live music events.

Furthermore, there are a number of ongoing government programs for free live music performances which contribute to the vitality and life of the city in outdoor venues. These initiatives include ParkLive, which showcased some of Canberra's best bands at Glebe Park on Australia Day this year; Groovin' in Garema, which provides regular live entertainment in the city; 'Round Town, which provides live music events in Canberra's local parks; and, of course, the multicultural festival, which included live music performances from a variety of different cultures. Local community organisations also play an important role in advancing live music in the territory. The

government has established MusicACT, which represents and advocates for the interests of the local music industry.

The Environment Protection Authority and ACT Planning and Land Authority also play important roles in ensuring that our city is planned, built and managed to achieve an appropriate balance between the broader community's desire to enjoy live music and the need to preserve amenity for residents, business and people.

Live music produces noise, and this is unavoidable. What is avoidable is the conflict between live music venues and their neighbours. There are indeed examples of healthy levels of live music in the ACT, but I believe that the government can do more to make it easier for venues to offer live music and not be discouraged by the restrictive limits on noise.

As with all policy, there needs to be a balancing of the competing interests of a number of parties; I understand that there is a need to balance residential amenity with the desire for vibrant culture and live music venues. However, I believe that the current levels of noise restrictions under the EPA are too low and should be adjusted for Civic. They should be adjusted for the four town centres also, and particularly for other suburbs where an increasing number of live music venues are being established, such as at Lyneham shops, with Tilley's cafe and the Front cafe and gallery. Between 10 pm and 7 am from Monday to Saturday the level of noise for Lyneham cannot exceed 35 decibels.

To put this into context, the level in a quiet bedroom is between 20 and 30 decibels. Clearly, these are unrealistic limits for areas that have live music venues. It is impossible for a live music venue in Lyneham to operate without breaking the level of noise set out in the Environment Protection Act. If people wish to have live music during the week and on weekends, these restrictions should be raised to 50 db, which is the limit for Civic, and 45 db for other major town centres.

What I am alluding to here is the number of EPA exceptions for noise emitters. I have given some examples where the government has responded to live music initiatives, and some venues have survived and provided live music despite threats of closure. We cannot ignore the fact that noise from live music venues impacts on others; unwarranted noise can cause annoyance and sleep disturbance. However, changes to the EPA can ensure fairer and more balanced noise restrictions that can result in the growth of live music venues in Canberra—venues which make an invaluable addition to the culture and vitality of this wonderful capital city.

MR MULCAHY (Molonglo) (10.48): I am pleased to speak on the motion before the Assembly, although I notice that it has been on the notice paper for a couple of years, so I am interested in the critical urgency that does not seem to be attached to it. In this era, on this day, with major issues facing our community, one cannot help but wonder how this is the best the government can come up with as a matter for discussion. It is quite extraordinary, actually. It was put on the notice paper in June 2005. Anyway, I guess it is one way for Mr Gentleman to fill in the day.

In an age of CDs and portable MP3 players, live music is still going strong. There is still a great interest in seeing live music. There are still groupies, young and old, who

enjoy the experience of seeing their favourite bands, singers or symphonies live on stage. Unfortunately, we have recently heard the news that the Green Room in Altree Court in Phillip will hold its last live show on Saturday, 4 August. The Green Room was voted best live music venue in Canberra three times and it has hosted over a thousand live bands in the last four years.

Despite this loss, there are a great many good venues in Canberra that play live music. The Durham Castle Arms in Kingston has live bands on Friday and Saturday nights. The Transit Bar in the city, very close to the Assembly, often features live music and is well patronised by a range of people of different ages. Both venues are regularly packed full of people of all ages supporting local and, occasionally, interstate bands. There are a great many concerts held at the convention centre and other large venues in Canberra which attract internationally renowned music acts. In the coming few months alone, Canberra venues will feature concerts by internationally renowned acts, including Alice Cooper—we will not get into the battery hen discussion with Alice Cooper—Jet and the famous John Butler Trio. This is a great boon for the people of Canberra. They do not have to travel elsewhere to see live music and they do not have to travel to Sydney or Melbourne to see internationally renowned bands.

We have to be a little careful with this motion, though. The motion calls for the protection of live music. It really does not spell out what it is being protected from. We all know that when it is inappropriately scheduled, especially if it is too loud or at an inappropriate venue, live music can interfere with the quiet enjoyment of others. We should not flippantly dismiss these claims. The challenge is not so much to protect live music from these others but to ensure that live music is organised, scheduled and played in such a way that there is minimal negative impact on others who may not be so keen on the performance.

This means that we need fair rules and processes for noise complaints to ensure that we can strike a proper balance between the interests of venues with live bands and the interests of those nearby. In considering ways of ensuring the protection of live music in Canberra, the government may be interested in a February 2006 report by John Wardle, a live music advocate, on the rationalisation of the regulation of live music in New South Wales. Whilst not bearing directly on the situation in the ACT, the report highlights a number of issues which are important to venues holding live music performances. I am indebted to the Australasian Performing Right Association for providing me with that document. APRA—not the corporate regulator, but APRA of the music variety—is there to protect the interests of songwriters and composers.

The main issues raised by the report were as follows. Governments should ensure that there is a fair licensing process and that there are fair rules and processes for dealing with noise complaints. The report suggests that assessment criteria for noise should be technology neutral, with live music being considered on an equal footing with other sources of noise such as sports broadcasts and poker machines—no doubt something near and dear to Labor members opposite, as it funds their repeated campaigns. Let me digress for a moment, because poker machines are probably the single biggest threat to live music. I would be keen to hear Mr Gentleman explain to us how he reconciles the growth of poker machines and the support they are providing for him and his colleagues with his declared commitment to live music, which generates far less revenue in places such as the Labor club.

The report suggests a range of possible licences to allow live music in restaurants, niche venues, pubs and clubs. The licensing process should be simple and should not hamper live music. The report suggests that licensees should be given certainty in their licensing arrangements to allow them to make long-term plans. I would welcome examination by the government to ensure that live music in Canberra can remain a viable and exciting part of the Canberra community. Although Melbourne was cited, I think Brisbane and Adelaide have been pacesetters in prior rights arrangements that protect long-term live music venues from new developments that may be adjacent.

We have a strange situation where it has become fashionable to live in the inner city areas of our major Australian cities once again—repeating the experience of centuries ago. People want to be close to the cafes and all the activity. But as soon as they move in they suddenly do not want any noise after about 10 o'clock. We have to have some balance there.

I find the term “recognised cultural value” in the motion an intriguing one. Despite my great appreciation for the general nature of this motion in commending live music, there is one thing that troubles me. Perhaps it is a sign of the political correctness of our times that, in every comment about any community issue, politicians seem to be determined to wrap their remarks up in fuzzy rhetoric about cultural values or some other sociological jargon as if to demonstrate their great brilliance. Can't we just say something is a fun activity? Can't we just say that people enjoy live music, that it is a great night out? Do we have to wrap this simple observation up in pompous sociological cant, as appears to be the case with this motion? There is no reason to use this kind of fuzzy language to make something sound more important; we can just say that live music is important and that it is great fun to listen to and watch.

Cultural values are not legislated from on high. They evolve from the practices of people in the community. When a certain recreational activity is widely adopted, or adopted by a certain group of people, when we start to feel that it is part of the community we say that it is part of our culture. It is a cultural value. You cannot make something a cultural value by announcing it in the Assembly. Something is either a cultural value or it is not. This is a matter for sociology, not politics.

Live music should be, and is, accorded a value. It is accorded a value by the people who frequent the pubs, clubs and concert halls where it is played. These people do not need their political masters to pronounce live music as a recognised cultural value to know it is important. When my kids go out and listen to live bands, I am sure they are not poised waiting for the Assembly to deem those activities to be recognised cultural values. It is quite absurd and rather silly.

I turn to two issues from Mr Gentleman's speech. He cited the Gypsy Bar. Having been in the hospitality industry, I would counsel Mr Gentleman to dig a little deeper into the circumstances surrounding the Gypsy Bar. The organisation I acted for dealt with a range of alleged industrial relations breaches at that establishment and fees for advocacy which were never paid—despite it being run, as I recall, by someone who was very close to the federal Labor government at a different time in their life. I do not think it is a simple case of protecting live music. I suggest that before Mr Gentleman cites those examples he should do his homework. If he had done that

he would have understood the circumstances around that establishment and the difficulties that people there encountered—some of which, I suggest, were of their own making.

I also take issue with Toast. It is all well and good to refer to the wonderful venue of Toast, but it has caused enormous distress to numerous occupants of the Waldorf Apartments. It has not been a good neighbour. It has not respected the enjoyment and quiet amenity of those nearby. There is little evidence to suggest that it has even tried to accommodate that. The matter has been the subject of numerous complaints to authorities in the ACT. Quite frankly, I think that some balance has to be given to the neighbouring enterprise, which has lost a lot of patronage because of the inconsiderate way in which that venue has operated.

I do not simply say, “Let these creative, wonderful people just do what they feel like.” When they set up a venue like that, immediately adjacent to large numbers of people who are trying to sleep and work in normal day jobs, let us take into account the position of a large number of people who have been adversely affected. I do not think it is a good example. I am disturbed that the Green Room is going. That is in a pretty good location. It is not likely to disturb too many people out in the commercial area of Phillip.

We have to pay regard to adverse impacts from venues. I know that many live venue operators have gone to great lengths to try and ensure that they do not disturb their neighbours. They are the ones who I would stand behind and they should be the examples cited.

Notwithstanding those reservations, I agree that live music is a valuable part of the Canberra community. I hope that the government is doing and will do all that it can to ensure that the rules and processes applying to live music are fair. I hope that the government will ensure that these rules will not stifle live music in Canberra when conducted in a sensible fashion. The opposition will not be opposing this motion.

DR FOSKEY (Molonglo) (10.58): The Greens support Mr Gentleman’s motion. I thank him for bringing the important issue of live music venues to the chamber. It seems that about once a year a live music venue finds itself in a situation where it must close due to financial circumstances or noise complaints. In the last two years, it has been Toast and Tilley’s. Toast has survived, but Tilley’s has decided to stop its regular live music program. People will be aware that Tilley’s is one of the ACT’s pre-eminent music venues.

We are a polity where we focus on ensuring that our students have excellent access to music education. But after they leave school, where do they go next? We know that the School of Music at ANU is in trouble. There is a lack of venues where people can play, listen to music and develop their musical experience and education.

In May 2004, my predecessor, Kerrie Tucker, moved a motion—which was successful—calling on the ACT government to develop programs and strategies regarding young musicians’ access to venues and equipment, all-age gigs and amending building, planning and environmental regulations in the light of increased residential accommodation in city, group and town centres. This is a big problem. I

would add—and I will not have time to go into it in this speech—that there is an issue of music venues for underage people. There are not many places where they can go which their parents will be happy with and which also meet the young people's criteria, which are somewhat different. That is a really important issue too. Toast is not for them.

Kerrie Tucker also hosted a forum where people from the industry, including musicians, producers, venue managers, teachers, DJs and writers, expressed their concerns about the existing legislation, about government support and about the change in cultural tastes.

There are complex causes for the decline in local live music over the last three decades. The solutions will require a whole-of-government approach. For instance, in relation to planning, the government must consider establishing and protecting zones that are music and culture friendly and introducing legislation that protects the existing right of live music venues when residents move into their proximity. We really have to give this thought. When we look at densifying the city's population, we are, paradoxically, reducing the amenity that is the reason people live here if those people insist on their quiet comfort after 10 o'clock at night.

The insurance authority could provide some advice and assistance to venues and organisations that are having difficulties in meeting increasing insurance costs. The environment authority must consider regulated noise levels. And artsACT can provide a diverse range of support mechanisms for new and young musicians and assist and encourage collaborative promotion and marketing programs.

I believe that we should also encourage a regional approach. We should see the whole region as an audience and a source of performers. We should promote events across the region, which is culture hungry, and provide incentives for buses to bring groups here.

In relation to economic development and planning, it might also be worth studying the so-called Florida effect—that high indices in culture diversity, same-sex couples, innovation, patents and Bohemian arts activities lead to regional economic growth. And let us not forget Montmartre; it is probably the ultimate example of that kind of thing.

The ACT government's economic white paper and Live in Canberra campaign have highlighted the ACT government's desire to retain young people in Canberra. Yet government-reported statistics show that one of the key reasons young people leave is that they do not find the place lively enough. To quote Nirvana's song *Smells Like Teen Spirit*, "Here we are now—entertain us."

Mr Woods, the responsible minister at the time Kerrie Tucker's motion was debated, provided a response in August 2004. He noted that, after consulting with local stakeholders, the four core live music issues in the ACT were the need for a music association, young people's participation in live music, noise from live and recorded music, and the viability and diversity of live music venues. The ACT government committed itself to about eight key actions, but it appears that the government has successfully completed only one of those actions.

The government committed to supporting the establishment of a music association and providing advice on program support to that association. MusicACT was established about two years ago but, despite applying for a number of grants, it has never received any government funding and it looks like closing in the near future.

The government said that, together with the Cultural Council, it would invite a number of young people to participate in the assessment of applications for funding for music projects through the arts funding program. The last I heard on this was that it has not occurred but that an adult person with extensive experience in working with young people was on the panel. I do not think this qualifies as youth participation.

The government said that it would develop an event planning guide that would provide detailed and accessible information to event organisers and provide practical guidance for people organising all-age events and events for younger people. I do not think the government ever did this. If it did, it has hidden it well. Then there was the assistance to venue operators with managing noise. There have been no new initiatives here by the government.

There was also the 2004 review of the Environment Protection Act, including issues such as noise and zoning. I understand that, although the review was finished and made publicly available on 1 June 2004, and although it contained 51 proposals for reform of the act, the ACT government is yet to respond. But what is new about that? The only action the government seems to have undertaken since it made these promises in 2004 is to produce a two-page fact sheet relating to noise emanating from entertainment venues. Internationally acclaimed saxophonist Dale Barlow recently said:

The best advice the older musicians can give to young musicians is to buy an air ticket.

That is a sad and sorry state of affairs. We have a great homegrown talent pool here that is not being utilised. It is a bit like the Australian Olympic swimming team not having its own pool to practise in.

The WA government has recognised the importance of supporting local artists and their dependence on local music venues to gain exposure to audiences and develop a following. Without these venues, many talented careers would not be nurtured. The Department of Culture and Arts has been working directly with live music venues through its sound attenuation support program. The program provides funding to venues on a dollar-for-dollar basis to undertake sound attenuation and improvement work and reduce the effect on surrounding residents. The government is also establishing a special cultural and live music entertainment precinct within Northbridge. That is a good idea.

In Brisbane, Fortitude Valley has become a declared entertainment precinct in which live music venues are protected. There has been talk of doing the same in Newtown-Enmore in Sydney. It is interesting to note that live music in Melbourne has never suffered a downturn. The South Australian government has given money to Adelaide venues to improve comfort and sound quality. It has also legislated for a caveat which

warns people who want to buy new, trendy property in some inner city zones that the music venues were there first.

It is disappointing that there is a lack of music policy within the ACT government. I also find it very disappointing that the Minister for the Arts, Mr Stanhope, did not include any mention of music in his 2006-08 action statement for the arts. I recognise the small amount of funding that goes to local musicians through artsACT and the CMD events unit, but the government does not appear to have a policy or provide any direction on the issues of music, live music or musicians.

While I support Mr Gentleman's motion today, I note with some cynicism that all the ACT government needs to do is reopen books it had open three years ago and complete the work that it said it would do three years ago. There is nothing new here. Most of the solutions have already been figured out. It is just a matter of the government doing what it said it would do. I also note that Llewellyn Hall, which is another prime venue, has closed.

In closing, I would like to make mention of the ACT government's one and only arts facility that is solely dedicated to music, the Ainslie Arts Centre. Many community organisations were hit hard by the February freak hailstorm. The arts centre was hit very hard and is still struggling. I am not sure whether repairs have begun, but it is very important to the music scene in Canberra that they do. A thousand people go through that building every week. It supports many Canberra musicians. Yet at the time of writing this, there were no repairs. I hope that the minister gets onto this issue and provides some of the necessary support that our musicians deserve.

MR BARR (Molonglo—Minister for Education and Training, Minister for Planning, Minister for Tourism, Sport and Recreation, Minister for Industrial Relations) (11.08): I thank Mr Gentleman for raising this issue and Mr Mulcahy and Dr Foskey for their contributions. A number of issues have been raised in this debate, some of which fall within my portfolio responsibilities as Minister for Planning. I will take the opportunity to comment a little as education minister as well but I will have to leave the matters that lie within the arts portfolio for the Chief Minister to respond to.

What we have hit on here is an issue of finding the appropriate balance within our planning system to ensure that we are able to foster an environment where both residential activities and live music activities can operate with some harmony. Dr Foskey has highlighted some of the planning decisions that have been made in other jurisdictions, and I think that is the correct approach, particularly within the centre of Canberra, where we can seek to zone activities such that a proportion of the city is dedicated for live music venues and does not include any residential development.

Unfortunately, with the organic nature of development in the city, from time to time there is going to be conflict. Mr Mulcahy has observed that the Waldorf and Toast are such an example of this having occurred. It is disappointing that live music venues have been suffering as a result of a number of factors, as previous speakers have observed. The problem is finding a balance. Mr Gentleman is correct to highlight the issue of Friday and Saturday nights in particular and what degree of flexibility can be

given around an extension of time for noise on those particular nights, perhaps traded off with another part of the day. That is something that should be explored further.

In terms of the planning issues that arise, it is important that through the planning system we give greater certainty of operations for live music venues. Some success has been achieved in liaison with venue managers, supported by compliance measures and compliance responses that truly reflect the situation. I have particular concerns in my electorate of Molonglo around a couple of venues that have arrived after the residential component. I am talking specifically around Edgar's Inn in Ainslie and All Bar Nun in O'Connor. I know there have been issues for the residents who have been just across the street from these venues for some time.

There has been a constructive response to working through these issues, with the government seeking to regulate activity to ensure that the total amenity for residents is not lost. But people living in that area do need to acknowledge that they are living in an entertainment precinct and that that is part of what people desire when making a decision to live in such areas.

Dr Foskey raised some issues around how governments in other jurisdictions have provided funding for venues to improve their sound insulation, and that is a very relevant point. We also need to look more broadly at what the building code of Australia says about insulation. The government is supportive of changes to sound insulation rules that will make live entertainment more viable and that reflect the current changes in urban design, provided, of course, that the costs and benefits are properly assessed and that health and safety issues are not compromised. So further work can be done at a national level around those building codes.

Finally in the time that remains to me on this issue, something that has been overlooked in this debate is the removal of funding from university student associations and the ability for universities to be live music venues. I certainly remember from my time at the ANU, as treasurer of the students association back in the early nineties—

Mr Mulcahy: I hope you were better than some of the other Labor appointees.

MR BARR: I can think of a variety of up-and-coming bands that were sponsored through the students association through the use of the student union as a music venue and other venues at the university. It is sad that, whilst those opposite, for ideological reasons, have sought to remove the capacity of students associations and student unions to fund those collective activities, what we are seeing is another impact on live music and the opportunity for younger bands to come through.

A certain band that the ANU Students Association from 1992 through 1994 supported in their establishment was a band called the Whitlam's, who prior to their commercial success through Triple J in the late nineties were given their start and the opportunity to progress their musical talent through universities. Whilst there is still a live music scene on our campuses, there is no doubt that, particularly in regional areas, those activities have suffered as a result of a broader policy decision made by the federal government. It is interesting that they have acknowledged that by having taxpayers fund some of those facilities in regional universities. The difficulty for us here in the

ACT is that because there are no marginal seats in this jurisdiction we tend not to attract that sort of federal government subsidy that does seem to apply to other universities.

We need to acknowledge the important role that universities and university student associations and unions have in promoting live music. That then provides a pathway, as previous speakers have indicated, for what is a very strong music education program in the territory. In our colleges, high schools and the Canberra Institute of Technology we have some outstanding facilities, but what we are lacking now is the pathway through to greater success and greater development for those bands. So I thank Mr Gentleman for bringing this issue to the Assembly today. I can certainly assure him and the Assembly that through the planning and education portfolios this is an issue that the government takes very seriously and I will be continuing to pursue avenues for the promotion of live music in the territory.

I welcome the fact that the opposition, even though begrudgingly, are going to lend support to Mr Gentleman's motion today. I noticed that Mr Mulcahy could not bring himself to say "support"; he just said that he would not oppose it. So thank you, Mr Mulcahy, for your grand contribution to the arts scene in the territory. I know that as shadow minister you take a keen interest in these areas and I look forward to seeing you at many live music venues in the territory in the future.

MR GENTLEMAN (Brindabella) (11.16), in reply: I would like to thank members for their contributions and for their support of this motion, and I will close the debate with a couple of comments.

Firstly, I would like to thank Dr Foskey for her informative and constructive contribution on this motion and I note her comments that the arts scene does lead to economic growth. I thank Minister Barr for his insight into live music venues at the ANU in Canberra. I, too, attended quite a few of those events that occurred at ANU and they were most enjoyable.

Mr Barr: And the University of Canberra.

MR GENTLEMAN: That is right.

I think I should make a couple of comments about Mr Mulcahy's contribution, firstly to address his suggestion that my motion, which says that live music should be accorded a recognised cultural value, is a bit fluffy and that instead it should perhaps say something along the lines that we all know that we have a good time listening to music. But I hardly think that that brings the respect and authority to this Assembly that my motion does. But, if we were to use Mr Mulcahy's premise, perhaps we could do so to his motion to be debated later, paragraph 2 of which states that the Assembly "joins with the Chief Minister in welcoming the Howard government budget". We could probably replace that with—

MR SPEAKER: Relevance—and you are anticipating debate.

MR GENTLEMAN: We could probably say we would give John a pat on the back, or where Mr Mulcahy says "commends the Australian government on its commitment

to sound fundamental economic policies” we could say “thank Peter and John for the GST”.

Mr Mulcahy: I raise a point of order, Mr Speaker; he is anticipating debate. It is not the topic.

MR SPEAKER: Order! Standing orders do not permit the anticipation of debate.

MR GENTLEMAN: I will just go back to Mr Mulcahy’s comments. I should remind Mr Mulcahy that this is private members’ day and that his statement that this is the best that the government can do is a little bizarre on this day. He is wrong again, and it is hard to believe that after three years in this place he does not even know what day it is.

That closes my contribution. I would like to thank again those that are supporting the motion and I commend it to the Assembly.

Motion agreed to.

Federal budget—impact on ACT economy

MR MULCAHY (Molonglo) (11.19): I move:

That this Assembly:

(1) notes:

- (a) that on Tuesday, 8 May 2007 the Howard Government delivered the federal Budget for the 2007-08 financial year;
- (b) the ACT Chief Minister, Mr Jon Stanhope MLA, greeted the Budget as “a good, attractive Budget for the vast majority of Australians” and “great for the ACT economy”;
- (c) that the Howard Government has delivered ten consecutive Budget surpluses;
- (d) that in contrast to the \$10.6 billion surplus of the latest federal Budget, the 2005 06 ACT Budget recorded a deficit of \$162.3 million, outlined on page 9 of the 2006-07 ACT Budget Paper 3;
- (e) that whereas the federal Government is lowering taxes for ordinary Australians, in the last ACT Budget taxes increased; and
- (f) the ACT Government continues to receive higher than forecast returns from the GST;

(2) joins with the Chief Minister in welcoming the Howard Government Budget;

(3) commends the Australian Government on its commitment to sound fundamental economic policies; and

(4) calls on the ACT Government to:

- (a) similarly commit to sound economic management;
- (b) seek to reduce the tax burden on the people of Canberra by lowering the cost of Government in the ACT; and
- (c) reduce the number of “nuisance” taxes in the ACT.

On 8 May 2007 the Australian government delivered the federal budget for the 2007-08 financial year, and that budget provides a surplus of \$10.6 billion, similar to the previous federal budget of 2006-07, which provided a surplus of \$10.8 billion. This 2007-08 budget was the Howard government’s 10th budget surplus, building on a long tradition of responsible economic management. As a result of the sound economic management of the Howard government the Australian economy continues to grow in its longest period of expansion ever recorded.

We spoke yesterday of the positive impact of the federal budget on the ACT economy, so I will not go into that again in great detail today. But it is worth examining how the remarkably strong budget position was secured. This most recent budget surplus, in a long line of budget surpluses, was not achieved by ravenous taxation and ever-increasing levels of rates and charges, as has sadly happened in the ACT. To the contrary, the federal budget provided for \$31.5 billion worth of personal tax cuts over four years—tax cuts, not increases.

This continues the Australian government’s commitment to sound economic management and to alleviating the burden on taxpayers. In last year’s federal budget we saw the tax brackets moved up and we saw reductions in the tax rates. This year we have seen the tax brackets moved up again, which will ensure that 80 per cent of taxpayers face a top marginal rate of 30 per cent or less. The sound economic management of the Australian government, as well as the many reforms that they have introduced during their time in government, have led to record prosperity in a number of areas.

Since 1996 when the Howard government came to power there are two million more Australians with jobs. The unemployment rate is now at a 30-year low here in the ACT and, in addition, real wages—not nominal wages—adjusted for inflation have increased by 20 per cent over this time. This situation is a far cry from the image of a nightmare, which has been pushed by Labor’s union cronies and which was the hallmark of claims by the Labor Party when the Howard government came to office and again, more recently, with the workplace reforms that it introduced. We were told that massive numbers of people would be put out of work, that there would be loss of employment and so forth. But that is contrary to what has happened; that is not what has happened. We have seen an economic boom in this country the like of which is without precedent in Australian history.

At the same time as the federal government have managed to cut tax levels they have still managed to get people into the workforce and so we have moved from a situation where people struggled to find jobs to one now where people can change jobs, they have no difficulty, by and large, in securing employment and they have substantial

after-tax earnings available to spend on all manner of things, including housing. We have seen a growth in the investment market in housing because of this prosperity.

It was interesting to hear Hugh Mackay talking about this this morning on the ABC and citing the number of people who are getting into investment properties and the like—their own personal additional form of superannuation. All of this is made possible when people have certainty of income and employment, which we have now, thanks to the Howard government. I will give some idea of the effect of this prosperity. Due to the increase in real wages during the term of the Howard government, a person who would have been on a wage of \$25,000 a year is instead earning \$30,000 a year and, in addition to earning more money, the tax cuts in this year's federal budget mean that this person will now be able to keep an additional \$1,100 of their money. This reduction in tax will be of great benefit to Australian families, who will now be able to better provide for their own needs without having to beg to their political masters.

The federal budget has been greeted across Australia. Even the ACT Chief Minister greeted the budget as a good, attractive budget for the vast majority of Australians and he said it was great for the ACT economy. I have no issue with those statements.

But let us look at the ACT. We are approaching the end of the financial year and it will soon be ACT budget time, a time when the people of Canberra wait with bated breath to see how much of their money will be taken away from them this time and on what kind of futile projects money will be wasted.

The people of Canberra have come to expect two very different budgets at this time of year. One budget has consistently provided surpluses through good economic management and restraint in spending. I would like to see more restraint in spending at the federal level and further tax reductions; but considerable progress has been made in the decade of the Howard government.

But what do we see on the other side of the ledger? The territory budget has consistently provided for runaway taxation and runaway spending. We are now expecting that the ACT budget may come in with a surplus, and this is hardly surprising. It has not come from great restraint in spending. It has not been achieved through efficiency gains either. So how is it that the territory is likely to be getting back into the black? As we discussed yesterday, the ACT government has continued to benefit from higher than forecast levels of GST revenue. This year the ACT government is expected to receive an additional \$55 million in GST revenue—and keep in mind that this is also paid by our citizens—and another additional \$42 million in other commonwealth grants. The ACT government has also benefited from higher returns on superannuation assets which it continues to count, of course, in its operating performance.

Then we come to the bit that the ACT government really is responsible for. The last ACT budget provided for massive increases in rates and charges. We saw a massive increase in property rates. On top of this we saw a range of other new taxes and charges introduced, punishing families in Canberra and hurting people who are on superannuation and fixed incomes, and were told: "Well, this is all necessary. You

expect too much. You have unreasonably high expectations of levels of service.” And, of course, we got the tax increases—but we do not get the improvements to service.

We see a city with deteriorating services but coming at a higher and higher cost to individual families and households generally across the territory. These increases to rates are going to continue at a rapid rate under the government’s new policy to index rates to the wage price index instead of the more commonly and appropriately used consumer price index. The wage price index is usually an index of prosperity. It is interesting that there is not a single member of the government in the chamber at this time, other than you, Mr Speaker; we are glad to see you here. The wage price index is usually an index of prosperity—an index that the Howard government is working hard to raise through increases in real wages. But now it will be used by the ACT government as a club with which to beat ratepayers over the head. This is a perfect example of the disparity in thinking between the Australian government and the ACT government and the disparity in their economic approaches.

The Australian Liberal government, through sound economic management and important workplace reforms, has managed to increase real wages by a massive amount over the last decade—and the best that the ACT Labor government can do is to use this to figure out a new way to tax people more. Despite some \$50 million-odd that has been taken out of the wages, out of the pay packets, of people around Australia by the ACTU to fund that lavish television campaign that no political party could match, and to promote disinformation about a threat to people’s employment and to their children and grandchildren, the truth is that things have never been so good. People in the workplace know that they do not have to put up with unacceptable conditions, particularly in this climate of buoyant employment and a critical shortage of people to fill jobs. Indeed, it is very much a seller’s market.

This motion calls on the ACT government to seek to reduce nuisance taxes. Every time we see more and more revenue come into the territory and we question the tax measures, Mr Stanhope says, “The Liberal Party is going to do away with hundreds of millions or billions of dollars.” What we are saying to this government is: rein in the tax imposition that you keep throwing onto the people of Canberra.

How is it that we need all these taxes and that when a heap more money than expected comes in we are told that those taxes still cannot be reduced or got rid of? I know why that is happening. It is because this ACT government want to have a war chest to try and buy back their lost ground with the community in 2008 and hope that they can recover from the terrible position in which they are now held by the people of Canberra.

I have said publicly before that state and territory Labor governments, including those opposite, are guilty of the greatest hoax of our time. The introduction of the GST was supposed to be accompanied by the abolition of local inefficient taxes. The states and territories have taken a very literal interpretation of the IGA, the intergovernmental agreement. They are slowly getting rid of those taxes itemised in the agreement but at a much faster rate are introducing new local taxes to replace them. I detailed yesterday just how much more the ACT government is receiving this year because of the GST—\$82 million more than we would have received under the old system—yet the ACT government is still finding it necessary to tax us more and more.

The Australian government have managed to do what the Labor Party has found impossible. They have managed to provide higher and higher levels of spending on basic services whilst at the same time taking pressure off Australians with tax cuts, budget surpluses and good economic management. We are one of the best-managed economies in the world and that is the view of groups such as the OECD and many other independent international commentators.

The Labor Party, both in this Assembly and in the federal parliament, can only scratch their heads at this economic performance. They only know one way to deal with budgets. They have not figured out how to rein in spending or to get value for money in their operations, so they jack up taxes, rates and charges. Unfortunately, it is the only approach they seem to be able to embrace.

Budget time in Canberra provides a clear demonstration of the serious disparities between the sound economic management of the Australian government and the unsound economic management of the ACT government. Clearly, it is about time that the ACT government re-examined its runaway spending and took a leaf out of the book of the federal government. Balancing the budget should be achieved without increasing taxes, rates and charges and hurting those people in Canberra who are least able to protect their own position. It should be achieved through greater efficiency and a responsible approach to spending decisions.

It distresses me to see superannuants in this town, of which there are a large number and growing—numbers that will explode in the next several years as the baby boomers hit retirement—knowing that their pensions are going up by CPI and hearing the Chief Minister attempt to convince them that their rates and taxes and charges have to go up by wage price indexation when these people are not enjoying increases at the same level.

The defence provided in this place by the government yesterday was that wages are a big part of the cost of running government and so they have got to whack all the charges up by wage price indexation. But the fact is that wages are only part of the cost of government; they are about half of it. But where is the message of restraint? The attitude is: double the cost to government; pass it on basically to the consumer; pay no regard to the fact that people out there in this community who have planned their retirement, who are basing their future on a certain level of income and pension entitlement, are not in a position to generate more income.

So what do people do in that circumstance? They have to expend capital. They have to take equity loans out on their homes so they can maintain a civilised standard of living, or they rely on their children to help them out with this difficulty. This is because this government has no capacity to rein in its spending. Under this government the public sector has gone from 15,000 to 19,000 people in a time when we are achieving only 0.8 per cent growth in our population. It is time the territory government took stock of what it is doing and started showing a genuine interest in the wellbeing of the ACT community, rather than spending money on every possible cause and icon that comes across the table.

The ACT government could learn a lot from its federal counterparts. The federal opposition are quick to attribute Australia's economic prosperity to the mining resources boom—that was cited yesterday—and to accuse the Howard government of somehow squandering this windfall. This shows their ignorance and ignores the sound fundamental economic policies that the Howard government has adopted. Indeed, if you look at the service sector, at retail and every other area, we are enjoying record growth across the board; it is not just a mining boom. I implore the Treasurer to look more thoroughly at national statistics and he will see that in fact it is not just the mining and commodity sector that have contributed to this boom.

The ACT is experiencing a boom and benefiting from greater amounts of federal investment than ever before. So are we paying less or receiving more? No. In fact it has been squandered by those opposite. The ACT government is squandering the windfall that it has been and is receiving through direct payments, through record levels of taxation and through growth in the property market, which has delivered massive levels of revenue to the territory government.

This motion calls on the ACT government to commit to sound economic principles and in doing so to seek to reduce the tax burden on the people of Canberra. I commend this motion to the Assembly.

MR STANHOPE (Ginninderra—Chief Minister, Treasurer, Minister for Business and Economic Development, Minister for Indigenous Affairs, Minister for the Environment, Water and Climate Change, Minister for the Arts) (11.34): I have made no secret of the fact that this commonwealth budget will be good for Canberra and will benefit our economy. I have also been unambiguously clear that under my leadership the ACT economy and the financial situation of the ACT government will not leave a millstone for future territorians.

The activities of the federal government and the fortunes of the ACT economy are inextricably linked and I intend to make the most of the good years but also to ensure that the economy and the territory's finances are sustainably based to ride out the bad years. We all remember, of course, the dark days of 1996 and 1997 when the Liberal Party cut 10,000 jobs out of the ACT economy.

The commonwealth government has an enormous influence on the territory's finances and this was clearly demonstrated in the myriad announcements contained in the federal budget. The expansion of commonwealth policy expenditure, which has amounted to around \$52 billion since the midyear statement, comes on top of the \$17.5 billion of policy expenditure between the last federal budget and the midyear statement, and of course can only be good for Canberra. Our economy will clearly benefit from a part of this additional expenditure and it will continue to provide a base for economic growth in the territory.

I was relieved, through this budget, to see that the hope of the Griffin legacy is beginning to be fulfilled, 95 years after it was set down. The commonwealth has pledged almost \$72 million over four years for two Griffin legacy infrastructure projects: the first, the duplication of Constitution Avenue, and the second—good news to those travelling to and from the airport—funding for a flyover at the Kings Avenue

and Parkes Way intersection, which, in conjunction with the ACT's commitment to Pialligo Avenue, will make a real difference for many motorists. I was very pleased, before the commonwealth's budget announcements, to have discussed each of those issues with both the minister for territories, Mr Lloyd, and the federal Treasurer, Peter Costello.

I also welcome the financial commitments to upgrades and extensions of a number of national institutions: \$12.5 million for the war memorial; \$14 million for the new home for the portrait gallery; \$3.5 million for remedial work on the High Court; and \$3.3 million for a scoping study for police accommodation. I certainly welcome, as I am sure we all do, any federal government prepared to make a significant capital investment in the national aspects of the city that we call home.

The expansion of a number of commonwealth departments will also increase job opportunities in the ACT. Approximately 5,000 additional jobs are budgeted for nationally, with some estimates of 2,000 of those being located in Canberra. The ACT government is always grateful for the additional labour market stimulation provided by the commonwealth budget. However, it is, or can be, a mixed blessing at a time when the housing market is tight for both renters and buyers and when we are experiencing essentially full employment.

I am also in favour of a number of aspects of the federal budget that promise to improve participation rates in the workforce. These include a boost to the childcare benefit and changes to public service superannuation rules that seem to hold out the prospect of older workers remaining in the workforce for longer, easing the looming employment impact of an ageing population.

I am supportive of the broad emphasis on training and education measures in the budget. Given our skills shortages, our knowledge based industry structure and the number of high-class tertiary education institutions in the territory, these budget measures are important to the prospects for our future economic growth. The provision of \$206.4 million over four years to first and second-year apprentices in high-demand trades to assist them with course fees is also welcome.

The federal government has also established a new higher education endowment fund with an initial investment of \$5 billion funded from the 2006-07 surplus. The fund will be invested to earn income, which will be distributed on an annual basis to individual universities for long overdue funding of capital and research facilities. But it does need to be remembered and acknowledged that, even with that significant investment, Australia's investment in research and development is about the lowest of all the OECD nations.

While there is much good news in the federal budget, a number of opportunities have been missed. While the federal budget confirms the previously announced \$10 billion water package, it does not address the immediate water crisis in Australia. Communities like ours are facing historically low water inflows and are looking at considerable investment in infrastructure in the years ahead. The drought, if it continues, will impose significant costs on communities throughout Australia and may impact not just on industries directly reliant on water but extend throughout entire communities, for example from less electricity capacity. We cannot avoid the fact that

the Howard budget has failed to fund a range of services which have been identified as important to the ACT and the nation.

In particular, I had already identified as a priority the restoration of the commonwealth dental program. I think we all recall that on entering office 10 years ago the coalition simply wiped away \$100 million from the dental health programs of this country. While the states and territories have attempted to compensate the community for this loss, public dental waiting lists nationally have blown out shamefully. The budget announcement that Medicare funding will provide \$378 million over four years for patients whose dental health is impacting on a chronic medical condition hardly compares with the value of the program with funding of \$100 million in 1996 dollars.

Another opportunity missed by the commonwealth lies in early childhood education. While all levels of existing educational sectors received increased funds from the budget, the vital role of early literacy and numeracy training before reaching school age has been ignored. This is a point that has been picked up, thankfully, by our federal colleagues in the ALP.

Even since the announcements of the commonwealth budget, a range of industry groups have called for developments to be provided in planning for the Griffin legacy. In particular, the Australian Hotels Association has expressed its continuing disappointment that the budget contained no provisions for a new national convention centre, provisionally sited in West Basin. Of course those of us who have been here long enough remember all too well the damage that was done to the ACT economy and community when the Liberal Party first came to power 10 years ago, with the loss of up to 10,000 public sector jobs crippling the economy and pulling the rug out from under the housing market, most particularly within the ACT.

It is my job as Chief Minister and as Treasurer to ensure that the territory's finances are placed on a sustainable basis. In many respects, this job is complicated by the predominance of the federal government in the nation's capital. As I have said, we are more than happy to accept the benefits of commonwealth investment and employment but we must also remain wary of being too dependent on the proclivities of a substantial part of our economy that we cannot influence.

Service provision and economic management are the core responsibilities of governments, but they are complementary roles. A strong economy means higher living standards and better overall wellbeing, more jobs and greater job security. It means more people can buy homes and strive to reach their personal potential. A strong economy and sound financial management create the conditions for a government to meet its people's needs.

While the sociodemographic profile in the territory suggests relatively lower service needs, government expenditure on services here within the ACT has remained consistently high, by about 20 to 25 per cent, since self-government. The territory's revenue-raising effort, on the other hand, has been at around average levels. The ACT, like all other jurisdictions, faces emerging risks and pressures for services. Increasing health costs are one example. The driver of this cost is partly ageing, which will

worsen rapidly in the second and third decades of this century, but more particularly the high costs associated with many new medical procedures and technologies.

The 2006-07 ACT budget provided the highest ever investment in public schools and set health care costs on sustainable growth paths. The government has undertaken major structural reforms to put the territory's finances on a sustainable footing. The government over the past 5½ years has achieved the following results for the community. These achievements are all the more remarkable given that the commonwealth's per capita specific purpose payment contributions to high-need services such as hospital services, disability services and housing assistance have decreased by 10 per cent in real terms over the last five years.

Mr Mulcahy made some mention of deficits. The fact is that every deficit that has ever been delivered in the ACT has been delivered by an ACT Liberal government. I notice with interest that Mr Mulcahy continues to draw attention to this issue of deficits when he compares commonwealth performance over the last 10 to 12 years with that of the ACT. In the last 12 years in the Australian Capital Territory there have been four deficits. Those deficits were of \$344 million, \$170 million, \$157 million and \$161 million. Those deficits were produced in the years 1995-96, 1996-97, 1997-98 and 1998-99, measured and audited under the Australian accounting standards introduced by the Liberals, an accounting standard introduced by Mrs Carnell, under which she then proceeded to produce the only four deficits that have been produced in the last decade within the ACT.

I am interested that it is Mr Mulcahy, the would-be leader of the Liberal Party, who continues to raise the appalling financial management of the cabinet of which his current leader, Mr Stefaniak, was a member. We know why he keeps drawing attention to this appalling economic management of the Liberal Party—because he wants to continue to undermine Mr Stefaniak's leadership. We know the knife is out. We know he is just waiting. We saw it just two weeks ago when Mr Stefaniak, seeking to shore up his leadership, removed almost all significant portfolio responsibilities from two people within his party. Who? They are the two people that he has identified as his two backbenchers in a Liberal government: Mr Smyth and Mr Mulcahy. He just whipped their portfolios off them and added injury to insult by then requiring that the shadow Treasurer not have a thing to do with the estimates process—for two years in a row. Mr Smyth did it to Mr Mulcahy last year when Mr Smyth knew the knife was out; that Mr Mulcahy was poised to stab him in the back. Mr Smyth would not have his shadow Treasurer on estimates.

This year we have history repeating itself. The new leader is leader by virtue of the fact that Mr Mulcahy knocked Mr Smyth off. Mr Mulcahy is still waiting in the wings, waiting to knock Mr Stefaniak off. And what was Mr Stefaniak's response? It was to whip portfolios off him and refuse to allow him anywhere near his responsibilities as shadow Treasurer—in other words, a place on the estimates committee—because he knows that if Mr Mulcahy can get his way through his travails and his difficulties with the Australian Hotels Association inquiry he stands ready to leap at the jugular—and all the time he is shoring up, of course, the support of his other colleagues, as Mr Stefaniak vainly and desperately seeks to—

MR DEPUTY SPEAKER: Order! Mr Stanhope, I think relevance might be in issue here.

MR STANHOPE: Well, it is relevant. It is relevant to the fact—

MR DEPUTY SPEAKER: I do not know that this motion has got much to do with the leadership—

MR STANHOPE: that Mr Mulcahy continually raises.

MR DEPUTY SPEAKER: Can I ask you to think about that, please, Chief Minister.

MR STANHOPE: I do. I am talking about the deficits. I am talking about the position in this motion today—the reference to an alleged deficit last year of \$160 million, of course, backcasted into an accounting standard that does not apply. We delivered the second highest surplus ever delivered by a government last year, under the accounting standards audited results introduced by the Liberal Party.

Mr Mulcahy: But what about the one you are operating under?

MR STANHOPE: We did not operate under it last year. We operate under that this year and we will see next year what the results are. But as things stand there have been four deficits in the ACT under the accepted accounting standard introduced by the Liberal Party—and all four deficits were produced by governments of which Mr Stefaniak was a member—all Liberal governments—significant deficits to the tune of \$600 million or \$700 million.

We wondered over this side why it is that Mr Mulcahy keeps drawing attention to the fact that in the context of economic management it is the Liberal Party that has consistently failed. We know why he is doing it. Of course, he washes his hands as a cleanskin, a new boy, and says, “That was the old guard; it was Bill Stefaniak and his colleagues in their cabinets that produced four successive deficits.”

It is interesting too as we see this sycophantic praise of the federal government, that there is no recognition by the opposition of the significant cuts to essential services throughout Australia under the Howard-Costello regime. Certainly, the education budget in the ACT has risen to cover the reduction in funding and support by the federal government for education around Australia. The education budget in the ACT is now higher than at any time since self-government, with expenditure on government schooling increasing by 26 per cent from \$341 million in 2001-02 to over \$430 million in 2006-07. Last year we saw record investment in public schooling in the ACT.

Since being elected this government has increased expenditure on health by over 70 per cent to just over \$756 million, increasing Canberra’s reputation as an Australian centre of excellence for medical facilities. Expenditure on hospital services has increased by \$220 million or 80 per cent, from just over \$275 million to \$490 million—more hospital beds, more elective surgery, enhanced intensive and critical care. Over the five years to 2005-06 our hospitals managed a 29 per cent

increase in demand for inpatient services. Over the last four years the government has provided almost \$22 million in funding for additional elective surgery throughput.

Mental health expenditure—one of those issues of health expenditure that is to the eternal shame of the Liberal Party in the ACT—has increased by 97 per cent over the last five years, from the lowest in Australia. One of the most appalling legacies of the previous government was the lowest per capita expenditure on mental health in Australia. We have responded to that by increasing mental health expenditure by 97 per cent.

When the Liberals rail about this flood of GST money, they refuse to acknowledge or accept that the money has gone into education, the money has gone into health, the money has gone into mental health, the money has gone into disability services, to close the gap that we inherited from you.

MR DEPUTY SPEAKER: Chief Minister, you have circulated an amendment. Do you want to move that?

MR STANHOPE: Yes. I move:

Omit all words after paragraph 1(b), substitute:

“(c) and commends the ACT Government for its commitment to responsible financial management that will ensure the sustainable delivery of high quality services to the people of Canberra.”.

DR FOSKEY (Molonglo) (11.49): I am not going to support either the motion or Mr Stanhope’s amendment. Mr Mulcahy’s motion is a traditional one, after the federal budget and just before the ACT budget. I think it reflects the ACT’s position in relation to the federal government. The federal government and the ACT government are yoked together, rather like a parent with a child that cannot leave home despite the child’s burning desire for independence simply because it cannot afford to and because the rules that were set up within the family have made it impossible for the child to make it on its own.

The territory is totally reliant on the commonwealth for the greater bulk of its income, but responsible for providing those areas of service which most closely affect our citizens. Therefore, when schools do not work, it is easy for citizens not to look beyond the ACT government. I have been very critical of the ACT government’s commitment to the community school in the context of the closures last year. The government does not look to the funding formula that makes it so hard to maintain a good public school education. I do believe that this government does have a commitment to public education, although I am not sure that it goes about it the right way.

I suspect that Mr Mulcahy would not be so rosy-eyed about a federal Liberal government if he were the Treasurer of the ACT government. The friction that is inherent within the relationship between the territory and the commonwealth is not just because of party politics. It is because of the way the territory was set up. There is an inherent economic and political imbalance in the way self-government for the ACT

was set up. Of course, it does not assist Mr Mulcahy's argument and ideology to admit to that in this debate. But as a Green, as someone who is not in the government, someone who is not in the opposition, I can say that that is how it is.

A number of things in the budget got high-profile headlines, but a number of things that were not in the budget which affect the way the commonwealth provides funds to community service organisations and community advocacy organisations are eroding our quality of life and equity in access to services. For instance, at the Senate estimates hearings, Senator Siewert, the Greens senator responsible for industrial relations, examined the staff of the Office of Employment Advocate and found out that they could not justify why they had cut funding to community legal centres for providing workplace advice at exactly the time when more and more demands were being made on community legal centres to provide just that advice. This really makes a nonsense of the federal government's recent tweaking of AWAs. These changes do not make the headlines, but they affect people's working conditions.

Mr Mulcahy: Why aren't they in the industrial commission? These are declining cases. Do your homework.

DR FOSKEY: Mr Mulcahy does not sound like a fan of social investment. He did say that he would like more tax cuts and less money in government, but I find very a strong contradiction in the kinds of things Mr Mulcahy says. He does not want people paying more taxes—and I suppose he is talking about himself here—but he does not like paying for services. I am just not sure what kind of place we would have, what it would like if we had a government with that philosophy running the place.

Does he believe that a well-off society like ours has responsibility to the people who are not doing well in what seems to be a sink-or-swim regime? If you are good, if you can make it, if you can use the devices that are out there to increase your wealth, good on you. But if you have not got that basic collateral even to put you on that ladder—to buy a home, for instance—you are stuffed. That is okay too. I believe that Mr Mulcahy does care about people on the margins. He said he did in his speech, but I just do not know how, as Treasurer, he would look after them. I challenge him in his closing comments to tell us how he would look after our most vulnerable people under a regime that applies the federal government's approach to the budget.

Mr Mulcahy said that he had been listening to Hugh Mackay. I heard him too as I was driving in. Interestingly, we arrived at exactly the same time. But it just shows that it is not the words that are spoken that dictate meaning, but the ears of the listener. I heard Mr Mackay say that one of the reasons housing is so unaffordable for first home buyers is that those people with the wealth are buying and investing in more property. They have probably got good super as well, but they are covering all their chances and that artificially puts up the prices of homes. That is what I heard, anyway, and that is what I think Mr Mackay was saying. But that is not what Mr Mulcahy heard.

Mr Mackay also said that there is a high degree of full unemployment and underemployment and that the polls were an accurate reflection of the electorate's view of the Howard government—that it is in trouble. Just in relation to Mr Mulcahy's continued demeaning of the Greens—he really treats us like that child—it was evident yesterday from his response to my speech that he believes that

when the Greens are talking about climate change, we are not talking about the economy. But, hang on. Climate change is inextricably linked to the economy. The Stern report, which I heard Howard demeaning yesterday, along with old Europe and all those people that provide the traditions he loves so much, estimates that the cost of doing nothing about climate change will be 20 per cent of GDP and the cost of addressing climate change will be as low as one per cent of GDP.

The Greens' economic analysis indicates that the economy is suffering from four major interrelated problems, and I did not see these addressed in the recent budget. The first is higher rates of environmental degradation of greenhouse gas emissions that have a direct impact on the economy. Without the environment there is no economy. The second problem is underinvestment in public infrastructure and public services, two areas that are hugely important to the success of our economy. We have a high rate of poverty and underemployment—and Mr Mulcahy used various statistical devices to disguise that—and we have a high trade and current account deficit that we are just putting off until later.

As anybody who has studied economics would know, if all these things are not affecting us now, they will undermine our economy in the long term. We have to start producing budgets that are for the medium and the long term as well as for the electoral fortunes of the party. I address my comments just as much to Mr Stanhope as to Mr Mulcahy and, through Mr Mulcahy, to Mr Howard. People are really sick of governments that just look at their political future instead of looking at our future, and especially our children's future. While you continue to leave the environment, Mr Mulcahy, and consider it to be trivial, then we are not going to trust your economic credentials.

MR STEFANIAK (Ginninderra—Leader of the Opposition) (11.59): I do not think Dr Foskey addressed the amendment there, but not to worry. I always enjoy listening to the Chief Minister; he is a great storyteller. In fact, some of the fantasies he comes up with are almost as good as those of JK Rowling or Hans Christian Andersen.

Aside from his amazing fantasies in relation to my own party, I was particularly interested in his comments about deficits under the previous Liberal government. He forgets the deficit we inherited from Labor—\$344.8 million—and the deficits of the Follett government and the fact that the ACT actually had money in the bank when we got self-government and, lo and behold, we did not have it by the time we became the government in March 1995. That is another of his fantasies. Should we be the government after October 2008, no doubt we will have to pick up the pieces all over again.

Mr Seselja: We will have to do it next year too.

MR STEFANIAK: That is right. The ABC's Michael Brissenden referred to the 2007-08 federal budget as "a well-crafted budget". He went on to say, "It has plenty in reserve, with continuing surpluses into the future." The *Australian* newspaper thought it was okay too. Its headline was "Costello master class".

How is it that a government's budget can be so good? It is because the Howard Liberal government has been a careful but innovative economic manager

since it came to office back in 1996. After inheriting a massive debt, with servicing costs alone of \$10 billion a year, a budget deficit and high unemployment and inflation, today's Australian economy, delivered by the federal government's careful economic management, is one of low and stable inflation, eliminated national debt, the lowest unemployment since the sixties and no fewer than 10 years of budget surpluses. That is an amazing achievement, and an even greater achievement when one considers what happened to the five Asian tigers in the Asian meltdown in 1997. That was hardly a blip on the Australian economic scene, thanks to the credibility and the competence of Howard and Costello.

The government has delivered a booming economy here in Australia, one that builds capacity, assures future prosperity, invests in infrastructure, protects our environment, and, despite what Dr Foskey might say, builds a skilful and healthy population and also secures our nation and its people. Importantly, the federal government's economic management delivers direct benefits to individual Australians. It has delivered tax cuts and other benefits for families, ageing Australians, young people and rural Australians. And after all this, the federal government is still able to deliver a budget in surplus—\$10.6 billion in surplus; a fine achievement!

Canberra and its people have been the beneficiaries of the Howard Liberal government's responsible economic management. It has delivered to Canberra a buoyant economy, a growing share of GST revenue, almost full employment and real wage increases under WorkChoices. Like the federal government, the previous ACT Liberal government inherited a fiscal and economic nightmare from its predecessor Labor government. But careful economic management enabled the ACT Liberal government to hand over to this bunch of incompetents opposite a stable, buoyant economy and generous government coffers. It was a hell of a lot of hard work and a lot of sweat and pain.

What did the Stanhope Labor government do with this? It squandered it. It squandered the previous Liberal government's legacy, and it squandered its land sale and GST fortunes too. I digress in relation to the GST. This government now gets over \$800 million a year from GST. That is basically why we now have a budget of about \$3 billion instead of the \$2.1 billion we had in 2001.

When we first started getting the GST in we thought it was wonderful. One year we banked on getting in \$47 million, which is about a 16th of what this lot get in now. Instead we got \$80 million. That enabled us to make some major reforms like the K-2 school initiative, which I am pleased to see you increased to K-3, but it enabled us to make some significant reforms which continue to this day.

Those significant reforms were made with a fraction of the amount of money coming in that you lot have. After about four or five years of ensuring we got our budget back into surplus, which we did for the last three budgets, you lot have absolutely blown the lot. You have squandered the fortune so much that you have had to increase taxes and slash services to compensate for it.

In 2007-08 federal government payments for the ACT will increase by eight per cent over the previous year. That is more than twice the ACT's wage price index increase

of 4.1 per cent from 2004-05 to 2005-06. Will the ACT government's next budget still increase our rates by the wage price index rather than the lower CPI? I suspect it will.

Mr Hargreaves: You will have to find out.

MR STEFANIAK: "Bloody oath," says Mr Hargreaves. Well, there you go.

Mr Hargreaves: On 5 June.

MR STEFANIAK: Indeed. Since the Stanhope Labor government came to office in 2001, our GST payments have increased to \$823 million in 2007-08. That is a huge increase—a massive increase of 9.25 per cent a year. It also represents a bit over one quarter of our total revenue base. What has the government been doing with these windfalls? It has spent \$450 million on expanding the public service, and for what purpose when it cuts services, closes schools, libraries and shopfronts, and slashes businesses and social services? This is akin to that famous episode of *Yes, Minister* in which the government is so proud of its hospital with no patients. It certainly had a very efficient and effective administrative bureaucracy, but no patients.

Mr Mulcahy: It could not afford to put patients in.

MR STEFANIAK: Absolutely. Next week the Stanhope government is going to hand down its 2007-08 budget. What will that budget deliver? Will it follow the lead not only of the Howard Liberal government but also previous Liberal governments and deliver a budget that is responsible or will it be one that continues to be self-serving? Will we have more projects like arboretums, Al Grassby statues and prisons which no-one except the Chief Minister wants, or will we have services restored for the benefit of the people of Canberra? Will the Stanhope Labor government hand back to the people of Canberra, through some tax relief, some of the GST windfalls it is enjoying? I doubt it very much. The Chief Minister, while generally attacking the Howard government at every opportunity, has taken credit for all of the Liberal government's achievements federally.

The ABS this month revealed that the ACT recorded the strongest growth in building approvals in the country in March 2007 and that growth in retail turnover outstripped the national average for the year to March. The number of job advertisements appearing in ACT newspapers grew by 10 per cent over the year to April 2007, according to the latest ANZ job advertisement series released earlier this year. What are the achievements of the Howard government for which the ACT has derived so much benefit?

Mr Hargreaves: Nothing.

MR STEFANIAK: I have just read them out, John. Listen. Thanks to the federal government's work-creating opportunities, unemployment nationally is just over four per cent. It is under three per cent here, and we have not seen that since the seventies—indeed, the late sixties. Thanks to the federal government, 80 per cent of Australians now have a marginal tax rate of 30c or less in the dollar. Only 30 per cent had that in 1996. According to a barometer published by Price Waterhouse, small to medium-sized businesses are enjoying a strong increase in growth and profits of

around 11 per cent, with a forecast in the next 18 months of a profit increase of over 16 per cent.

The barometer shows that 48.6 per cent of businesses said the federal government's reforms would prompt them to hire more workers, and that only the shortage of qualified people is a constraint. Research also indicates there will be a softening of the employment market if the Labor Party wins government federally and repeals the unfair dismissal laws.

Labor federally and at state and territory level has resisted every key reform on which our current prosperity is based. Last year the Chief Minister described the federal budget as "generally superficial and expansionary". He went on to refer to "an additional \$36 billion splashing around in people's pockets at a time when our greatest fear is rises in interest rates; we will drop all this additional cash onto the table and challenge people not to spend it".

But this year even Mr Stanhope has had to concede the budget was, in fact, good for Canberrans. He said that a couple of weeks ago. And so it is this year. Mr Stanhope could hardly contain his glee. He actually said he did not think a federal Labor government would have done much differently. Coming from him, could any praise have been higher, albeit deluded? Mr Stanhope actually got so carried away this year that he described the federal budget as "a good, attractive budget for the vast majority of Australians". He told the chamber of commerce here that spending on roads and national institutions in Canberra was welcome and there was no point squibbing about other aspects. That is positive from the Chief Minister—telling it like it is for a change.

However, this Chief Minister, like all Labor premiers around Australia, is made to look almost okay because of the spectacular success of the federal government. The strength of the Howard government's economic management is propping up the hopeless state and territory governments, amongst whom none is more hopeless than this particular government. I think the Liberal Party in Australia and the federal government can stand proud on an excellent record of good fiscal and economic management over a sustained period of 12 years that has benefited this territory immensely. (*Time expired.*)

MS MacDONALD (Brindabella) (12.09): As the Chief Minister has already said, this commonwealth budget will be good for Canberra and will benefit our economy. We need to make hay while the sun shines, but we also need to ensure that our finances are on a sustainable basis for the longer term. There are indeed a number of positives coming out of the federal budget, although it is clear that it has been framed with the looming national election in mind. Turning specifically to matters affecting the territory, I would point out that the Griffin legacy has been developed and now agreed by both the commonwealth government and us.

While a substantial amount of commonwealth money, approximately \$72 million, has been set aside for developing roadworks in accordance with the legacy's plan, it concentrates on a single small patch of land; namely, the Russell end of Constitution Avenue and Parkes Way. There was the opportunity to develop the full sweep of land affected by the legacy all along Constitution Avenue, over City Hill and

into the West Basin of Lake Burley Griffin, which has been missed. I find this indeed an opportunity missed, particularly as the Centenary of Canberra is just around the corner. I would have liked to have seen signs of a greater commitment to the national capital.

I acknowledge that the ACT has benefited from stronger than expected growth in the GST pool over the past few years as a result of the Australian economy recording rates of growth well above the longer term average. This good news is unfortunately overshadowed by the fact that net payments to the states and territories from the commonwealth as a proportion of overall economic activity over the whole post-GST period remain at levels below the pre-GST average of six per cent of GDP in the 1980s and 1990s.

The GST is not the gravy train that some in the federal government would have us believe. State and territory government total revenue since the GST tax reforms have not kept pace with GDP growth and are expected to grow only modestly in the period ahead. Over the last 12 years, the Australian government has consistently increased its share of total tax revenues to the detriment of the states. The constitutional limitations on the ability of states to raise their own revenues has led to a fall in the states' share of total tax revenues by around 10 per cent over the last 12 years, from 44.9 per cent in 1993-94 to 35.2 per cent in 2005-06.

All states and territories have consistently pointed out that the revenue returns from economic growth are not being directed into those core services which are most important to Australians, areas such as public hospitals, government schools, policing and public transport. The states and territories have responsibility for the delivery of these services, but do not have the tax powers in order to fund the levels of services needed, nor to cater for the rapid growth in demand for these services.

The commonwealth government, for example, has progressively reduced its share of funding to public hospitals through the Australian health care agreements, the AHCA. In 2001-02, health care grants constituted around 31 per cent of acute care costs. This contribution has now reduced to around 23 per cent. This is over a period when health care needs have grown significantly. A similar trend is evident in disability services, where the commonwealth's share of funding has fallen.

The fact of the matter is that the commonwealth has increased the amount of tax it takes from the pockets of Australians, while the states and territories continue to provide the services and economic and social infrastructure that are important to people—managing the ever increasing demands for services in public hospitals, schools, law and order and public transport.

I say this because the federal Treasurer is demanding that the ACT, along with the states, abide by the Intergovernmental Agreement on the Reform of Commonwealth-State Financial Relations by abolishing a range of important state taxes. At the 2007 ministerial council, the Australian government Treasurer called on the states to develop a schedule for abolishing stamp duty on non-residential real property, the last business related stamp duties listed under the IGA for review. He repeated his call in the federal budget papers. The Treasurer indicated that the Australian government would be willing to be flexible as to the timing and phasing of

the abolition of timetables and would consider alternative tax reform reductions of equivalent value.

The federal Treasurer is being disingenuous on a number of fronts. He claims to be motivated by a desire for reform by reducing inefficient taxes which place a burden on business. However, it is clear that he does not really care about which taxes are reduced as long as he can claim for himself a reduction in state taxes. At the same time, he is the highest taxing Treasurer in the history of Federation. Instead of returning that tax to the community, he has hidden it away under the spurious pretext of a future fund. The states and the ACT have categorically met the requirements to review the IGA taxes and, given the growing pressure to deliver more services in the areas of health and education, are not in a position to remove additional taxes at the Australian government's request.

Let us also not forget that this federal government unilaterally took from us approximately \$5 million in annual funding for corporate affairs compensation in 2005-06, a payment that all other jurisdictions continue to receive to this day. Moreover, this federal government in 2006-07 abolished national competition payments worth \$14 million each year to the ACT, even though the cost of those reforms are still being met by the states and territories and the benefits are being reaped by the federal government.

The territory's small size and narrow economic base limit the government's capacity to seriously influence and assist business activity and economic opportunities. This is not to say that the government is not responsible for good economic management. The ACT government therefore focuses on creating an environment that is conducive to doing business.

With the government's good economic management, the ACT has experienced a strong economy which provides many positive outcomes for the ACT community. Some of these are higher standards of living and general wellbeing, not just more jobs but higher wages and greater job security, reduced demand for welfare related services with associated less pressure on social providers, and increased private investment as business and household confidence flows through the economy.

There is clear evidence to support the claims of a strong ACT economy. One of the best overall measures of the health of the ACT economy is state final demand. It describes the level of private and public spending in the ACT and is currently growing at well about its long-run average. To reinforce the progress we have made, at the time of Labor coming to power in 2001, annual demand was growing at just 0.3 per cent. Since then, state final demand has grown by 36 per cent, outstripping national demand growth of 29 per cent and New South Wales demand growth of just 20 per cent. Fortunately, the source of this healthy growth has not been confined to any one segment of the economy. Contributions have largely come from the consumption spending by households, consumption spending by the commonwealth government, and private investment spending in non-dwelling construction.

Growth in certain areas of the economy is also having flow-on effects to other areas of the ACT economy. Rising ACT incomes and good employment prospects are stimulating consumption spending, leading to the influx of new retailers, the

construction of new shopping complexes, like the additions to the Canberra Centre, and the redevelopment of existing shopping complexes in the territory.

The government has helped to provide an economic environment conducive to rising living standards. Since 2001, when we came to power, gross disposable income per capita has risen by 34 per cent and now stands at \$45,382. This far exceeds the national story, where incomes have grown by only 23 per cent to \$29,257, and in New South Wales, where incomes have grown by only 17 per cent to \$25,782.

Increased spending by the commonwealth government in the ACT, largely in the form of an expansion in the size of the public sector, has led to the need for more high quality office space, resulting in an unprecedented growth in non-dwelling construction activity. Combined with private sector demand, the volume of non-dwelling construction activity experienced in 2006 has exceeded even that recorded during the period of construction of the new Parliament House in the late 1980s.

The levels of investment would not have been possible without the stable, investor friendly economic environment the Stanhope Labor government has provided. When the Stanhope government came to power in October 2001, annual spending on non-dwelling construction in the territory was \$389 million. By December 2006, annual spending had reached \$1.1 billion, a rise of 182 per cent over this period. Nationally, non-dwelling construction grew by only 108 per cent over this period, while New South Wales reported only a 66 per cent increase.

Good economic management is also reflected by the state of the ACT labour market. The ACT is at near full employment, with most of those who want to work able to find it. Unemployment remains at an historic low as well as below the rate experienced in New South Wales and nationally. Similarly, workforce participation in the ACT is at near record highs and well above that achieved nationally. This is further evidence of the strong economy provided by the ACT government.

MR SMYTH (Brindabella) (12.20): I guess the temptation when speaking after Ms MacDonald is to talk much slower so that people can understand. So I think I will start with the cupcake analogy. The taxation system that we used to have used to be that the states all had little cupcakes. You can get 12 cupcakes in an oven tray. There was the wholesale tax cupcake and the FID cupcake. These were nuisance cupcakes in a way because they took up lots of room and they were really ineffective. They were cupcakes, so you would only get a little bite. But the federal government made the big cake, the big fruitcake, just like mother used to make for Christmas. You can get a bigger tray into the oven. You can get more substance into it and you get a better return for the effort.

The problem for the Labor Party when they put Ms MacDonald into this place to sell their economic policies is that, while she cannot even read the speech particularly well, she certainly does not understand the content. The reality is that in the financial year 2007-08, the states will be better off by an estimated \$3.2 billion due to the Australian government's reform—\$3.2 billion better off. You can have little cupcakes or you can have a big slice of fruitcake. That is the difference.

I hope that is simple enough for those opposite, particularly Ms MacDonald, to understand. Each state will receive more revenue from the GST than it would have received from the previous financial arrangements. Just understand that there is more money for Labor states to squander. By 2010-11, the revenue windfall will increase to \$4.6 billion. That is the difference.

Let us compare the approaches. The Howard government chose to pay off the Beasley black hole and the Beasley debt—surplus budgeting the whole time. They have had 10 successive surpluses. They have reduced taxes. They have grown the economy, grown the cake. It is a bigger cake that we all get to share. At the same time they have been building infrastructure. Compare this to the Stanhope government approach. They have increased taxes, run budget deficits and ignored business growth. Let us face it. The growth in the ACT since the Stanhope Labor government came to power has been on the back of an incredibly strong federally powered Liberal government creating jobs, wealth and infrastructure.

Mr Hargreaves: What!

MR SMYTH: The Stanhope government has ignored infrastructure, the real infrastructure, for personal folly. Let us look at it, Mr Hargreaves. They have upgraded the Federal Highway and the Barton Highway and worked on the national gallery. We are getting a new portrait gallery. They have upgraded the mint and upgraded defence. We have got \$165 million worth of national museum, and the list goes on. We got \$72 million for the upgrade of the Walter Burley Griffin legacy. The list is enormous, and every year there is substantial funding to the national capital from the Howard Liberal government.

Let us contrast that with the approach that Kevin Rudd and Senator Lundy will take. The first cab off the rank will be to gut the NCA. Why? Because the NCA is the only thing stopping the wholesale destruction of the city of Canberra as we know it under the failed former planning minister, Simon Corbell, aided and abetted by his Chief Minister Jon Stanhope.

But then we get to be very selective. It is interesting. Yet again the Chief Minister is like a jack-in-the-box. He pops up to give a little speech and then he bounces away. He does not even give this place the courtesy of staying for a debate. There are currently two members on the government benches and six over here on the opposition benches. We take this issue seriously. The Chief Minister said, “Let us look at the surpluses and deficits in the last 12 years.” Of course he did not want to talk about the Follett days—nobody would want to talk about them.

Did he give an explanation as to why some of the deficits occurred? He forgot to mention the former Labor leader’s \$344 million black hole, the operating loss that we were left with and that we had to fix. He forgot to mention that they had flooded and devalued the housing market so dramatically that you could not sell a house. You certainly could not sell a block of land for the first two years Kate Carnell was in office because the market was awash.

That is the problem. You cannot deliver good governance and more services unless you control your spending and your economy. Let us look at one of the ministers. It is a pity Mr Barr is not here. He is the Andrew Scissorhands of the ACT government. What has he done since he came to office? Cut, cut, cut, cut and cut.

Debate interrupted in accordance with standing order 74 and the resumption of the debate made an order of the day for a later hour.

Sitting suspended from 12.25 to 2.30 pm.

Distinguished visitor

MR SPEAKER: Before I proceed to questions without notice, I acknowledge the presence in the chamber of the Hon Mike Reynolds AM, Speaker of the Queensland parliament. Welcome, Mr Speaker.

Questions without notice

Schools—bullying

MR STEFANIAK: My question is to the Minister for Education and Training. Minister, there have been a number of attacks of violence perpetrated—

Mr Stanhope: Law and order, not education.

MR STEFANIAK: Why don't you just listen, Chief Minister? You might learn something. A number of attacks of violence have been perpetrated on school grounds and have come to light through the media recently. It is stated education department policy that violent incidents by any individuals over the age of 10 should be reported to police. Can you assure us that school principals are uniformly and consistently reporting to the police all bullying and violent attacks?

MR BARR: I thank Mr Stefaniak for raising this important issue. It has been unfortunate that in 2007 a number of incidents have occurred at ACT schools. Some of these issues have extended beyond what we would traditionally call bullying. In fact, they have simply been assaults that have occurred on school grounds.

I need to state categorically that the ACT government has a zero tolerance policy as far as bullying in schools is concerned. Any assault that occurs on a school ground should—and they have been—be appropriately reported to police. The seriousness of some of the instances that have occurred this year is such that it has elevated to police involvement.

The ACT government, through the Department of Education and Training, has some very clear protocols in place in relation to how these matters need to be dealt with at a school level. I have had some concerns that, with our school-based management system, the overarching departmental policy has not been adhered to as well as I would have liked. Following a couple of these issues being brought to my attention, I have asked the chief executive of the Department of Education and Training to conduct a number of key stakeholder meetings. I know that Dr Bruniges has also convened a meeting of all school principals to address just this issue.

I give this commitment to the Assembly: the government takes this matter very seriously; principals have been made aware of their obligations, and we are engaging with key stakeholders in some further discussions about how we can adapt whole-of-government—whole-of-education-department—responses to ensure that, through individual schools, the practices and guidelines we have in place within the education department are being followed.

I am pleased to advise the Assembly that principals are 100 per cent on board with this. A very clear set of protocols is in place. As Mr Stefaniak has quoted from the policy, that is correct: those instances should be reported to the police. There have recently been a couple of examples of people coming on to school grounds to seek revenge for various neighbourhood disputes or other things unrelated to the school. The school's response has been appropriate and has been supported by the parents of the victims in these instances.

It is important that these processes are clear, and that they are made clear to school communities and to school boards. That has occurred. We continue to consult with stakeholders. I met with the parents and citizens council on this issue only the week before last. We continue to engage with the stakeholders to ensure that our responses are appropriate; that where matters are serious, they are reported to the police. It is unacceptable—I repeat: it is unacceptable—that these sorts of incidents are occurring. The ones on the front page of the paper have been assaults, not bullying, and they are being handled by the police appropriately.

MR SPEAKER: Supplementary question, Mr Stefaniak?

MR STEFANIAK: Thank you, Mr Speaker. Minister, is it the case that some schools do not report the incident to the police and that some school authorities have actually discouraged parents from reporting to the police? You mentioned the protocols. Will you table those protocols by close of business today?

MR BARR: I would be concerned if any schools are not abiding by the protocols that the education department has put in place.

Mr Pratt: Do you know of any?

MR BARR: I am not aware of any. No instances have been brought to my attention whereby there has been a flagrant breach of any of the protocols that are in place. I am happy to have those protocols tabled in the Assembly. There is no issue there at all; they are publicly available documents. The Leader of the Opposition has quoted from them. There is no issue at all there.

I am concerned to see that we work together—that we are able to engage the resources across the ACT government, that we are able to work cooperatively with police when a critical incident occurs, that those people who are perpetrating what are serious assaults are brought to justice and that this matter is taken seriously. I take it very seriously. It should not be used as an opportunity to denigrate the public school system in the ACT. It should not be taken as some sort of—

Mr Pratt: Then why are you doing that?

MR BARR: Mr Speaker, it should not be taken as some sort of field day to beat up on school principals or school boards. We have a whole-of-government response. We have a variety of agencies and supports that we can bring to bear in terms of providing supports for schools. But where matters such as the ones that have been on the front page of the *Canberra Times* are brought to attention, they are appropriately referred to police because they are assaults. It is not bullying; it is assault.

Civic—car parking

MS PORTER: My question is to the Minister for Territory and Municipal Services. In light of the government's announcement yesterday of the proposed development of section 63, can the minister outline the impact on parking in that area and what measures the government has taken to alleviate the resulting parking pressures during the construction period?

MR HARGREAVES: I thank Ms Porter for the question. I am pleased to inform members that the Stanhope Labor government will invest \$2½ million to increase parking in the city in support of the development of section 63. The sale of section 63, city will see displacement of parking from that site, which currently provides 700 publicly available multistay pay parking spaces for working commuters, visitors and those coming into the city for business.

Currently, parking on section 63 is taken up by city commuters and construction employees working on completing the Metropolitan development on section 6 in the city and the new offices on sections 61, 90, 91 and 92 in the city. At section 63 on average around 200 parking spaces remain unused each working day.

Once construction work on the new offices is completed, it is estimated there will be between 300 and 350 parking spaces available for additional office workers who will occupy the National Information and Communication Technology Australia office, the Department of Agriculture, Fisheries and Forestry office, plus private sector offices on sections 61, 90, 91 and 92 in the city. In addition, the current spare capacity in the Acton ferry terminal car park and the southern part of the section 19 car park on the eastern side of Commonwealth Avenue will provide further parking opportunities for commuters and visitors alike.

Movement of employees across the city is dynamic and consolidation of the Australian Taxation Office in the new Canberra Centre offices on sections 84 and 89 in the city will see parking demand in City West eased, thus freeing up additional spaces which can accommodate the growth in demand from developments presently under construction.

Development conditions associated with section 63 in the city will require the maintenance of at least 200 publicly available parking spaces on the section 63 site at all times, together with onsite provision of parking for construction workers. A further 150 temporary public pay parking spaces are to be provided on the southern side of an extended Edinburgh Avenue.

The development of up to 71,000 square metres of offices, residential and other land uses at section 63 will see requirements for the developer to provide 1,000 publicly available parking spaces onsite and sufficient parking onsite to meet the balance of total parking demand generated by the development in integrated multilevel car parks. This means the provision of at least 300 more public parking spaces on the redeveloped section 63 than existed prior to the development.

The Chief Minister announced yesterday that up to 600 temporary parking spaces will be provided in the vicinity of the Acton ferry terminal, incorporating the site of the futsal slab, bounded by Commonwealth Avenue, Barrine Drive and Albert Street. Appropriate traffic management measures will be implemented for access to and egress from Commonwealth Avenue.

I believe the Stanhope Labor government, through these initiatives, will meet parking demand from the existing developments in City West south of University Avenue and those to be generated by the development of section 63 in the city.

MS PORTER: I ask a supplementary question. Can the minister further inform the Assembly on the progress of the draft parking strategy?

MR HARGREAVES: As members should be aware, the purpose of the draft parking strategy is to present a medium to long-term framework for parking provision across the city of Canberra. The key issues reviewed in the draft parking strategy include the adequacy and appropriateness of existing parking, particularly for commercial and retail activities in the major centres, and existing parking availability and location across the city and therefore future supply options, particularly as it affects those commuting to and from work.

The draft ACT parking strategy was released for public comment on 1 March 2007 until 30 April 2007. As minister responsible, I decided that the time for submissions was to be extended until 7 May 2007. To date, 50 submissions have been received and the Department of Territory and Municipal Services is presently analysing those submissions with a view to advising government on the draft strategy.

However, this is not a closed process. I invite any member here or members of the public who believe that they have further comment or issues to contribute to the discussion to provide them to the Office of Transport, Department of Territory and Municipal Services. I would be happy to facilitate this through my office, if members wish.

In the meantime, I expect to release the ACT parking strategy by the end of the year. I encourage members here, instead of just sniping away from the other side of the chamber wanting to make cheap political points, to actually put their pen where their mouth is and give us some written comments. That is, of course, if they can actually write.

Opposition members interjecting—

MR HARGREAVES: Mr Speaker, I am hearing cackling and chortling from across the chamber. It would be very interesting to analyse the names of those 50 people on the list. I suspect that when I ask for the names of those 50 people, the names of Mr Pratt and Mr Seselja will be notably absent from that list. No doubt they find it easier to sit on that side of the house and carp and criticise and really get into it instead of contributing to the debate like the mature contributors we know them to be. If they are not mature contributors, I challenge them to grow up.

Mr Barr: He is not busy plotting for the leadership, is he?

MR HARGREAVES: That is right. I do not want my boss's job.

Schools—closures

MRS DUNNE: My question is to the minister for education. The ACT government's *Towards 2020* policy—

Ms Porter: Goodness me, this is a first!

Mr Stanhope: Mr Speaker, we need to note the fact that this is the first question this year from the shadow minister to the minister.

MR SPEAKER: Order, members! Mrs Dunne has the call.

Mr Stefaniak: Jon, we have just had so many to ask you.

MR SPEAKER: The Leader of the Opposition will come to order.

Mr Stanhope: What high priority education is to the opposition!

MR SPEAKER: Chief Minister, come to order, please.

Mr Stanhope: The first question. It's only June.

Mr Stefaniak: It is actually May.

Mr Stanhope: Exactly half a year.

MR SPEAKER: Order, Chief Minister! Everybody should come to order.

MRS DUNNE: Thank you, Mr Speaker. The ACT government's *Towards 2020* policy saw the closure of many schools last year, resulting in many students having to change schools. Minister, how many students left the ACT government school system as a result of those school closures?

MR BARR: We conducted a full audit of all of the students who were required to move to a new school from 2006 to 2007. A number of students who live in New South Wales and were enrolled in ACT schools have now moved back to a New South Wales school. The total figure that Mrs Dunne is seeking is about

90 students, but a large proportion of those were attending Hall, coming from New South Wales to the ACT and attending Hall, and have subsequently moved to a New South Wales school.

Also, a proportion of the students among that 90 were in year 6 at a school that closed and moved on to another high school outside the ACT government system. We are unable to track whether some of those have gone to New South Wales high schools or to non-government schools, but they certainly have not enrolled in an ACT government high school. There is a gap between our primary school and high school enrolments, but it was expected that a proportion of the students who finished year 6 in a government primary school would not go on to a government high school. I am very pleased to advise that about 85 to 90 per cent of the students who were in a school that closed at the end of last year have re-enrolled in another ACT government school.

MRS DUNNE: Mr Speaker, I ask a supplementary question. What surveys and other studies are you doing to determine the effect of *Towards 2020* on decreasing enrolments, taking into account that we have seen in the last census a decrease in enrolments across the board, part of which can be attributed to *Towards 2020*?

MR BARR: Mrs Dunne is factually incorrect with the statement she has made. The *Towards 2020* process had only a very minor impact on what has been a long-run trend. In fact, the enrolment shift from government to non-government was larger in four of the last five years than it was as a result of changes that were made at the end of last year. So the fundamental premise of Mrs Dunne's question is wrong. It is a continuing pattern, which I think people have observed.

I have said from the outset that the changes the government has made have involved a significant investment in education—the largest ever in the history of self-government. You guys did nothing when you were in government five or six years ago. You sat and watched this and did nothing about it—absolutely nothing.

Mr Stefaniak: We did a wonderful job. We maintained it in real terms despite your \$344.8 million deficit.

MR BARR: What I have said is that this process would not—

Mr Stefaniak: What you left us with—

MR SPEAKER: Order! The Leader of the Opposition.

Mr Stanhope: Your first deficit, Bill.

MR SPEAKER: Chief Minister, order!

MR BARR: I said—and I have been consistent throughout this process—that there was no way that in one year we were going to turn around a decade or longer worth of drift from government to non-government schools.

Mr Stefaniak: You accelerated it.

MR BARR: No. The point is that we have not, Mr Stefaniak. Four of the last five years saw a larger move from government to non-government than what we saw between 2006 and 2007. Yes, it was more than the year before but it was not more than those other years and it was in line with the long-run average. If you were to take a long-run statistical look at this, you would see that it had no significant impact.

What we need is a four-year investment program in public education. We need new school facilities. We are building four new schools to meet the demands of students in this territory. Mrs Dunne, we are investing more money than any other government ever has in public education. We are doing it against a tide of a commonwealth government that walks away year after year from its obligation to education. It does it all the time.

Mr Stefaniak: Oh, rubbish!

MR BARR: This government will pick up the slack, as we have, budget after budget, year after year—

Mrs Dunne: And the more money you spend, the more money you are wasting.

MR SPEAKER: Order! Mr Barr, resume your seat. Members of the opposition will come to order.

MR BARR: Mr Speaker, as I was saying, this government will pick up the slack, as we have year after year, budget after budget, and invest more money in education in this city. There are four new schools: Harrison in 2008; West Belconnen in 2009; the college in Gungahlin in 2010; and a \$54 million new facility in Kambah in 2011. This amounts to \$90 million in additional capital works over the next four years on top of the normal \$1½ million program. I am talking about capital upgrades, new facilities for our schools, new gymnasiums, new dedicated specialist teaching and learning facilities, science labs, arts rooms.

This government is delivering the most significant investment in public education in the history of self-government. It is a four-year program. It was always the case that it was going to take a number of years to address what has been a decade-long drift away from government schools. What we are seeking to do is ensure that every public school in the ACT is upgraded and that every public school in the ACT has world-class facilities. We are doing it in terms of new facilities. We are rolling out information technology in our schools, involving \$20 million over the next four years—the most significant investment in technology in our schools that we have ever seen. The ACT will lead Australia and the world in the provision of information communication technology.

At the conclusion of this investment package, the largest ever in the history of self-government, all ACT schools will have broadband internet, a bandwidth unseen in Australia, wireless networks—a whole range of new information communication technology investment in our schools. It is the most significant investment package in the history of self-government. Those opposite hate it. Mrs Dunne has described it as throwing good money after bad.

We know the position of the opposition when it comes to public education: oppose every measure to invest in the system. They have been doing that consistently. The fact that it has taken until the end of May for Mrs Dunne to even ask a question on education gives you an idea of how devoid the opposition are of any policy on education—nothing to say, nothing constructive. You sit there and stew whilst we invest the money the public education system needs. You ought to be ashamed of yourselves.

Visitors

MR SPEAKER: Before I go to you, Dr Foskey, I welcome two staff from the new Autonomous Bougainville Government who are here on a training attachment.

Questions without notice Environment—household electricity use

DR FOSKEY: I am also very pleased to note that the Bougainvilleans are two women. That is great.

My question is to the minister for climate change, Mr Stanhope, and is in regard to household electricity use. Is the minister aware that Actew is currently running a program whereby Canberra residents are encouraged to use more electric power by providing interest-free loans so that they can purchase air-conditioning units, which are the biggest guzzlers of all, and offering power at a cheaper rate for a lifetime so long as a certain rather high amount of electricity is used, in exchange for Actew installing the air conditioners? Could the minister please explain how this assists us in reducing our greenhouse gas emissions and why he has not asked Actew to offer similar interest-free loans for householders who wish to install solar panels in order to run their air-conditioning units.

Mrs Dunne: Because he's opposed to the green bank scheme.

MR SPEAKER: Order! Mrs Dunne. How many times?

MR STANHOPE: I thank Dr Foskey for her question. I think it is fair to say at the outset that ActewAGL provides a range of incentives across the board in relation to what is now a highly competitive market for the retail of electricity in the ACT and throughout Australia. I think there are seven companies now competing with ActewAGL within the Australian Capital Territory in pursuit of customers. In that sense, ActewAGL has a range of incentives or marketing strategies which it employs as a method for highlighting its place within the ACT and its services and product.

By and large, I endorse the work which ActewAGL undertakes as a company half owned by the people of the Australian Capital Territory in relation to which we have a particular and significant interest. To that extent, I endorse broadly the marketing strategies employed by ActewAGL. I certainly endorse ActewAGL in the context of its support for and sponsorship of many activities throughout this community as the ACT's leading corporate citizen. There is no Canberran who would deny the significance of the support that ActewAGL provides in a range of ways to this community. I applaud it and its support for Canberra and for the people of Canberra.

Having said all that, Dr Foskey, I do not disagree with your essential thesis—the point that you make in your question—around the need to ensure, as a community and indeed as an ACT partly owned company, that we embrace the need to do all that we can to reduce greenhouse gas emissions within the Australian Capital Territory—indeed, within Australia. ActewAGL is supportive of this government's determination to address the issues of climate change and greenhouse gas emissions cooperatively. It works with us on initiatives that might be pursued now and in the future in relation to how we might best address the issue of reduction of greenhouse gas emissions.

Dr Foskey, you raise a quite moot point and, you now having raised it, I am more than prepared and happy to take it up with Actew, particularly in relation to the end or aim that it seeks to achieve and whether there might be a more effective way of achieving its purpose without encouraging greater use of electricity and thereby greater emission of greenhouse gases. Dr Foskey, I am happy to take it up and report back to you.

DR FOSKEY: I ask a supplementary question. What plans does the government have to ensure that Actew does perform a significant role in assisting the ACT community to reduce its greenhouse gas emissions?

MR STANHOPE: Let me say, Dr Foskey, that in every conversation I have had with Actew or ActewAGL in relation to issues around this government's determination to vigorously pursue a climate change strategy and to work to reduce greenhouse gas emissions, Actew and ActewAGL, their chief executives and members of their boards have been fully accommodating and 100 per cent cooperative in ensuring that the government's policies and position and desires in relation to greenhouse gas emissions and climate change are adopted and pursued.

It is relevant in that regard to note that the ACT government requires of Actew that 23 per cent of the power which we, as consumers, utilise is from green or renewable sources—the highest percentage purchased by any government within Australia for its own purposes of renewable sources of energy. That is provided to us by Actew. We have made significant demands of ActewAGL on our own behalf. At 23 per cent, this government purchases more renewable energy for our purposes as a customer than any other government in Australia.

In the context of demands or requests that we have made of ActewAGL, they are always cooperative. In relation to the purchasing contract, there is not all that much of an option presented to them. But I think it gives some indication of the willingness and preparedness of Actew and ActewAGL to respond to the clear determination by this government to do all that it can to deal with the issues of climate change.

To the extent that there is a suggestion, and I see it referred to from time to time in letters to the editor and other commentary, that ActewAGL—and I guess this underscores the question you asked—as a retailer and business that is out there flogging its product to the greatest extent it can and employing whatever marketing techniques it can so that at the end of the day it sells more electricity, has an essential conflict of interest, that it has no interest in sourcing renewable energy and is only interested in its profit margin and the sale of more and more electricity.

I do not believe that to be the case. It is a responsible provider. It is responsible to the ACT government as a half owner. In partnership with the ACT government it will join in ensuring that we can achieve the aims that we need to achieve in relation to a genuine effort to reduce greenhouse gases within the ACT. We are not great emitters. We have a large ecological footprint, certainly, and we need to address that. We need to accept our responsibility, as significant consumers of power, to do all that we can to reduce our reliance on electricity. These are issues that will be addressed in detail in the climate change strategy that I will shortly release.

Schools—closures

MR SESELJA: My question is to the Minister for Education and Training and it relates to the sale of school assets. The ACT ALP 2005-06 platform in relation to government primary schools, high schools and secondary schools states at page 54 that the Labor Party will:

Ensure that the proceeds of any government school assets sold are retained by the education system for the benefit of students.

On 10 May 2006 I asked you whether you would comply with the provision of the platform and you told the Assembly:

I believe that to be a very sound principle. Yes, we would comply with that.

On 18 May this year your colleague Mr Hargreaves said at a media conference that all revenues from disposing of school sites would go into consolidated revenue. Minister, do you stand by the ALP platform and your statement to the Assembly on 10 May 2006 and will you ensure that any proceeds from government school assets sold are retained in the education system?

MR BARR: Yes, I do stand by the commitment I gave to the Assembly. The government is investing a record amount of money in public education. I thank Mr Seselja for raising this issue again; it provides me with the opportunity to provide the Assembly with some more information around the level of the government's investment in public education.

The significant reform process that the government went through in 2006 provided the opportunity to reinvest the largest ever amount of money into public education in the history of this parliament. No other government has ever invested as much money as this government is going to—has already begun doing—in public education. Some of the projects Mrs Dunne has consistently described as throwing good money after bad.

Mrs Dunne: You don't know why you're doing it. You still don't know why you're doing it.

MR BARR: Let me begin by asking: is providing the new hall at Chapman primary school throwing good money after bad?

Mrs Dunne: Is that keeping people in the system? We don't know.

MR SPEAKER: I warn you, Mrs Dunne.

MR BARR: According to Mrs Dunne, yes, it is. Was providing the new gymnasium that was opened at Melrose high school throwing good money after bad?

Mr Stanhope: According to Mrs Dunne it is.

MR BARR: According to Mrs Dunne, yes; according to the Liberal opposition, who have had nothing to say on the major education debates that have faced this community in the last 12 months—

Mr Stefaniak: I raise a point of order on relevance, Mr Speaker. He is sounding like a broken record. He isn't attempting to answer the question, which is about the proceeds of school sales.

MR SPEAKER: I thought he had answered it. Make sure you deal with the subject matter of the question, Mr Barr.

MR BARR: Indeed. The question related to reinvestment of the reform proceeds of 2006 into the public education system, and I am outlining in some detail the range of projects that the government is investing in: \$3.3 million towards the ongoing painting and external maintenance of 17 of the oldest schools in the territory; more than \$1 million—\$1.6 million in fact—as part of the older school upgrade for Campbell high school; \$1.3 million to improve school playgrounds, to upgrade some of the areas where we need to provide a soft-fall surface below play equipment, for example; and nearly \$400,000 just in the first year into a range of key sustainability pilot projects in schools, working particularly with the ANU and a variety of other organisations, working with school communities to improve the environmental sustainability of their school buildings. All of this is possible as a result of the reform process that occurred last year.

We are engaging in a complete transformation of the public education system to ensure that every school facility in the ACT is of the highest possible quality. As I have said before in this place, why we were prepared to accept a lower quality in our school buildings than we were prepared to accept in other public buildings is a great concern. We no longer accept that. Schools need to be upgraded. There are so many projects—pages and pages of them. Every public school in the ACT will be upgraded.

The size of the investment is in the order of \$350 million over a four-year period. In the context of the territory budget, that is a massive investment—and at a time when, over the last five years, we have seen 2,000 fewer students in our system. The demographic changes in our city were such that we needed to make the changes, and we needed to make them in 2006 to ensure that we could invest in the future of our public education system. That is what we are doing; we are investing more than—considerably more than—any of the recurrent savings that are made from operating fewer sites.

We are investing money across the board—money that comes very clearly from the savings that are made from the reduced number of school sites, money that is derived

from consolidated revenue—and very clearly in line with the party's commitment in our platform that any money achieved from any school site is retained within the education portfolio. We have already allocated a significant amount of money—\$350 million—and the process that Mr Hargreaves has outlined is that of course it goes into consolidated revenue first and then it comes out and is spent in education.

MR SESELJA: Mr Speaker, I ask a supplementary question. Due to Mr Hargreaves's confirmation that it will be going into consolidated revenue, how will you demonstrate to the people of the ACT that all proceeds from the sale of assets will be retained in the education system?

MR BARR: Mr Seselja should bother to listen. I will give him this offer: he can come with me to look at every project that we are investing in during the next four years and give it an endorsement that the government is spending the money. If he has the time, he can come with me.

Mr Pratt: Has every dollar gone back?

MR BARR: As I visit more than 100 of our school facilities in the first 12 months of the portfolio—

Mr Pratt: Has every dollar gone back?

MR BARR: If Mr Seselja wants to be there to give his tip—

Mr Pratt: Has every dollar gone back?

MR SPEAKER: Order! Mr Pratt, I warn you.

MR BARR: Mr Seselja needs to see these projects on the ground. If he would like to see where the money is going, I am more than happy. I know he has very little interest in matters education—like those opposite that have nothing to say on any of the major issues. We are still to hear a thing from that side of politics about the federal government's attempt to impose through the budget process HSC or VCE-style external examinations on the ACT. We are yet to see a single thing—a single statement—from those opposite. Again, they are silent on every important matter in education. Consistently, they have nothing to say.

This government will continue to invest record amounts in our school infrastructure. New gymnasiums—every government high school in the ACT will have a purpose-built gymnasium. There are now two left that do not: Stromlo and Belconnen.

Mr Smyth: When?

MR BARR: That investment, as part of the government's—

Mr Smyth: When?

MR BARR: Next year. Look to Tuesday's budget papers, Mr Smyth; I have already made this announcement. Gymnasiums—

MR SPEAKER: Mr Smyth, order! Mr Smyth, I have called you to order.

MR BARR: I have already made this announcement. We opened the new facility at Melrose the week before last. The government will be investing in additional gymnasium facilities for those high schools that do not currently have them.

There is a series of strategic investments in new facilities in public schools—a variety of important upgrades to improve the environmental sustainability of our schools. If there is a clear message from the community, it is that they want to see government take a leading role. Our schools are one of the larger consumers of electricity and water. We have the opportunity, through this significant investment, to provide the resources needed for schools to make the change; to take that leap into providing much more environmentally sustainable facilities.

The advantage that this brings to schools is that it reduces their ongoing expenditures on electricity and water. That money is then able to be invested back into education. It is a clear win for the environment, it is a clear win for our schools, and it is a clear win for education—made possible only by the reform process that the government went through last year. There were significant investments in so many areas of public education to ensure that ACT schools—all ACT public schools—are of a standard that our community would expect and that we are able to see an ongoing process of reform that will deliver benefits in the long term for students in the ACT.

It is not just a one-year program; it is a four-year significant investment program that will see major gains. Those opposite have opposed it every inch of the way. “Good money after bad”—we have heard it time and again from Mrs Dunne. She stands condemned today. It is the first time in five months that they have bothered to ask a question on education. Is it any wonder?

Schools—bullying

MRS BURKE: My question is to the minister for education. Research shows that students with certain disabilities, such as Asperger’s syndrome, are likely to be bullied in schools. What programs does your department have in place to prevent and respond to bullying of students with disabilities?

MR BARR: There is a variety of policies in place. I will take the time that Mrs Burke has afforded me to detail those to the Assembly. As I indicated in an earlier answer, the Department of Education and Training has revised a variety of policies and provided further guidance and direction to schools in promoting safe school environments. There is a series of papers: the providing safe schools preschool to year 12 document; *Countering bullying, harassment and violence in ACT public schools*; *Countering sexual harassment in ACT public schools*; and *Countering racism in ACT public schools*.

These policies require all schools to have practices and programs in place to ensure that students are protected from bullying, harassment and violence. Schools must report instances of bullying, harassment and violence that pose an immediate threat to the safety of students and staff, to the central office of the department. Schools also

use a range of approaches to address bullying. These approaches include restorative practices, something in which I know that Ms Porter has a particular interest, leading a committee inquiry into this issue at the moment; pro-social skills programs to address respectful relationships and appropriate behaviour; and peer mediation and countering bullying programs to address the issue of bystander behaviour and the development of resilience.

Schools generally adopt or tailor programs to fit their school communities. There is a range of established programs, such as Bounce Back, You Can Do It, and M and M Pathways. They are examples of some of the programs commonly in place in ACT schools. Schools also access the “Bullying. No way!” website for ideas and strategies.

The department is currently trialling two new social skills programs in one high school and three primary schools under the titles of PATHS—promoting alternative thinking strategies—and Second Step. These are whole school programs that were evaluated in the United States and have proven to reduce aggression and increase social competency in students. Restorative practices are used in the whole school approach to counter bullying. Restorative practices are seen as a way of promoting non-coercive and non-punitive approaches to challenging and antisocial behaviours in school communities.

This issue, I know, is very topical. Recently, the Prime Minister sought to enter the debate. His statement did not provide a great deal of specifics about how schools were expected to meet the standards that he has set. Nonetheless, as I have indicated in other answers today and previously in the Assembly, these issues are taken very seriously. There is no tolerance of bullying in ACT schools. There is a range of measures and programs in place that are aimed at addressing these issues.

It is impossible, though, with 59,000 students going to ACT schools every day, to assume that there will never, ever be an incidence of bullying in a school in the ACT. That is an unrealistic expectation, just as it is unrealistic for every workplace and every other part of our society. But we do have in place a range of programs and policies. If Mrs Burke is interested in having some more details on the wide array of programs that I have just listed, I would be very happy to provide her office with a briefing or some further reading material. I would certainly encourage Mrs Burke to look at the variety of programs and the particular websites that are available. In all of these programs we do not seek to discriminate between students with a disability and students without.

Mrs Burke: Oh!

MR BARR: Mrs Burke, these programs meet the needs of all students.

Mrs Burke: One size fits all.

MR BARR: These programs meet the needs of all students, Mrs Burke. I understand the point that you are seeking to raise here.

Mrs Burke: I don't think you do.

MR BARR: I do, Mrs Burke. Trust me; I do. The point is that there is such a wide array of programs and practices. These are issues that are taken seriously by school boards, by school principals and by whole school communities. Again, what we are seeing here is some sort of underhanded attempt to say that there is a massive crisis in public schools.

Mrs Burke: No, we are not saying that.

MR BARR: That is the message I am hearing, perhaps from other channels, but we know what is going on.

Mrs Burke: You hear what you want to hear.

MR SPEAKER: Order, members! This is not to be a conversation.

MR BARR: We know what is going on. We have a wide variety of programs in place. We are always looking at new measures. But what we have to face up to as a society as well is how much children are mimicking the behaviour of adults. That is a responsibility that is broader than just schools. It is a whole of society issue. If we seek to throw all of the responsibility onto the schools, we are not doing society a favour. We all have a responsibility here and, as adults, we should be involved in it.

MRS BURKE: I look forward to a specific briefing on specific—

MR SPEAKER: Come to the supplementary question, Mrs Burke.

MRS BURKE: programs for students with disability. What impact, minister, has the closure of schools had on the bullying of students with disability?

MR BARR: There have been a variety of responses to my office in relation to some of the changed arrangements; for example, the move of autism units and other support units from Rivett primary school into a new environment at Duffy. Those reports have been universally positive: the facilities and programs at Duffy are at a level so far above what was available at Rivett. I have even had a number of parents say they feel like traitors to their Rivett community for saying that the programs are better at Duffy. But they acknowledge they are and that the change has been positive.

We have invested a significant amount of money in providing the best environments in our schools to ensure that the issues and the concerns that Mrs Burke has raised do not occur. Of course, again it is not possible for any minister or any government to stop any bullying from occurring, ever. That is unrealistic and effectively setting the benchmark so high as to ensure that anyone will fail to reach that goal. But what I can say with surety is that the staff in the receiving schools, my department and all of the agencies that provide support within ACT public schools have done an outstanding job in managing the transition of students into new environments.

We have sought to create better environments—that is acknowledged—and that is certainly the case in the change from Rivett to Duffy. There are a number of other examples throughout the public education system. It is something we take very

seriously. We have provided additional levels of support in terms of counselling and other services to ease the transition. But it has been very positive and the new school environments are a considerable improvement on what was available previously. Schools overall are benefiting from the reforms of 2006.

Health—acute care

MS MacDONALD: My question is to the Deputy Chief Minister, Ms Gallagher, in her capacity as minister for health. Minister, could you update the—

Mr Mulcahy: I seem to know the question.

MS MacDONALD: Sorry, Mr Mulcahy, were you wanting to say something?

MR SPEAKER: Never mind Mr Mulcahy; just come to the question. Order, Mr Mulcahy!

MS MacDONALD: Minister, could you update the Assembly on recent investments the ACT government has made in acute care in the ACT health system?

MS GALLAGHER: I thank Ms MacDonald for the question. Since coming to government, the Stanhope government has committed increased investment in renewal of our health system. In fact, we have seen a 60 per cent increase in the health budget—over \$250 million. The increases have meant more beds, more nurses, more doctors, more elective surgery, more mental health services, more cancer services and more public dental services.

In the past two weeks, the government has opened the medical assessment and planning unit at the Canberra Hospital, which is the latest demonstration of our improvement in access to health services for the people of Canberra. This new investment, at a cost of almost \$3 million per annum, includes a 14-bed unit to streamline admission and intervention processes, facilitate early consultant review and expedite multidisciplinary review. The purpose-built unit—built at a cost of over \$1.25 million—will provide a much better environment for complex medical patients to have their diagnosis confirmed and treatment commenced.

The MAPU is designed as a short-stay ward, specifically staffed and equipped to receive medical patients for assessment, care and treatment. The type of patient who would be targeted for the MAPU is someone who presents to the emergency department who may have previously experienced an extended wait in the emergency department while they had their complex medical history assessed and reviewed by a number of different health professionals. Instead of waiting in the emergency department, staff from the MAPU attend the emergency department specifically seeking out this type of patient and ensuring that they can get them into a ward setting and have the processes of review and diagnosis undertaken in a much more comfortable environment.

We are hoping that the MAPU will enhance the capacity of the emergency department by ensuring the early transfer of these patients out of the emergency department and into a ward setting. Evidence shows much better long-term outcomes if patients are

moved quickly through the emergency department and, if they are to be admitted, admitted into the hospital system.

In relation to access to acute care services, the MAPU brings the government's continuing investment in beds in our hospital system to 126 extra beds. These are a range of beds funded over a number of years. There are acute care beds and critical care beds but there are also subacute beds and transitional care beds. We provided 20 extra beds in the 2004-05 budget, 45 beds in the 2005-06 budget and 61 additional beds in the last budget—bringing the total to 126 extra beds over the three years.

We will continue to lease beds from the National Capital Private Hospital to ensure that we can meet the needs and demands of the health system. The previous opposition spokesperson for health said that we were opening theirs and closing others. We are not. Our contract with the National Capital Private Hospital will continue. From time to time, particularly over the winter months when there is pressure on the hospital for beds, we will have those beds available to us and use them as required.

In relation to these 14 new MAPU beds, already I am hearing about the success of the MAPU—that it is providing exactly the right type of solution to what had previously been a complex issue about where very complex, often elderly, patients went within the hospital. They are now moving through the emergency department. I understand that we have not had any bed blocks since the MAPU opened and that the MAPU is being well used and is meeting its short-stay criteria. That is, people are coming in and then moving to other areas of the hospital once their diagnosis and treatment options have been confirmed or returning home with whatever supports they require.

I look forward to the continued success of the MAPU. We will continue to focus on access to acute care. It is an area of growing demand. This government will need to continue to address that demand in future budgets.

MS MacDONALD: I ask a supplementary question. How does this contrast with previous investment in the ACT health system?

MS GALLAGHER: It is interesting to look at the extra beds that have come into the health system. I actually asked the health department to have a look at this, to go back over previous years so that I could get a grip on where all the beds were going and where they had gone in the past. I asked them to tell me why we had fewer beds a couple of years later than we had in, say, 1995.

It is interesting to look at the data published by the Australian Institute of Health and Welfare every year. There is quite a history to the number of beds in the ACT, and I can see why Mr Smyth's preoccupation with 100 more beds overwhelmed him at the last election. He has not been able to remove himself from that number. I guess it was a question for me, too: why was there this obsession with 100 more acute care beds and no other health policy to speak of?

So we went back and had a look. In 1996, following the election of the Carnell government—this is all published data and it is available from the Australian Institute of Health and Welfare—there were 784 available beds that year.

In the next year there were 768, so that is a little decline. The year after that there were 710. The year after that there were 675. In 2000-01, it was a little bit up, to 680. When Humphries took over as Chief Minister, we hit the all-time low of 670 beds. When you take the lowest point from the highest point, 110 beds went missing over the term of the Carnell-Humphries government—100 beds! Over the past few years Mr Smyth has been wracked with guilt. He just wants to replace the 100 that were taken out. This is not 100 new beds; it is the 100 they removed. One hundred acute care beds were lost from the system.

The story then improves through the investment that the ACT government has made, with the number back up to about 714. The data indicates that it is just over 700. We will see those numbers increase as all the beds that we have currently funded come online. So the history of beds is that 110 beds were lost under the Liberal government. This government has been investing and we are back up to 126 extra funded beds.

We will have to do more. We can see the guilt, but you probably need to move on, Mr Smyth. We have addressed your problem. We have replaced your 110 missing beds. It has taken us some time, because it does take some time to commission beds, but you need to move on and think of a new health policy. At least the new shadow needs to think of a new health policy. You should accept that we have fixed the problem. We have replaced more than your 110 missing beds. We have added 126, and there will be more to come.

Schools—closures

MR PRATT: My question is directed to the Minister for Education and Training. The ACT government's Towards 2020 policy saw the closure of many ACT schools last year, resulting in many students having to change schools. Transition payments were promised for all students moving from closed schools to another ACT government primary school. Minister, why did some families not receive their transition payment for many months after the commencement of school this year?

MR BARR: I thank Mr Pratt for joining the education revolution. What are we seeing today? We have had nothing for five months and then it is five questions in a row. I thank Mr Pratt for his interest in transition support and for drawing again to the Assembly's attention the fact that the government provided \$750 in transitional assistance to each student who was affected and required to move to a new school.

Mr Pratt has identified that a number of students—I think it was about 560 to 600 students—were affected in this first year of the process. It is a figure of that order. Yes, it is just under 600. Parents were provided with the opportunity to apply for transitional assistance.

Mr Pratt: Why were they late?

MR BARR: The criterion for the transitional assistance required confirmation of enrolment at another ACT government school, not just a primary school; if you were in a high school that was affected, such as those at Kambah high for the end of this year, it could mean transition to a high school, but largely for 2006 into 2007 it was primary school students.

Upon confirmation of enrolment at another ACT government school and the receipt of the application from the parent on behalf of their child, that was processed and the money was paid. My advice from the department is that around 600 payments have been made. There were some delays because there was a requirement to have confirmation of enrolment in another ACT government school. Where there were cases of hardship and the principal of the receiving school certified that the student had enrolled, we did provide that money in advance, but most parents were happy, upon confirmation of their child's enrolment in another ACT government school, to receive that money.

As far as I am advised by the department of education, with a couple of exceptions for people who sought to access the money to pay private school fees or to enrol in New South Wales, nearly all of the applications that were made have been accepted and processed. Those who met the criteria have received their \$750 transition payment, as the government advised they would.

MR PRATT: I have a supplementary question, Mr Speaker. Minister, can you assure the Assembly that families eligible for the transition payment over the coming years will have received their payment before the commencement of school?

MR BARR: No. The criterion for the transition funding is that confirmation of enrolment in another government school must be received.

Mr Stanhope: Which is quite reasonable.

MR BARR: That is quite reasonable, as the Chief Minister says. I can advise that 705 applications have been received, so some people who were anticipating a change at the end of 2007 have already provided that information to the department and, following confirmation of their enrolment in another ACT government school, that transitional assistance will be available. More than \$500,000 has already been directly provided to families who were affected by a school closure at the end of 2006. The government is absolutely clear that the transition payment of \$750 for any affected child is available provided the student enrolls in another ACT government school.

Schools—sports facilities

MR SMYTH: My question is to the minister for sport and recreation, who is also the minister for education. Minister, recently you and I attended a valuable forum on the importance and benefits of sport and recreation in education. Today we attended another meeting in the luncheon break at which approximately 200 other interested individuals heard of the reduction of watering of playing fields in the ACT. Minister, what impact will the impending wholesale abandonment of playing fields, in particular school playing fields, through the reduction of watering have on students of the ACT in both the government and the non-government sectors?

MR BARR: Undoubtedly, as was discussed at the forum today, a large part of it before Mr Smyth's arrival, these issues present a major challenge not only to sport but also to schools in the government and non-government sectors. Perhaps fortunately for a number of schools, they have the ability to move sporting activities and physical

education classes into indoor facilities. They do as a matter of course through the Canberra winter, generally speaking.

Mr Stefaniak: They are not playing Aussie rules, rugby league and rugby union in there.

MR SPEAKER: I warn the Leader of the Opposition.

MR BARR: That is true, Mr Stefaniak, but the issue is one that this jurisdiction and virtually every other jurisdiction in Australia, except perhaps the Northern Territory, is facing. Severe water restrictions will have an impact on sporting facilities. What we learned—as Mr Smyth would understand, as he did attend for the full day the forum that Sue Campbell and Steve Grainger spoke at—is that these issues are confronted, perhaps in slightly different circumstances, in the UK, whereby their fields are waterlogged and useless for six months of the year, but they adopt different techniques. They look at different ways of delivering physical education within schools. We will have to be innovative. I have said that from the outset.

One clear thing that we do need to do is to continue to provide first-class gymnasiums for our schools and indoor sporting facilities, playground upgrades—all of the things that come as part of the reform process of last year. Had we not undertaken that, Mr Smyth, we would not be in a position to respond to these issues. That means upgrading playgrounds within schools. It means upgrading the available synthetic, concrete or other surfaces so that some sporting activity can take place, be it basketball or netball. There is a range of sporting activities that can occur outside of a playing field. We will have to conduct more physical education of that variety than—unfortunately, Mr Stefaniak—we will be able to of rugby and AFL, for example. That is unfortunate. We would all like it to rain.

MR SPEAKER: Order! Direct your comments through the chair, please.

MR BARR: I am sure there is tripartite support, Mr Speaker, for there to be some rain and for us not to have to face these issues, but we will work within the public school system and with non-government schools. I had a long discussion about physical education in non-government schools with the Non-Government Schools Education Council only about 10 days ago. We discussed the new curriculum framework and how we can improve the quality of physical education in our schools, and that is across the board—public and private. We need to see greater emphasis on quality in physical education.

The biggest challenge, I think, is around specialist physical education teachers. That is where we face the biggest challenge. We have difficulties in some areas, particularly the primary school sector, in attracting qualified physical education teachers. We need to address that through the University of Canberra, through our teacher training programs. But, where schools are too small to have within their own staffing arrangements a specialist PE teacher, we also need to look at the possibility of clustering, of schools sharing a fully qualified physical education teacher. I think we need to take some steps to revitalise school sport.

I have raised this issue, again, with the non government schools council and the parents and citizens as well as with the public schools through my department, through the department of sport and recreation, but we will have to change our approach a little from what has been the traditional model. We are somewhat used to this because the Canberra winter does not always lend itself to outdoor sporting activities for a large part of the school year. So we need to invest in new gymnasiums and we need to continue that process of high-quality physical education, using the facilities that we have available.

MR SMYTH: I have a supplementary question. Minister, with more than 13,000 students enrolled in the Catholic education system, why was the Catholic Education Office not consulted about the new regime until it received an email yesterday inviting it to today's forum?

MR BARR: The issue here is in relation to this particular forum. They were invited.

Mr Hargreaves interjecting—

Mr Seselja: At the eleventh hour.

MR SPEAKER: Order! Mr Hargreaves and Mr Seselja.

MR BARR: The previous consultations in the sport and recreation portfolio focused on sporting groups. There was the sport and drought seminar that we held at the University of Canberra a number of months ago. I did not see Mr Smyth there; he was not particularly interested in the issue then. When we held that forum—

Ms Gallagher: He's been briefed. He's been freed up.

MR BARR: He has? He now has more time on his hands to focus on sport?

Ms Gallagher: Yes.

MR BARR: I welcome that attention from Mr Smyth. It is important that there is a bipartisan approach to this. This issue is too important for Mr Smyth to play political games with. It is too important for that. It is clearly an issue—

Opposition members interjecting—

MR BARR: Mr Speaker, I know that he cannot help himself. I know that he sees this as an avenue back to the leadership of the party. But this issue is too important to play political games with. I have undertaken a variety of consultation processes through the sport and recreation portfolio and also through the education portfolio. I discussed with the Non-Government Schools Education Council, which includes representatives from the Catholic Education Office, at my most recent meeting, not only the physical education in schools forum—which you and I both attended; we discussed this issue and I discussed my desire—

Mr Smyth: What did the non-government teachers say?

MR SPEAKER: Order! Direct your comments through the chair.

MR BARR: Through the Non-Government Schools Education Council, I discussed my desire for us to have a look across the education sectors at the quality of physical education programs. I said—I stated this very clearly, and I state it now for the Assembly—that the non-government schools, in a number of instances, have better programs than what is on offer in public schools. I said that I was interested in looking at some of their programs to see if they could be more broadly applied.

Through the collaborative process for the new curriculum framework, which has involved the Catholic Education Office as one of the major players in this curriculum renewal process, we have a renewed focus on physical education in schools. This has been a major part of the process that Ms Gallagher began back in 2003. Consultation around physical education in schools and the issue of drought and how we will respond across the board—

Mr Smyth: That is not what I said. I talked about ovals.

MR SPEAKER: Order! Mr Smyth.

MR BARR: —has been the subject of ongoing conversations. We have talked about school sport. We have talked about the Pacific School Games and a range of options and opportunities that are coming forward for both the government and non-government school sectors.

In relation to the concerns that have been expressed by the Catholic Education Office through Mr Smyth—alleged concerns; they are yet to directly contact me—I will take the matter at face value. I perhaps should not. I am being generous in taking the concerns that Mr Smyth says are there as genuine. I will take it that they are. We will continue, as we have today. If Mr Smyth had been there—which he was not—in time to see the process of consultation that is occurring over the next six to eight weeks around the specific issue of stage 4 restrictions, he would have seen that there is an extensive process that will involve all of the key stakeholders.

Once again, for the sake of some relevance, to try to catch up in this debate, Mr Smyth recently showed concern about the sporting community—concern never before seen. Suddenly this morning on radio—

Mr Smyth: Not true.

MR SPEAKER: I warn you, Mr Smyth. There are not many left to go now.

MR BARR: He determines that there is a climate of fear and that the world is about to end. Utter rubbish!

Mr Stefaniak: There is a climate of fear.

MR BARR: There has been an extensive consultation process. There will continue to be. These issues about the drought have been front and centre for the Australian population for years. For Mr Smyth to say that no-one knew that—

Mr Stefaniak: I told you how to solve it in 2003.

MR SPEAKER: I name you, Mr Stefaniak.

Motion (by **Mr Corbell**) put:

That Mr Stefaniak be suspended from the services of the Assembly.

The Assembly voted—

Ayes 8		Noes 7	
Mr Barr	Mr Gentleman	Mrs Dunne	Mr Seselja
Mr Berry	Mr Hargreaves	Dr Foskey	Mr Smyth
Mr Corbell	Ms MacDonald	Mr Mulcahy	Mr Stefaniak
Ms Gallagher	Mr Stanhope	Mr Pratt	

Question so resolved in the affirmative.

Mr Stefaniak was therefore suspended at 3.44 pm for three sitting hours in accordance with standing order 204, and he accordingly withdrew from the chamber.

Schools—bullying

MR MULCAHY: My question is to the minister for education. Recently a former New South Wales government school student received a payout of around \$1 million as a result of government schools in that state failing to take appropriate action to stop bullying. In light of some recent celebrated so-called cyber bullying incidents in the ACT, can you assure the ACT Assembly that the territory and its taxpayers are not exposed to like actions as a result of the absence of adequate controls in the ACT education system?

MR BARR: Yes, it was an interesting decision in New South Wales. Along with all education systems, the ACT is concerned about the impact of bullying and harassment on students' learning. The recent case in New South Wales does highlight the responsibility education systems and schools have to ensure that all students are protected, that reasonable measures are taken to maintain safe schools and that parent concerns are addressed.

I am pleased to advise the Assembly that the revised policies of the Department of Education and Training provide that clear direction to schools: that bullying must be addressed and reported. As I outlined in response to Mrs Burke's question, a variety of policies are in place. They come under the four key policy papers: the safe school environment, preschool to Year 12; the countering bullying, harassment and violence in ACT public schools policy; the countering sexual harassment in ACT public schools; and countering racism in ACT public schools.

I state again that these policies require all schools to have practices and programs in place to ensure that students are protected from bullying, harassment and violence. Schools must report to the central office of the department instances of bullying,

harassment and violence that pose an immediate threat to the safety of students and staff. Issues—such as the ones that have been in the *Canberra Times* recently—that are out-and-out assaults occurring on school grounds are appropriately referred to the police.

MR MULCAHY: Mr Speaker, I ask a supplementary question. Minister, what studies or surveys have been undertaken in recent years in relation to bullying in ACT government schools?

MR BARR: There have been a variety of such studies and work undertaken. “Studies” is perhaps not the best term to describe it but a variety of measures and programs are in place. Some have been trialled across different schools and different settings. A school-based management system and the rights of school boards to set individual policies within the broader education framework provide the opportunity for schools to tailor packages to meet the needs of their individual communities. So there are a variety of programs in place.

I particularly want to highlight the restorative practices that are being run. In particular I would like to highlight the work of the Charnwood-Dunlop school, which has received some media interest. There were significant issues at that school only four or five years ago that have been turned around in a most magnificent way by the school community as a result of instituting restorative practices. That was as a result of consultation with the school community and of discussions at a school board level and a parents and citizens level.

If you are talking about “tick a box” survey work, I will have to take that part of your question on notice. I am not entirely sure whether there has been that level of survey carried out but I do know that within school communities these issues have been addressed at a board level and at a P&C level. So to the extent that parental opinion and student opinion within a school is sought, yes that does occur. But whether it is in the form I think you are getting at in terms of ABS-style data surveys, I am not entirely sure. I will have to take that part of the question on notice. But I am certainly aware that school communities go to great lengths to address these issues from the smorgasbord of policies and programs that are available and the best practice that occurs in Australia and around the world. They are looking to apply policies that work effectively in individual schools. There are some fantastic examples.

I would encourage Mr Mulcahy to have a look at the transcripts of some of the hearings from Ms Porter’s committee which is looking at just these issues, particularly around restorative practices. They are working very effectively, and none more effectively than at the Charnwood-Dunlop school. The fantastic turnaround that has been achieved is testimony to the principal at that school, to all of the staff, the school board and the school P&C. It has been an amazing effort. They have completely turned that school around and they are seeing fantastic enrolment growth. They have a fantastic school—one that the ACT government supports very strongly.

Policing

MR GENTLEMAN: My question is to the Minister for Police and Emergency Services. Minister, can you inform the Assembly of progress on implementing the

ACT government's \$28.7 million 2006-07 budget initiative to deploy 80 additional police to the ACT streets by 2008?

MR CORBELL: I thank Mr Gentleman for the question. Yes, I am pleased to advise the Assembly that the initiative to roll out an additional 60 police officers that was funded in last year's budget on top of another 20 that had been funded in a previous government for the same period is now well underway. This will bring the total number of police recruited through funding by this government since our election in 2001 to 107 officers, which is one of the largest increases in community policing in the ACT since self-government.

The government provided just over \$28 million in last year's budget to fund 60 additional police officers. That came on top of funding in the previous budget of an additional 10 officers funded for 2007-08 and an additional 10 in 2008-09. This coming financial year will see the single largest implementation in terms of police numbers from those budget initiatives. In 2007-08, 43 additional police will hit the ACT streets as a result of this government's funding commitments. I am pleased to say that the recruitment processes for these additional police are already well underway.

We already have two recruit intakes currently being trained at the AFP college in Barton. They will be dedicated resources for ACT community policing. That is 30 people undertaking those recruit training processes. They are expected to graduate in July this year; so in the next month or so.

The remaining 13 positions to be recruited and trained this year will be recruited through what is called a lateral intake process. That will be through the recruitment of police who are moving or who are from other jurisdictions. So this is a very significant increase in the number of police on the streets in the ACT.

I think it highlights, too, the hypocrisy of the Liberal Party's position when it comes to policing in the ACT. I recall that when we made the announcement of 60 additional police in last year's budget, the comment from a previous Liberal staffer was, "We thought it was a big deal—

Opposition members interjecting—

MR CORBELL: He worked for the Chief Minister of the time. He said, "We thought it was a big deal when had five extra police to announce in our budget. We thought it was a really big achievement and we sold it like nothing else." I am referring to the former media adviser to the former Chief Minister.

The government has delivered a really substantial commitment to ACT Policing—not five, not 10, not 15 or 20, but 60 extra police in last year's budget. And that comes on top of 20 funded in the previous budget. There will be 89 additional police by 2008, bringing the total to 107 extra police since 2003-04. That is a significant net gain. The net gain is 107 police. That brings the ACT Policing's establishment to 872, which is a significant increase. We know these police are needed and we are taking the steps and putting our money where our mouth is to deliver them.

What does it mean? It means extra patrol resources 24/7 in the north and south regions of Canberra. It means extra patrol car strength for both those patrol districts. It also means more capacity to respond to the category 2 and category 3 incidents where people do not need to see the police straightaway but do need to see them within 24 or 48 hours of reporting a particular incident or event. This gives our police the capacity to do that better, more often and in a more timely way.

The government remains committed to improving community safety in the ACT. This is a very important part of making it happen.

Mr Stanhope: I ask that all further questions be placed on the notice paper.

Federal budget—impact on ACT economy

Debate resumed.

MR SMYTH (Brindabella) (3.56): It was interesting to hear earlier from the Chief Minister about the federal government cutting back on health funding. He sets a percentage and says that the percentage seemingly is set in stone and cannot change. I think members would be more than interested to know the progress of health spending over the last couple of years by the federal government. When Tony Abbott says that he has been the best friend of Medicare, he is not joking, because what you will see over the three years from the 2005-06 financial year to the 2007-08 financial year is not a cutback in spending on health; you will see an additional \$5,898,000,000 for health—let me say that again: \$5,898,000,000, an additional 15 per cent—from the federal government. That is not a cutback. That is a mammoth endorsement of the federal government's support for the public health system in this country.

Let us look at education. In 2005-06, they spent they spent \$20,035,000,000 on education. In 2007-08, they will spend an additional \$1.663 billion, up to \$21.698 billion, an increase of eight per cent. Those are not cuts. Those are not illusionary. That is not fiddling with the figures, as Mr Stanhope continually does—to quote the quote “lies, damn lies and statistics”—to try to portray the federal government as having reduced funding on health and education. They have not. The Chief Minister should stand up and acknowledge the 15 per cent rise in health funding and eight per cent rise in education funding. That is something that should be acknowledged.

The Chief Minister has moved an amendment. The Chief Minister wants to cut off the motion at the end of the first page of the notice paper because he does not want to acknowledge the facts. How can you delete a fact that says that the Howard government has delivered 10 consecutive budget surpluses? Why would you? Is it surplus envy? Is it the fact that you do not want to give credit where credit is due? Having grown the economy and given tax cuts, they have still managed to deliver 10 consecutive budget surpluses, unlike the budgeting for a deficit approach of the Stanhope Labor government. Indeed, in contrast to the \$10.6 billion surplus of the latest federal budget, the 2005-06 ACT budget recorded a deficit of \$162.3 million, as outlined on page 9 of the ACT's 2006-07 budget paper No 3, Jon Stanhope's own facts. I am not sure why you would want to delete reference to your record, Chief Minister, unless you are embarrassed by it.

Paragraph (1) (e) of the motion is again the truth. It says that whereas the federal government is lowering taxes for ordinary Australians—a fact, and they have done so again—in the last ACT budget taxes increased. That is true. Why would you want to delete that from this motion, unless you were embarrassed by the truth? Paragraph 1 (f) says that the ACT government continues to receive higher than forecast returns from the GST. Again, that is a fact. Why would you want to delete that fact unless it highlights your ineptitude and financial mismanagement in squandering the additional revenue of the tax reforms and the economic reforms that the federal government have put in place and you are embarrassed by that?

I would have thought that the Chief Minister would have liked paragraph (2), which says that the Assembly joins with the Chief Minister in welcoming the Howard government budget. Why wouldn't you want us all on your side, Chief Minister? Why wouldn't you want to send a message that we as a united Assembly, at least for once, agree with our Chief Minister? No, we cannot have that. It is snide. It is picky. We have to get rid of all these references.

And so it is with the rest of the motion. Paragraph (3) commends the Australian government on its commitment to sound fundamental economic policies. It is interesting that federal Labor says, "You are just riding on the back of the resources boom." If a resources boom is going on and it is worldwide, why are other economies looking at our federal economy with envy and saying, "How are you doing that?" How is it that we have survived the collapse of HIH and Ansett, the Asian meltdown, SARS, and September 11? We have come through all those because of the sound financial practices of the federal government. (*Time expired.*)

MRS BURKE (Molonglo) (4.01): I will be speaking to the motion and to the amendment. I am very pleased to stand and speak to this motion today. The first thing I would have to say is that, as Mr Smyth was saying, the Chief Minister really does not want to acknowledge the federal government. It seems that we do have a very double-minded Chief Minister, because I am sure I heard the Chief Minister stand up and say at the federal budget breakfast I was at that it was a good budget for the ACT. It seems that today we have got somewhat of a backflip, that he wants to delete all the good stuff that he agreed with earlier as he just cannot bring himself to agree with it today, despite the very handsome spin-offs from the excellent management of the Australian economy by the Howard government.

I will read out the amendment, which is interesting. It "commends the ACT government for its commitment to responsible financial management that will ensure the sustainable delivery of high-quality services to the people of Canberra". Mr Temporary Deputy Speaker, I would put it to you and to members that it is about two very different things. Commitment is one thing and delivery is another. Saying is one thing and actually doing it is a totally different thing.

I move on to an article in the *Canberra Times* in relation to the Chief Minister's comments about his forthcoming budget. It would seem to me that the Chief Minister is playing good cop/bad cop with himself. I quote from an article by Cathy Alexander entitled "No budget ogre this year, vows Stanhope":

Chief Minister, Jon Stanhope has promised not to play “the ogre” in the upcoming ACT budget—unlike last year.

The article went on to say:

Mr Stanhope said he had to be “the ogre” and expose himself to community odium last year. He said there would be no repeat of the razor-gang approach to finances this time around.

I think that is interesting. Much has been said today in regard to the paragraphs (1) to (3) of the motion. I will therefore try to restrict most of my comments to paragraph (4), which calls on the ACT government similarly to commit to sound economic management, to seek to reduce the tax burden on the people of Canberra by lowering the cost of government in the ACT and to reduce the number of nuisance taxes in the ACT. The shadow Treasurer is continually berated, inaccurately, by the Chief Minister. Clearly, we can see something that he cannot; that is, efficiency, working more openly and transparently, and doing things more effectively with what you have got.

Leading on from what my colleagues have been saying in this place today, I find it difficult for the ACT government to justify that its economic management principles are sound. In fact, I would go further and say that it has a very weird perception, to my mind, of the true priorities for the everyday needs of all Canberrans. Looking at the portfolio areas for which I am the shadow minister, I believe there is a real opportunity to make additional cost savings in areas such as administration and logistics associated with delivering essential services such as health, housing and disability services.

As the shadow Treasurer has pointed out, there is certainly more room for a more efficient public service. I do not know about other members, but I talk to public servants a lot and, by their own admission, they will tell you that it is embarrassing a lot of the time to see people just sitting there running businesses from computers in offices and walking around with clipboards, as the old expression goes, simply wasting time. Why are we not on top of that? Why is this government not looking into its public service and the effectiveness of what is happening within the system? That is one really good area. In fact, Mr Mulcahy called for tax cuts and said that they could be balanced by spending cuts from having a more efficient public service.

Sound economic management sometimes does require very difficult decisions. It is a key component of good governance, something the territory desperately needs at a time when we are seeing budgets in deficit, thus requiring a significant shift by the government to deliver us back into surplus. What we have here is a government in denial that it is awash with cash from all the areas that we have spoken about many times in this place—the GST, land sales et cetera. I could go on and on. We hear about it day in and day out when we sit in this place.

Surplus budgets surely must allow governments to expend more funds on essential services, something the Stanhope government has always indicated it would do. In fact, that is what it is saying in its amendment it is going to do. It is saying it is going to focus on essential services—commitment, delivery. We have yet to see it, I fear.

The way this government expends funds that it does not have on vanity projects provides Canberrans with the evidence needed to show that their government, it would seem, is committed to expending taxpayer funds on anything other than people.

I say “people” because it is difficult to understand how the Stanhope government can explain to the electorate its justification for expending tens of millions of dollars on fanciful projects at a time when we can least afford them. In particular, I am talking about the arboretum. Leaving aside the water issue, let’s look at the sheer practicalities of spending this amount of money on such a project. As I have said, it would be obviously far more beneficial at this point in time to plough these funds into reducing access block, for example, in our hospitals and on chronic disease management. I see that the federal government have very much highlighted that and pumped money into the system, Ms Gallagher. We may talk about the dental program soon.

Ms Gallagher: Yes, we will.

MRS BURKE: Are you are saying they are wrong and that you do not like \$5,898,000,000 being pumped into the federal health system? I think that that is an interesting notion from the health minister. Will this government commit to providing more individual support packages to improve the quality of life of people with a disability or to offering more appropriate forms of housing options to Canberrans in need of housing assistance? They talk a lot about that but, again, do nothing.

Mr Speaker, it is our obligation in this place to remind all Canberrans that the territory continues to do exceptionally well in economic terms from the programs or initiatives delivered, not so much by the local government, but by the Howard government. The Howard government takes its budget and estimates processes and reporting seriously.

Ms Gallagher: Oh, yes!

MRS BURKE: They do, Ms Gallagher. It seems that the ACT Treasurer, through his absence for the first week of the forthcoming estimates committee hearings, does not. I think we really have to take a long, hard look at why this government is in denial. Unlike the Howard government, which clearly has people at the heart of its economic decisions, the Stanhope government is continually focused on personal projects and wasting taxpayers’ money. We can see from the complaints we get—I am sure the government have done their own polling and are getting the same message—that we are paying more and getting less.

The growth in the ACT could only be attributed to the excellence in economic management of the Howard government creating jobs, creating wealth and creating infrastructure projects. My final point, which is a very important one, is that when the Stanhope government runs out of money due to poor financial management, what does it do? It cries poor. What does it do then? It expects the commonwealth to cough up the funding to cover its financial ineptitude.

MRS DUNNE (Ginninderra) (4.09): This is an important motion in the run-up to the ACT budget next week, keeping in mind that this government had held off its budget this year ostensibly so that it could find out what goodies were in store for it in the

federal budget. It seems that again we have the churlishness of the Stanhope government. They are so churlish when it comes to non-government motions in this place on private members' day that, even when there is a motion that commends the Chief Minister, if the words are not their words, if they are the opposition's words, they cannot possibly use them and have to amend them, even taking out congratulatory words.

The small-mindedness of the Stanhope government when it comes to opposition and private members' business is quite telling. It cannot stand to have any proposal put forward by people who are not part of the ALP. What we have here today is a pretty straightforward motion that calls for financial responsibility, but in the process it actually congratulates the Chief Minister on some of the things that he has done. He cannot even bring himself to congratulate himself because he thinks there might be a trap in it and the wicked Liberal Party is going to do him in, come what may.

The whole thing with the budget, as my colleagues have dwelt on at great length, is that it is about sound financial management year on year, which is hard work. It is about keeping your eye on the ball. I noticed in an address today by the Hon Andrew Robb in relation to vocational training some of the things that he said about the constant slug of sound financial management. He said in his speech today:

A successful company does two things; it pays a healthy dividend to its shareholders, and it takes from the profits and invests in the future. An unsuccessful company pays little or no dividend because they don't have profits to distribute and they borrow to keep the company afloat.

In 1996 the Howard government took over an unsuccessful business with little or no dividends being paid, and a \$96 billion government debt requiring yearly interest repayments of \$8.5 billion. Yet, today we are paying Australians healthy dividends and investing heavily in the future.

Just as the creation of a highly successful mining company doesn't come easily, so too the key measures that have enabled the economy to be in such strong shape—the tough fiscal measures to pay off that \$96 billion debt, the budget reforms, the waterfront reforms, the tax reform, the workplace relations reforms, the superannuation reforms, the Future Fund, independent contractor legislation—

the list goes on—

have been very hard fought.

Getting the economy in order and keeping it in order is a hard fought business. But what we have here and what we have seen in successive years of Stanhope government is profligacy. What we had with the previous Labor government, which Mr Stanhope took great pains to avoid talking about this morning, was profligacy. When the ACT was set up, the commonwealth gave us money in the bank. When Kate Carnell became the Treasurer in 1995, not only had all that money disappeared from the bank, but also the operating loss for that year was \$344 million. When they put together the budget soon after the 1995 election the operating loss, courtesy of the Follett government, was \$344 million.

What we had after that were years of hard slog, taking an operating loss, which was at that time about a quarter of the entire budget, and turning it round into a surplus by the time of Gary Humphries's second budget. It was only a small surplus, a \$6 million surplus, but to take us from losing a quarter of the budget every year and turning it into any sort of surplus in that short period of time, those six years, was a phenomenal effort. What we see today is that by any reckoning, except Jon Stanhope's reckoning, we have been in deficit year on year while he has been the Chief Minister, while he has been the Treasurer and while he has let his departments, his officials and his ministers run riot and waste money.

We had him this morning talking about record levels of spending on education. Yes, there has been a lot of spending on education, but let's put it in context. The Howard government has provided record levels of spending on education since 1996. Federal funding for state schools has increased 70 per cent in real terms since 1996, while enrolments have increased by only 1.2 per cent over the same time, and 76 per cent of students go to state government schools and receive 75 per cent of total taxpayer funding.

Ms Gallagher: That is because the states fund them.

MRS DUNNE: The Australian government's recurrent funding of public education has been linked to state government funding by the same formula since 1985. Therefore, the more that state governments spend in their schools, the more the commonwealth automatically increases funding to those states. If Mr Barr is correct and we are spending unprecedented amounts on government schools in the ACT, he will see unprecedented amounts of commonwealth grants for education to match the fact that he is spending unprecedented amounts.

In addition to that, the Australian government provides funding for specific purposes, such as the \$1.2 billion for investing in our schools, two-thirds of which goes to government schools and the other third goes to non-government schools, and the \$1.8 billion for literacy, numeracy and special learning needs programs. In 2006, the Howard government increased total funding of state government schools by 11 per cent, while state governments increased funding, on average, only by 4.9 per cent. It was higher in the ACT than that but, generally speaking, the states and territories are sitting on their hands and taking money from the commonwealth and then complaining when they get it.

What we had here today was Mr Stanhope saying that the ACT government is spending unprecedented amounts on ACT government schools. While we are doing that, while we are spending more money, there are fewer people in our schools. There are many fewer people. Part of that is due to the demographic shift which Mr Barr talks about. There are fewer people in the schools because the cohort of people five to 19 is just getting smaller through demographic changes.

The other thing that we have been seeing over the last 10 years is that there has been a 1.3 per cent decline every year in people attending government schools and a 1.4 per cent increase in people attending non-government schools. That is the 10-year rolling average. In 1998, 64 per cent of ACT children were in ACT government

schools. That figure is now 58.4 per cent. There has been a commensurate rise, of course, for non-government schools. The thing that is of considerable concern to me is the complete abandonment by the Stanhope government of high schools in particular.

We had all the promises that were broken about how we would not close schools. That was despite the promises about how the Stanhope government would do so much in this term to support government high schools, because that was the key to improving education in this territory. We had commitments of equivalent funding for two extra staff members in high schools over the life of this government, but what we have actually seen as a result of the EBA arrangements, which were concluded finally in January this year, is that ACT government schools have lost the full-time equivalent of 35 teachers: 35 teachers have gone out of the schools, more than the two new teachers each that were promised to the schools.

This Stanhope government has completely abandoned government high schools. As a result, we have seen that, despite a 2.9 per cent increase in the population attending high school in the ACT, the ACT government share is continuing to fall. Every year, year on year, there has been a 0.5 per cent fall in student enrolments in ACT government schools. That has been happening year on year for close to 10 years now. In three years, that will mean that the government school system will become the minority system in this territory. The minister admits that it will become a system of last resort and he is doing nothing about it. He does not know why the children are leaving and he does not know what he can do to turn it round. He might say that he is spending money, but he does not know why he is spending that money. (*Time expired.*)

MR SESELJA (Molonglo) (4.20): I commend Mr Mulcahy on bringing this motion forward today because it demonstrates a study in contrasts. It is a stark contrast between the budgetary position and the budgetary management of the federal government and the budgetary position and the budgetary management of the ACT Labor government. When we look first at the record of the Howard government in terms of budgetary management, it is quite an impressive list. Over the last 11 years they have paid off \$96 billion of Labor's debt.

In the midst of this they have established a future fund to pay for our future public service super liabilities. We have now seen the Higher Education Endowment Fund and the massive increase in Medicare spending. All the while we have seen taxes cut. At the same time as we have seen Labor's debt paid off, we have seen extra spending for health, an endowment fund established, a future fund established to pay for our future debts and at the same time this government is consistently cutting taxes.

What a difference to the ACT government. Look at the tax cuts we have seen. We have seen great increases in family tax benefit from the federal government which have benefited greatly low-income and middle-income families in this country. It is absolutely undeniable that low and middle-income families are seeing much, much more of their money in their pockets as a result of this government than they were prior to 1996.

We have seen income tax cut. We heard the Labor Party federally only a few years ago say people who were on \$50,000 were rich, which is why they applied the top personal rate of income tax to people on \$50,000 a year. As of next year, it will be \$180,000 a year, and that top rate is lower than it was. It has gone from \$50,000 to \$180,000 a year. If we had gone with inflation it would have moved up to about \$70,000, but it has gone up to \$180,000. They have cut the middle rate and they have cut the lower rates as well. They have cut income tax across the board.

We have seen cuts to company tax, capital gains tax and other taxes and charges at the same time as they have been increasing spending on important national security issues, health and various important services to the Australian community. At the same time they have been cutting taxes. What a difference!

The budgetary position of the Australian government is now the envy of other nations. Look at the most powerful, biggest economy in the world now and the level of government debt that they have: something like \$30 trillion. They are extraordinary levels of debt. For Australian taxpayers and the Australian people to be in such a good position now, where we have no net government debt and in fact are in a position to be planning for our future debts and for our future liabilities, we are the envy of most developed nations.

We have seen the economic legacy of this management. We see unemployment hovering around the 4½ per cent mark now. We have seen about 20 per cent real wages growth. That is 20 per cent more money in people's pockets and does not take into account the significant tax cuts which see much more money flowing into people's bank accounts. We have seen years of uninterrupted economic growth.

It has not been the case that there has been uninterrupted economic growth everywhere else. We have seen the Asian financial crisis, we saw a recession in the US, yet Australia has weathered that. A lot of the credit needs to go to the excellent budgetary management and fiscal management of the federal government, the federal Liberal-National coalition. We have seen in this latest budget significant benefits for the ACT.

The Chief Minister talked about \$72 million for the Griffin legacy, which is welcome, but the bigger benefit has been our unemployment rate in the ACT, which is in large part a result of the expansion of the Australian government. It has been able to expand because it has managed the budget. It has done that not with deficits but with surpluses. We now have almost more workers than we know what to do with because of the federal government at the moment. In fact Mr Hargreaves said, "We do not know what to do with them." Clearly the ACT government has not been ready to respond to that.

Once again, it is a study of contrasts. We have a responsible federal government that is able now to spend more money because it has managed taxpayers' money well, and we have an ACT government not ready to respond through sufficient land release or even through sufficient commercial accommodation for these people to work in. That is a significant contrast.

Compare this now to the ACT government legacy. In the midst of massive increases in the amount of GST that is coming to the ACT—much, much more than would have been anticipated—we still saw over the last few years, in GFS terms, deficits from this government. We saw deficits in the 2006-07 budget of \$80.3 million; in 2005-06, \$162.3 million; and in 2004-05, \$270 million. We have got one government that has been cutting taxes and delivering surplus after surplus and paying off debt, and we have another government that is not only delivering deficits and receiving more GST revenue—GST which Labor opposed; so they would like to give that extra revenue back because they do not support that tax—but also in the midst of that is delivering tax increases. There were massive increases in rates and taxes last year. We are going to continue to see big rises because it is linked to the wage price index.

We see taxes and charges going up exponentially under this government. We see school closures. We see the running down of infrastructure and cuts to public transport. We have simply not seen the benefits in the ACT from this government in terms of local government services and infrastructure that we should be seeing in the boom times, given the booming economy, given the financial management of the federal government and given the massive boom revenues that we are seeing as a result of the GST.

At the end of all that we see school closures and massive increases in taxes and charges. Those increases in taxes and charges under this government will continue, and will continue over and above inflation as a result of the policies put in place by this government. The reason they have done that is that they simply cannot control their spending. We see it in all areas. They cannot control their spending.

The Chief Minister always asks us to give examples. We constantly give them examples. We gave them examples when we saw the obscene waste of \$4 million on the busway, which was never going to happen. We have seen millions in wasteful expenditure on marketing and advertising by the LDA. We have seen money for the arboretum in the midst of a drought. We saw the unexpected, in the eyes of the Chief Minister, blow-out in the number of public servants by 2,003. They are simply unable to control the management of the public service and simply unable to rein in expenditure.

To pay for a lot of this extra expenditure, we heard the Chief Minister tacitly acknowledging recently on ABC radio that this government has been fleecing first home buyers. He acknowledged that, and that is the absolute truth of it. They have been fleecing first home buyers. First home buyers' tax burden is massive as a result of this government. It has propped up the LDA and has propped up the extra spending of this government because it has failed to rein in its spending. It has failed to make hay with the significant revenue that is coming into its coffers as a result of great economic times in this country and as a result of extra GST revenue.

The people of the ACT are suffering. We see them paying more taxes and charges but nowhere is it more keenly felt than by first home buyers who have to bear such a significant burden. We saw the property council some time ago estimating that up to a quarter of a house and land package goes in taxes and charges. A significant amount of that is propping up the LDA. A significant amount of that is at a local level, an ACT level.

The contrast could not be clearer. The federal government has managed its budget well, has cut taxes, has given people opportunities and has increased spending on health, defence, national security and all other areas. We have seen boom times in the ACT as a result. We have seen record low unemployment in Canberra, yet in response to that, in the midst of these boom times, we have a Chief Minister and a government that have so failed to manage their resources that they have to slug Canberrans with hundreds of dollars in extra rates and charges. We are going to be paying more for electricity and water, as well as our extra rates, and we are seeing no better services.

If anything, we are seeing a rundown of services. We see a bus network that is the worst in the country. We see roads that are not being maintained as they should. We see massive school closures. We still see a flood of people moving to the non-government system. We see the mismanagement of our water infrastructure. They are always blaming the drought but they have mismanaged our water to the extent that we will potentially see 80 per cent of our ovals closed because this government has not invested in water infrastructure. It has failed in so many areas and is in stark contrast to the federal government's budgetary management.

MR PRATT (Brindabella) (4.30): I stand to support the motion. I will not be supporting Mr Stanhope's amendment. We know now that the federal budget this year was extremely well received, perhaps the best-received budget in 11 years. For people on the other side of the chamber to decry that budget and to use that budget as a whipping boy to explain away and excuse away their own deficiencies is simply outrageous.

Look at the comments of noted economic commentators across Australian print media, the Paul Kellys and the Dennis Shanahans, and then at the ABC reporters who have a decent economics and commerce background, Michael Brissenden, the *7.30 Report's* Kerry O'Brien and Cassidy's comments from the *Insiders*. Most of the *Insiders* panels that have appeared in the last two or three weeks in the wake of the budget talk about a budget which has not only brought a degree of windfall to the Australian economy and seems to drought-proof, for want of a better term, the management of the economy for the next couple of years but is responsible as well.

It was not a budget which provided largesse and rewards at the expense of probity of management. It is clearly a budget which is well in the black and remains there. I see the *Canberra Times* article of 9 May headed "ACT benefits from largesse". Across the board, we have media praise for the federal government's budget.

Yet we see Ms MacDonald stand up here today and challenge why we should be celebrating that budget and decrying the fact that GSTs are "not all they are cracked up to be". Ms MacDonald said here today that GSTs are not all they are cracked up to be. What did we have pre Howard? We had the Paul Keating wasteland in terms of economic management and budgetary management in this country. There was no return of revenue to the states.

Mr Seselja: There was a \$96 million deficit.

MR PRATT: You are right. As my colleague reminds me, a \$96 billion deficit was left behind by Keating.

Not only have John Howard and Peter Costello in recent years had the challenges of the drought to manage in terms of budgeting but also they have had to manage Australia's national interests and our commitments overseas in terms of international terrorism. Those issues, which have clearly put pressures on the budget, have been so well managed. But on top of that, the \$96 billion deficit has had to be paid off in the life of the Howard government.

International commentators well recognise that. If you were to have scanned the BBC and CNN in the immediate days after the handing down of the Australian budget, there was a fair amount of pats on the back internationally for what was seen to be an excellent budget in one of the world's better-managed economies. In effect, what that has meant for us in the ACT is this: the federal budget has proved a useful here-comes-the-cavalry relief for the ACT versus Stanhope's neglect of ACT budgetary management.

Let us have a look at a number of advantages provided to this community by the federal budget: \$480,000 maintenance will be provided for the Barton and Federal highways; \$0.602 billion will be provided to fix four, yet-to-be-disclosed, crash hot spots; and \$3 million is allocated for the duplication of the Barton Highway in addition to the \$480,000. A fair share of the Oz link funding will be provided for ACT roads. The fact is that the Chief Minister is on the record as having said that he recognises that we are going to get a fair share of the Oz link funding. Yet we see the ACT government's neglect on a range of road upgrades and ongoing maintenances.

The Tharwa Drive duplication has been neglected. The Pialligo Road upgrades have been neglected. The Majura Road upgrades have been put back and back, with smaller amounts of money provided, because a lot of the budget that should have been quarantined or left in place for road maintenance and road upgrades has been bled off, to be poured down the sinkhole of the GDE. We now know that the GDE has, let us say conservatively, at least doubled and, more likely, tripled the original project analysis costs of 2001. We have got less bang for the buck. We have got one lane each way versus the two each way envisaged under the initial project analysis.

We also see that, in relation to the Tharwa bridge project—and I talk about all aspects of that, the heritage aspects, perhaps the refurbishment aspects when Labor were on the drawing board and now the decision to replace that old bridge with a new one—the whole thing has been a project management screw-up. For some reason, the ACT government did not identify 18 months ago, when they should have, that the old heritage bridge needed urgent works. Suddenly the Tharwa community and, more broadly, the ACT community are stuck with a project which had not been envisaged.

The jury is still out, by the way, in the thinking of many engineers, as to whether or not the Tharwa bridge could not be refurbished. It is interesting to note that, when the Tharwa community have approached the ACT government department of municipal services to get a more definite understanding of those implications, they could not get answers.

Beyond that, the minister promised in September last year that the project for the new bridge—let us accept a new bridge replacement—was to have commenced by now. It has not. The tendering for design has not even commenced. Minister Hargreaves's milestone to be achieved by the end of this year is clearly not looking particularly good. It is very, very likely now that the new bridge replacement will be put through to the end of 2008 if we are lucky.

Let us look at the other neglects: the Albert Hall maintenance, the \$1.02 million immediately needed to refurbish and for priority needs. My colleague will later talk this day, if we get there, on the conservation and heritage needs and the funding needed to address those issues. Those have been neglected.

There is the Griffith library closure—the failure to consult, the failure to have funding in the budget to ensure that Griffith library, as part of a broader ACT network, could have remained open. There is also the closing of the ACT shopfront and the impacts that are imposed on town centre shopfronts as a consequence, the failure to clean up graffiti in this city, and the failure to ensure that grass-growing contracts are achieved on time.

In Conder and Chisholm, we have still got major spillways severely damaged as a consequence of the January 2007 rains. The rubble remains. The banks are exposed, because the footways, the pathways and the concrete overcoats have been cracked and washed away. We now have exposed earth in those embankments, waiting to be washed away by the next winter rains.

There were the school closures; the emergency services run down; the failure to sort out the emergency services; the failure to ensure that bank accounts for volunteer units are squared away; the pay parking debacle; the failure by the government to rule out pay parking at the hospital; our bus system, the worst in the country; and unsafe interchanges. All of these amount to failures by this government. Thank God for the federal budget.

MR BARR (Molonglo—Minister for Education and Training, Minister for Planning, Minister for Tourism, Sport and Recreation, Minister for Industrial Relations) (4.40): I am pleased to be able to make a contribution to this debate. I will be drawing upon—and I acknowledge from the start—the work of Rory Robertson, Macquarie Bank interest rate strategist, in outlining the broader picture and some of the issues that those opposite have sought to raise.

It is interesting that the publication of the ABS's annual report on taxation revenue in Australia from last month has provided Mr Robertson with the opportunity to extend some of his longer term analysis of the federal budget and of federal, state and territory financial relations. He has drawn the following conclusions:

That Canberra—

and I will refer to them as the federal government from now on—

in recent years has produced a series of sizeable Budget surpluses while also delivering income-tax cuts and solid growth in own-spending is well known—

and acknowledged. He goes on to say, though:

These surpluses would have been all the more impressive if, at the same time—

the federal government's—

tax/GDP ratio had been reduced and that financial assistance to the States—

and territories—

had been particularly generous, as is often suggested in Budget Papers and elsewhere.

However, Mr Robertson goes on:

Unscrambling the underlying Budget data, however, it is clear that—

the federal government's—

tax/GDP ratio has not fallen and in fact now stands at a multi-decade high. Meanwhile—

the federal government's—

effective funding of the States—

and territories—

remains as low as it has been in three decades.

He goes on to say:

While these two observations may be controversial, they are based on a straightforward interpretation of available published information.

According to the latest data produced by the ABS—

the federal government's—

tax/GDP ratio was 24.9% in 2005-06, the same as in 2004-05 ... This is the highest "tax-take" recorded since at least 1961-62. Not that there's anything wrong with that; indeed, the only way to fund lots of spending and tax cuts while still producing sizeable Budget surpluses is to collect heaps of revenue in the first place.

The federal government for most of this century has collected more tax revenue and kept more of it for itself than ever before. Mr Robertson continued:

Looking at a century-long chart showing—

the federal government's—

tax/GDP ratio since Federation in 1901 and overlaying it ... with the latest four decades' worth of ABS data, it is fair to say that Treasurer Costello ... holds the record as Australia's biggest-taxing Treasurer.

Recent record tax/GDP ratios would be less interesting if the Budget Papers did not show—

the federal government's—

tax-take ... actually below its average of the past quarter of a century. Of course ... tax-take hasn't slumped ... instead, ... tax/GDP ratio and—

the federal government's—

regular claim of “no increase in the overall tax burden from its 1996-97 level” rely on—

what everyone and every economist and every statistician with any credibility says—

its unusual treatment of GST revenue.

He continued to say that the federal government:

chooses simply not to count in its Budget the 4% of GDP worth of GST revenue the ABS counts, arguing that the GST is a “State tax”. The problem is that—

the federal government's—

splicing of its post-GST series to the pre-GST series to create its preferred long-run Budget history did not involve a joining of “like with like”.

As Mr Robertson says:

Let's be clear upfront: the critical issue here is not whether the GST is recorded as a “State tax” or not, it's the need for any data series to be consistent over time to be credible. Any respectable tax/GDP measure must either count all tax collected by—

the federal government—

or present—

federal government's—

revenues net of taxes collected for State and local governments over the entire period.

So—

the federal government—

since 2000-01 has calculated its Budget aggregates in a way that effectively excludes about 60% of the revenue it collects on behalf of the States—

and territories—

without applying a similar downsizing to the 5-7% of GDP worth of revenue collected and transferred to the States in earlier decades ...

Despite much silly talk about GST “windfalls” and “free kicks”—

the federal government—

over the past decade has kept a very tight rein on transfers to the States—

and territories—

In any case, the net effect of ... GST-based tax reform on State budgets since 2000-01 is not widely understood. The introduction of the 10% GST (collecting 4% of GDP worth of revenue) has financed the abolition of ... Wholesale Sales Tax—

as well as a variety of what were inefficient state and territory taxes, worth about 1.4 per cent of GDP. We have seen the ongoing reform of state and territory taxes. From the states' perspective, four per cent of GDP worth of GST revenue is provided to the states and territories, but all that does is offset the gap that was left by the abolition of the financial assistance grants and the managed drop in our own revenues through all of the state and territory taxes that have been abolished during this period. All that net GST revenue officially earmarked to replace state and territory revenue is simply money coming in in a different form. I again quote Mr Robertson:

When unscrambled, the evidence is that—

the federal government's—

tax-take is at all time highs, while its effective funding of State and local functions remains at a three-decade low

The extent to which—

the federal government—

understates its own record tax/GDP ratio while exaggerating its effective revenue-sharing with the States is important.

Armed with a more reliable sense of the underlying budget facts, the Australian people would be better placed to decide whether they support these current arrangements, but in the end the question boils down to: would the public prefer the next dollar of income tax collected by the federal government to be allocated to its

future fund to cover pension costs of federal employees or to be allocated to state and local governments to better fund public schools, hospitals, police, public transport and the variety of other functions that we have heard from this side that need to be funded, and to help communities in Canberra and around the country keep those services up?

The federal government needs to rebuild the credibility of its budget aggregates by publishing longer term measures that are consistent over time. The important thing here is that the GST is attributed to the states and territories, and the commonwealth are choosing not to count it; they are not comparing like with like. It is not a reasonable assessment.

The points that those opposite seek to make about the wonders of Treasurer Costello's budget management—I referred to it in the debate yesterday—are jam-jar economics: “let us put some money in this jar, give it a label and say that that is good economic management”. It is absolute rubbish. Anyone who delves deeply into the issues, such as Rory Robertson from the Macquarie Bank, a very reputable institution, sees the reality of the situation. Again, those opposite talk in the terms that they do about the need for government to be more efficient in its spending and then they go out and oppose every single measure to make government expenditure more efficient and to deal with savings in portfolio areas.

Mr Smyth in the debate earlier called me Andrew Scissorhands because I am prepared to have a look at how effectively we spend money in the portfolios that I have carriage of. I am then criticised for making spending reductions in those portfolios to improve efficiency and to be able to redirect resources away from administration into frontline services. We passed a piece of legislation yesterday, Mr Mulcahy, that did exactly that.

Mr Mulcahy: Where have I criticised you?

MR BARR: You have not, Mr Mulcahy. Mr Smyth, on the other hand, has. He is the ultimate in walking both sides of the street in any political debate. He is the one who says, “The government is wasteful, spending all the time.” Then he criticises every single savings measure. In the portfolios where he shadows me, he does this consistently. He says, “We must use money more efficiently. We cannot possibly ever look at a budget and make some savings, because this would mean a terrible reduction.” He goes on time after time. In general, this side of politics supports expenditure restraint—

Mr Mulcahy: Where have I said it?

MR BARR: Not you, Mr Mulcahy. Mr Smyth and his shadow ministers—the other ones, the ones that will no doubt cause you endless grief should you ever become Treasurer of the territory—have. That is an unlikely thing, but should it ever occur you had better watch some of your shadow ministerial colleagues. These are the people who walk both sides of the street on these issues. They are never prepared to support a serious reduction in and take a serious look at the administrative costs of government. They oppose every sensible reduction in government spending yet have the hide to claim that the government does nothing to reduce expenditure. (*Time expired.*)

MR MULCAHY (Molonglo) (4.50): Mr Speaker, I wish to speak to the amendment. I certainly enjoyed the rather obscure bow that was drawn by the Minister for Education and Training in a desperate attempt to try and put a measure of spin on GST that he and his friend in Sydney—

Mr Barr: You should ask John Stone about the GST.

MR MULCAHY: Apparently we have got John Stone as another great proponent of those views. It is amusing that despite the fact that Mr Stanhope was full of praise for the budget—although he wants to delete that from my motion—and despite the fact that he is full of praise for the generosity of the Howard government, particularly in relation to the GST windfalls that continue to save the neck of the territory government with its high-spending practices, the obscure line is presented to us that somehow we are all worse off under the Howard government. I am struggling to find who is worse off as a result of what the federal government has done. When I look at some of the things it has done, I really do struggle with those sorts of claims.

Student union fees will not be compulsory, and I know that will undermine a lot of Labor resources. I can understand the concern the Labor Party has about losing funds that were being siphoned into all sorts of causes. Of course, the minister, as a former treasurer of a student union, would know, as we all do, the way things operate in universities. I know that will be tough because I suppose funding federal demands and the like will now have to come from the union movement. However, the fact of the matter is that it is not unreasonable at all that students who want to use the services offered by student unions should pay for them.

It was extraordinary that Mr Stanhope, in speaking to this matter before he moved his amendment, started off on a positive note but then raised the alleged opportunities that had been missed. I am not surprised that, given the problems we are facing, he spoke about water infrastructure. He also raised the dental program issue in respect of which, despite clearly being a state responsibility, the commonwealth has again stepped into the breach. He mentioned early childhood education. He spoke about the National Convention Centre. At least there has been a solid initiative from this side of the Assembly on a proposal in respect of the National Convention Centre. Apart from there being a patch-up job down at the convention centre, we are waiting to hear what the minister for tourism is going to do about bringing conventions to Canberra, because that is where the premium money can be accessed. It is extraordinary that Mr Stanhope has put up an amendment that just basically praises his government instead of looking at the real substance of the motion that I put forward. For that reason the opposition will not support his amendment.

It is interesting to note that when he talked about supposed deficiencies in the budget, he glossed over the millions of dollars of commonwealth funding that is currently being blocked by the Steve Bracks's Victorian government. We first thought that this move was some political stunt to try to improve the outlay for Victoria, but it has now become an entrenched situation, to the enormous detriment of particularly those who are beneficiaries of the Murray-Darling basin. Of course, Canberra is the largest inland city that is impacted by the state of the Murray-Darling basin. However, the \$10 billion Howard government initiative in relation to work on this water system is being blocked by the Victorian Labor government.

It is worth mentioning that the new measures in the federal budget for dental care amount to some \$377 million over four years. They involve increased access to Medicare for patients with chronic dental issues and they also establish new dental schools to assist in the region. I share the Chief Minister's view that it would be wonderful if the proposed regional dental school were established in the capital territory. Hopefully, if we can build a better relationship with the commonwealth, maybe that is something that could be achieved.

It is worthy of note, bearing in mind the number of working families in this city, that the commonwealth has increased family payments for early childhood care. Childcare benefit rates have been increased by 10 per cent on top of indexation. The commonwealth has also converted the rebate into direct payment—

MR SPEAKER: Can we stray back to the original motion, Mr Mulcahy.

MR MULCAHY: Mr Speaker, I am speaking against the amendment. I am saying why I do not think this amendment, which seeks to delete all of the elements in my motion, ought to be supported. So it is worth noting the benefits that have been extended to the people of Australia and particularly the people of Canberra. The childcare rebate has in fact now been brought forward as a direct payment. Funding to childcare centres in respect of kids with high care needs has been increased to \$71 million over five years.

Mr Stanhope sought to convince the Assembly that his amendment should be supported on the basis that his economic management is sound and that things had performed well under the leadership of his administration. He wants to commend the territory government on its so-called "commitment to responsible financial management that will ensure the sustainable delivery of high quality services to the people of Canberra". He is obviously talking to a different set of people than those who contact my office, because if there is one message that comes through loud and clear it is the deterioration of the so-called services in Canberra. How we can have an amendment along these lines that proposes to endorse a supposed high quality of services—

Mr Barr: It is probably not the most representative sample of Canberrans you have ever seen.

MR MULCAHY: For the benefit of Mr Barr, I have taken up some 1,450 cases in the last 12 months. Those people seemed to be constantly complaining about deteriorating services in the territory matched only by an equal increase in the rate of taxation and charges. I hardly think this is a basis for endorsing the ACT government's commitment to responsible financial management.

The Chief Minister has released a ludicrous press statement. I can always tell when something silly is coming out of the Assembly when I see the Chief Minister looking this way after he has read a press release that he has grabbed from his press secretary. I think, "Here we go again. This is another one of these extraordinary, angry press releases." They cause no end of amusement amongst my colleagues and my staff. The Chief Minister talks about Mr Mulcahy's bedtime stories of the generosity of the

commonwealth. But they are not bedtime stories; they are reality. I do not mind if Mr Stanhope feels that he has to put out rather silly releases if he needs to get something off his chest but I have to tell you that these angry statements, which contain some measure of hilarity, do not have any impact on me at all.

As we heard in his dissertation earlier today, Mr Stanhope continues to hang on to the notion that the government has always been in surplus. He bounces between AAS when it suits and GFS when it does not. Of course, we all know that the ACT government leapt into embracing GFS—last year I think he called it the general finance sector but they were then working on the terms; and I think they also called it the audit accounting standard and were trying to work on that. Maybe Mr Barr can help illustrate what those acronyms stand for.

If you look at his budget papers, it is interesting to note that under the GFS system, the one that the government was driven into accepting because Standard and Poor's said they just did not at all feel comfortable with the AAS presentation of accounts, you have a \$80.3 million negative outcome for the 2006-07 budget, a \$162.3 million negative outcome for 2005-06, and around a \$270 million negative outcome for 2004-05. So if Mr Stanhope wants to know about deficits, he can look at page 339 of budget paper No 3 in 2005-06. These figures will confirm the comments I have made publicly that he has attempted to step around.

It is looking like we are getting back into a surplus, thanks to the massive raft of taxes imposed on the people of Canberra—taxes such as the utilities tax that no other state in Australia has. So whilst on the one hand I welcome the fact that we are probably going to revert to surplus—I imagine next week—I am concerned about how we have got there. We have not got there through the sort of restraint that Mr Barr would favour of a bit of economic rationalism. We have got there through saying, “Let us just punish the people of Canberra. Hit them with a raft of taxes, slide in the WPI instead of CPI, and we will get the money in one way or another.”

Question put:

That **Mr Stanhope's** amendment be agreed to.

The Assembly voted—

Ayes 9		Noes 7	
Mr Barr	Mr Hargreaves	Mrs Burke	Mr Seselja
Mr Berry	Ms MacDonald	Mrs Dunne	Mr Smyth
Mr Corbell	Ms Porter	Dr Foskey	
Ms Gallagher	Mr Stanhope	Mr Mulcahy	
Mr Gentleman		Mr Pratt	

Question so resolved in the affirmative.

MR DEPUTY SPEAKER: The question now is that the motion, as amended, be agreed to.

MR MULCAHY (Molonglo) (5.05): I will make some further comments on this matter. I have done some very quick research in relation to the matters that Mr Barr raised, and I am told that in fact he does not have the correct figures. He has failed to take into account commonwealth collections in relation to revenue associated with alcohol, tobacco and fuel that, as a result of, I think, the 1996 X-rated video High Court case, reverts to the states. This accounts for another 0.7 to one per cent of GDP. Moreover, the total amount to the states has not changed from the long-running average.

I am sure Mr Barr will be pleased to know that under Hawke and Keating this dropped to about four per cent and that payments to the states since GST have averaged around 6.8 per cent of GDP, with a long-running average over a 20-year period at around 6.5 per cent. So back to school for the economic rationalist. Hopefully he will get this right. I will undertake, though, to get a more detailed analysis of those comments from Macquarie Bank. I will be happy to share those with the minister because I think he will find that his figures are off the mark.

I would like to go back to some of the remarks that were made earlier in the debate. Although I am always flabbergasted by the Greens' perspective on economic matters, they cause me no end of enjoyment. What I have discovered today from Dr Foskey's remarks is that, despite the statistics, we really have high unemployment. Where she is getting this information from—she must be using a crystal ball—is beyond me but apparently we have high levels of unemployment. The ABS is wrong, the Chief Minister is wrong in saying that he thought things were going pretty well, and the Howard government is wrong. In fact, according to the figures I have seen, the unemployment level is the lowest since 1974. But apparently, according to the Greens' perspective, there is a massive problem of unemployment.

We are told that we do not have a skills shortage. I have not met anybody in business in Australia who has not told me that they cannot get people to fill jobs. They are desperate. You can walk onto a building site in Canberra and, without a single qualification at the age of 18, get \$1,000 a week. Because it suits her line, Dr Foskey would have this Assembly believe that there is really high unemployment. But she cannot get up and praise the fact that what the commonwealth government has done has benefited all Australians; that it has helped reduce the tax burden on families, made this country more prosperous, made us one of the strongest economies in the world, created buoyant conditions in Western Australia and strengthened the investment that people have in their family home. Apparently it is all a disaster.

We were told by the Greens that you cannot have an economy without an environment, but the truth is you cannot protect the environment without a strong economy. Developing countries have the most pollution precisely because they do not have the resources to invest in environmental projects, and it is because of our economic strength that Australia is taking a leading role in the region to address environmental issues. For example, the Australian government in March announced that it had committed \$200 million to kick-start a world-leading initiative to significantly reduce global greenhouse gas emissions. Was there praise from the Greens, who claim to have an interest in this? No. All we had were churlish remarks from the senator on the hill. This money will help support new forest planting, limit

the destruction of the world's remaining forests and promote sustainable forest management.

Dr Foskey: While we cut down all the Tasmanian ones?

MR MULCAHY: Dr Foskey asks, "While we chop down trees in Hobart or somewhere?" The fact of the matter is that we are making a major contribution, a major outlay, but the Greens cannot bring themselves to acknowledge it. They cannot bring themselves to acknowledge that we have strong employment in this country, that we have a buoyant economy and that people are enjoying their lives.

Dr Foskey has either got a terribly short memory or she was out of touch with reality in the eighties and nineties, when people experienced terrible times. During the eighties some people in business were so devastated by interest rates that they committed suicide. I have heard of many examples of this. Businesses went bankrupt in the early nineties. In Bay Street in Melbourne 30 out of 31 hotels went into bankruptcy. The impact on people's lives when their businesses fold because of high interest rates and because of poor economic management cannot be underestimated. The fact of the matter is that Dr Foskey has failed to recognise that Australia is experiencing an economic boom the likes of which we have never previously enjoyed. We are seeing lower levels of tax, we are seeing our kids in jobs and we are seeing people able to buy their own homes. Some credit ought to be given where credit is due.

As I said, the Chief Minister bounces between AAS and GFS accounting. This is a clever device because I can tell you that 99 per cent of the people in the ACT would not have the faintest clue what the differences are. But I think the Chief Minister knows full well what they are all about. So when it suits, he grabs a set of data that tries to make his government look good. It was not until Mr Quinlan eventually threw in the towel and left them with problems that they realised they had significant management issues in the ACT. He came to the reality that he had presided over the creation of some additional 2,000 jobs within the territory government that they could not afford. Of course, this territory government has been more than happy to collect an additional \$80 million in taxes, fees and fines this year from a population of 330,000.

We are told that we are living beyond our means but it is worth looking at how much our means have increased over the last few years. In 2007-08 the ACT will receive \$823 million from GST. I know Mr Barr does not think that is much and tells us we are going backwards, but according to my school of mathematics it is actually \$55 million more than last year and \$83 million more than we would have received under the previous system of assistance grants and inefficient territory taxes abolished under the intergovernmental agreement. When I get a chance to speak this weekend in another forum in Sydney about the intergovernmental agreement, I will certainly be advocating very strongly that state and territory governments that try and get around the IGA by sneaking in a raft of new taxes should have their allocations of GST revisited.

The people of Canberra are being fleeced. They are paying GST on their goods and services and were told that there would be tax relief. This territory government is double dipping on the people of Canberra. I am troubled when I look at the people it

is hurting. It is hurting families with kids and it is hurting superannuants. The opposition is concerned about these people.

What have the government done with the extra revenue of \$83 million? Clearly, they have not done too much. They have double dipped and are collecting more revenue from the people of Canberra. But where do we see the improvement in services? Mr Pratt went through a range of examples of the poor quality of services we are seeing, particularly in respect of urban infrastructure. Of course the people of Canberra are up in arms, wanting to know why their streets are deteriorating and why their footpaths are in such poor shape. Older people, particularly in the inner south and inner north, are experiencing injuries because of poor lighting. I get endless complaints from suburbs such as Campbell about urban infrastructure. The government taxes them more but they do not see their taxes passed on.

In even more critical areas, such as the hospital that Mr Smyth has pursued many times in this place, we see constant issues of standard of service. Over the Christmas-New Year period there was not one surgeon available in the Canberra hospital other than locums. This is a disgraceful state of affairs. A friend of mine who has cancer and was in hospital for surgery told me he was aghast at the situation. Although he needed emergency medical treatment, the locum was reluctant to operate because he was not based at the hospital and certainly was not part of the place.

These are real cases, not just esoteric things. They do not involve the creation of monuments or statues or even improvement to or the construction of roadways that may be able to be put off. These are things that impact on people's lives, and the people of Canberra rightfully expect the territory government to start performing at the level that the Australian government has nationally. The Australian government has put the interests of the people first and foremost while building up Australia as a globally competitive country. The ACT government has overspent year in, year out and has failed to deliver quality services to its people. It is regrettable that, of course, the government will not admit this as we move towards the eve of the new budget.

Motion, as amended, agreed to.

Australian electoral system

MS MacDONALD (Brindabella) (5.15): I move:

That this Assembly:

(1) notes:

- (a) the amendments made to the Commonwealth Electoral Act 1918 by the Electoral and Referendum Amendment (Electoral Integrity and Other Measures) Act 2006 will disenfranchise thousands of eligible voters in our community;
- (b) the Howard Government's enrolment changes are unnecessary and are likely to weaken Australia's electoral system;
- (c) the direct impact these changes will have on the ACT's electoral roll; and

- (d) the importance of a strong electoral system which has as many eligible voters enrolled as possible in order to maintain trust in the electoral system by the electorate; and
- (2) requests the Chief Minister write to the Federal Minister, Gary Nairn MP, expressing the concern of this Assembly at the negative impact these changes will have.

It is fitting that we are debating this motion today, as this week is Enrol to Vote week, an initiative of the Australian Electoral Commission. Enrol to Vote week is aimed at getting 17 and 18-year-old Australian students on the electoral roll before this year's federal election. This is the first year the initiative has been held. It is now necessary because the Howard government's enrolment changes mean that if a person is not on the rolls when the writs for the federal election are issued they may lose their democratic right to vote.

The Howard government's electoral changes, which were delayed several times, took effect on 16 April this year and are all about making it harder for Australians to vote but easier for corporations and the wealthy to donate to political parties in secret. These changes came about by the Howard government enacting the most far-reaching changes to the Commonwealth Electoral Act since the reforms of the 1980s. The Howard government changes which, as we know, include the early closure of the electoral roll and looser requirements for the disclosure of party finances have been part of the government's agenda for many years. They were finally able to ram them through when the government gained control of the Senate.

In December 2005, the Electoral and Referendum Amendment (Electoral Integrity and Other Measures) Bill 2005 was introduced into the House of Representatives. This bill was the result of the government supported recommendations of the report of the Joint Standing Committee on Electoral Matters on the 2004 federal election. During 2005, the committee held an inquiry into the 2004 elections, taking submissions, holding hearings and listening to witnesses all over Australia.

In late 2005, the coalition majority on the committee brought down their majority report. They recommended a series of radical changes to the Commonwealth Electoral Act, including to close the electoral rolls on the day the election writs were issued, rather than after five working days, as has been the law since 1984; to require all applicants for enrolment, re-enrolment or who wish to change their enrolment details to verify their identity with photographic or documentary identification; to require those wishing to cast a provisional vote to produce photographic identification; and to reduce the level of transparency of donations to political parties by raising the disclosure threshold to \$10,000 and raising the tax deductibility threshold.

The Labor members of the committee wrote a minority report opposing every one of the recommendations, arguing that they would make it more difficult for Australians to enrol and cast their ballot. They also argued that it would be easier for individuals and corporations to make secret donations to political parties. Some might say, of course, that the Labor opposition would say that, but I note that Senator Andrew Murray was a member of this committee, and while he supported the report

as a whole he did not support five recommendations, including recommendation No 4, which concerns the early closure of the rolls.

The Howard government ignored these objections and in June 2006 the Electoral Referendum Amendment (Electoral Integrity and Other Measures) Act 2005 was passed by the Senate. Only government MPs supported the bill, with everyone else in the parliament—Labor, the Democrats, the Greens, Family First and the house's three independents voting against it. There is no doubt that this act will disenfranchise thousands of eligible voters in our community.

According to the Australian Electoral Commission, in the first week of the 2004 election campaign, 423,000 people enrolled to vote for the first time or changed their details. Of these, almost 79,000 first-time voters enrolled in the seven days after the election was called. This act will disenfranchise most of those 79,000 people, a high proportion of whom would be young people and new migrants. A large number of the rest of the 423,000 people will also miss out because they will not have the opportunity to change their details. People who have moved house more often and the homeless will be particularly affected.

For the past decade the Howard government has tried to remove the right of all prisoners to vote but has been prevented by the Senate. However, since taking control of the Senate, the government rammed through the act, and the new law has also removed the right of all prisoners to vote. I know that there are some within our community who would say, "What is the big deal? If you have gone to prison, you should not have the right to vote." I am sorry, but I do not agree with that. There are strong reasons why we should be making sure that we keep those who are incarcerated involved in society as much as possible so that when they do re-enter society they become fully participating members of society and do not end up back in prison.

The Howard government's enrolment changes are completely unnecessary and will significantly weaken Australia's electoral system. What then is the Howard government's agenda in amending the Commonwealth Electoral Act? The former Special Minister of State, Senator Eric Abetz, said these new laws were necessary as a measure to improve the integrity of Australia's electoral system by reducing the opportunities for electoral fraud. However, Senator Abetz has openly admitted that there is not, and has never been, any evidence to show that any election outcome in the history of our country has been affected by fraud.

The Joint Standing Committee on Electoral Matters had previously conducted an investigation into the integrity of the electoral roll in 2001. The AEC testified that it had compiled a list of all cases of enrolment fraud for the decade 1990 to 2001. Seventy-one—or about one per 200,000—cases of fraud were revealed. Between 1990 and 2001 there were five federal elections and a referendum at each of which about 12 million people voted. So if you total that up, it comes to about 72 million votes. The 71 known cases of false enrolment therefore amounted to less than one vote per million.

Senator Abetz and the current Special Minister of State, Gary Nairn, claim these new measures are necessary to prevent electoral fraud, but our country has a level of

electoral integrity which few other countries in the world can match. In fact, I would say in this regard we are the envy of the world.

When we look at exactly what changes these new laws will make, the Howard government's motivation becomes clear. It wants to disenfranchise thousands of eligible voters for its own partisan self-interest. Perhaps the most significant change, and the one that will have the most far-reaching consequences, is the earlier closure of the roll.

As Australia does not have fixed date elections at a federal level, the Prime Minister is able to call an election without any warning. This means that if a resident is not enrolled the day the writs are issued, they have to be in a position to enrol that day or they will miss out. In other words, they need to be in the position where they can drop everything and go and enrol. This is completely unreasonable.

Closing the electoral roll for most new enrollees on the day the writs are issued and only giving existing enrollees three days to correct their details is likely to disenfranchise many young people who are unaware that an election may be called. Obviously, all of us in this place are political junkies. We know that a federal election is going to occur this year. But the majority of people out there in society do not pay attention. They do not really care until the election is actually called. That is the fact of the matter.

Both Senator Abetz and Mr Nairn suggest that the Liberal Party has no partisan interest in preventing young people from voting because the 2004 Australian Electoral Study, or the AES, showed that 41 per cent of young people under 25 voted Liberal and only 32 per cent voted Labor. However, both members failed to mention that the AES also showed a big jump in the percentage of young people voting Green. As we know, 17 per cent, and the major proportion of Green preferences, flow back to Labor. The government has clearly calculated that the majority of those who will be disadvantaged by the enrolment provisions of the act will be potential non-Liberal voters.

For more than 150 years Australia has been an innovator in progressive reform and democratic processes, and in electoral reform we have always been a world leader. Many other countries have looked to us when they were designing or reforming their electoral processes, and that is only right as we have a history of free and fair elections and a system that has supported that. However, our open electoral system is now greatly diminished because of these changes.

As I said earlier, the Electoral and Referendum Amendment (Electoral Integrity and Other Measures) Act 2005 is all about making it harder to vote but easier to donate to political parties. The act has increased the declarable limit for disclosure of political donations from \$1,500 to \$10,000. This is a huge jump in the limit required before donation details must be made public. This means massive sums of money will go into party coffers without the public knowing. Estimates showed that more than 80 per cent of all donations would disappear from public view. If the law had been in effect in the 2003-04 financial year, over \$12 million across all major parties would have vanished from public scrutiny.

I am happy to place on the record here and now that I, as a member of the Labor Party, think that this is wrong. It is important that you have public scrutiny of the major donations that go through so that you can actually say where the money is coming from when you go to the polls. I do not want to see the system that occurs overseas where we do not know who is actually donating to the major political parties. I do not want to see that happen. In the *Canberra Times* of 27 March 2006, political lecturer Norm Kelly wrote:

The Government has also argued that a higher disclosure threshold would encourage more people to take part in the political process. This argument is nonsensical, as there is no reason why this target group of people should not be contributing under the existing system. Unless, of course, they believe that they have something to gain, such as political favours, from making larger contributions.

Those contributions would be made without the scrutiny of public disclosure. A loophole in the law means that because of the structure of some Australian political parties a donor could give \$10,000 to each of the party's state, territory and federal bodies, a total of \$90,000 a year, and still remain anonymous.

Increasing tax deductibility for political donations from \$100 to \$1,500 will also have a major effect on the electoral system. The government estimates that this additional tax relief to political donors will cost the Australian taxpayers \$22.5 million over the next four years. Surely there are far better things the Howard government could be spending taxpayers' money on, such as health, education, roads and the environment. I am sure there are plenty more that we could think of.

At the 2005-06 annual report hearings held in November last year, the ACT Electoral Commissioner, Mr Phil Green, told the legal affairs committee that the Howard government's electoral reforms will impact the ACT in a number of ways, including the way the Electoral Act is structured, and that the Assembly will have to amend the act to stop this from happening. Mr Green went on to say:

Typically, hundreds of thousands of people take advantage of that week to update their enrolment or to enrol for the very first time. Because the Commonwealth is cutting that period short, there will be no doubt some people will miss out who would otherwise have corrected their enrolment. The fact that our election is a year after the Commonwealth election will mean, quite possibly, that our roll will not be in as good a shape as it might have been if people were correctly enrolled after the Commonwealth election.

If Australia had fixed election dates at a federal level, perhaps the impact would not be so great. But there is no doubt that the lack of fixed terms, in conjunction with the early closing of the electoral roll, creates the potential to damage democracy. These changes represent a backward step in terms of political equality and an inclusive political nation.

There is little doubt these reforms will have far-reaching consequences not only for the people of the ACT but for all Australians. I believe we need to protest against these laws. That is why this motion requests the Chief Minister to officially write to

the Special Minister of State, Gary Nairn, outlining our objections and expressing our concern about the negative effect these laws will have on the community.

Further, it is important that members in this place encourage their constituents to enrol or change their details as early as possible in order that they do not get caught out by the new laws. This country has a history that everyone who is eligible to vote has the right to vote. That right should not be taken away from them by the Howard government's regressive and unjust electoral laws. I commend this motion to the Assembly.

MR CORBELL (Molonglo—Attorney-General, Minister for Police and Emergency Services and Minister for Planning) (5.30): Thank you, Mr Speaker.

Mr Seselja: Mr Speaker, the normal practice is to go from side to side.

MR SPEAKER: Everyone will get a turn.

Mr Seselja: Not 15 minutes—

MR CORBELL: The Commonwealth Electoral and Referendum Amendment (Electoral Integrity and Other Measures) Act 2006 was passed by the commonwealth parliament—

Mr Seselja: That is disgraceful!

MR SPEAKER: Order! If you think it is disgraceful, Mr Seselja, just move a dissent motion. Do not interject like that and draw into question the chair's rulings.

MR CORBELL: Thank you, Mr Speaker. This act amended the Commonwealth Electoral Act 1918 to make far-reaching changes to Australia's electoral laws. The changes made by the electoral integrity act included significant changes to the electoral enrolment process, including the removal of the seven-day grace period for the close of the electoral rolls and a requirement to provide extra proof of identity when enrolling. The electoral integrity act also deprived all prisoners of the right to vote for federal elections, although the act had the effect of granting the right to enrol and vote for ACT elections to all prisoners eligible to enrol in the ACT.

The electoral integrity act also significantly reduced the transparency of the federal political process by raising the threshold amount at which the identity of donors and political parties and other political participants have to be disclosed to above \$10,000. While this issue is not directly related to today's motion, it will no doubt be the subject of debate in this place at a later time.

As the ACT's electoral enrolment scheme is directly linked to the federal enrolment provisions by virtue of the joint roll arrangement between the ACT and the commonwealth, the changes made to the commonwealth enrolment provisions will have a direct impact on the ACT's own electoral processes. To give more detail around that, the changes that affect the ACT's enrolment scheme include introducing a three-tier enrolment scheme in which electors must provide proof of identity by listing their driver's licence number or, if they do not have a driver's licence, showing

a prescribed witness a prescribed identity document or, if they do not have any of these documents, by having their identity verified by two people who have known them for at least one month; removing the right to vote at federal elections from all eligible persons serving a prison sentence but extending the right to enrol to all prisoners who are Australian citizens 18 or over, the effect of which is to automatically allow all eligible prisoners in the ACT to enrol and vote for ACT Legislative Assembly elections; extending commonwealth demand powers for electoral purposes to all state and territory agencies which the commonwealth intends to use to demand access to driver's licence data and prisoner records of all jurisdictions; and closing the roll for federal elections to new enrolments and re-enrolments on the day of the issue of the writs and closing the roll for updating enrolments three working days later.

The Chief Minister has already written to the Special Minister of State, Mr Nairn, about these issues. On 15 January this year, the Chief Minister advised Mr Nairn:

The ACT government is concerned that the commonwealth's recent changes might lead to a reduction in the integrity of the electoral roll. The new proof of identity requirements will place obstacles in the way of enrolment for several classes of people, including young people, frequent movers, Indigenous Australians, people who do not own property or a vehicle, and people in remote areas. The new arrangements for closing the rolls for new enrolments and re-enrolments on the day of issue of the writs for a federal election are also likely to lead to the disenfranchisement of many electors. I urge the commonwealth to take steps to ensure that Australian citizens are not disenfranchised by these changes.

To its credit, the Australian Electoral Commission has been taking steps to encourage people to update their electoral enrolment, and this week, 28 May to 1 June, is Enrol to Vote week, with school students aged 17 and 18 being actively encouraged to get on the roll before the federal election due later this year. This is something the AEC has always done. I am advised that the AEC has also been conducting doorknocks and mail-outs throughout the year to update the roll, and this does assist in increasing the number of accurate enrolments here in the ACT.

I am sure all members would give their wholehearted support to the AEC's efforts to encourage enrolment, particularly of 17 and 18-year-olds; nevertheless it remains a concern that the commonwealth's changes will still place obstacles in the way of securing an ongoing, accurate electoral roll. Of particular concern is the proposal to close the rolls on the day of the issue of the writs. The question has to be asked: why would the commonwealth want to make it more difficult to allow people to vote? Why would they create more red tape and put that in the way of people wanting to vote? We hear from the Liberal Party all the time that we have got to remove the burden of red tape and administrative bureaucracy from business, but when it comes to the issue of people's fundamental right to vote, they want to make it more difficult, not less so.

It is important to note that the early close of the roll for federal elections will not directly affect ACT elections, as our rolls close under the ACT's Electoral Act one week after the start of the pre-election period. But we do use a joint roll, and what that

means is that some people may not have their details up to date and may result in those people being ineligible to vote.

The motion before the Assembly today notes that the commonwealth changes to the electoral enrolment provisions will disenfranchise thousands of eligible voters in our community. First of all, the changes effectively remove the seven-day roll close period that was introduced after the 1983 election when previously the rolls closed on the day of the issue of the writs. At that election the rolls were closed the day after the election was announced, breaking a longstanding convention that a decent gap was left between when the election date was officially announced and when the writs were issued.

While it is not possible to say how many eligible electors were disenfranchised as a result in 1983, since the seven-day close of roll period has been introduced, it has been typical that hundreds of thousands of electors enrol or change their enrolment during that seven-day period. For example, in 1993, during that close of roll period, that seven-day period, there were 160,700 new enrolments. About half the total population of the ACT enrolled for the first time nationally during that election campaign and they enrolled during that seven-day period. There were 296,000 other changes to the roll, updating the information. Again, almost two-thirds of the population of this city nationally updated their details in that seven-day period after the election was called, but during that seven-day period.

The federal government claims that closing the roll on the day of the issue of the writs to new enrolments should not disenfranchise electors, as enrolling and updating enrolment is compulsory. That just belies human nature. It is a well-known fact that many people leave enrolling and updating their enrolment until the last minute, and that is despite campaigns that the AEC and politicians and political parties run encouraging and reminding people of their obligations to keep their enrolments up to date and to enrol for the first time when they are eligible to vote.

At the 2004 election, the most recent federal election, 78,908 first-time electors enrolled, and 255,000 electors updated their enrolment in the seven-day close of roll period. Most of the first time electors would have been young people. So, in answer to an earlier interjection from Mr Smyth across the chamber, that is what the problem is. The problem is that these changes effectively impact on the enrolment of 79,000 new electors who have previously—and history shows consistently—enrolled in the seven-day period after the federal election is called. Why should those people be disenfranchised? Why should they be denied the right to vote, which is effectively what these changes mean? And why should another quarter of a million people be required to stand up in a queue for the three days that is allowed at all the electoral offices across the country to update their details rather than being able to do it over a more reasonable period of time? Why? What is to be gained from this?

The Liberals argue that it is all about electoral fraud, that there are major issues with electoral fraud which these changes will address. Let us turn to the issue of fraud prevention. Several inquiries have examined whether any such fraud on any significant scale has been occurring in federal elections. Even though the seven-day close of roll period has been in place for federal general elections and numerous federal by-elections and many state and territory elections, these inquiries have failed

to expose any significant fraud arising from the delay in the close of the roll, or indeed in the enrolment process generally.

Instead, supporters of moves to tighten the enrolment process have pointed to the potential to fraudulently enrol in the absence of any evidence of actual fraud in numbers sufficient to affect an election. So because they cannot demonstrate any evidence of any significant fraud, they have instead said that it is possible that there would be fraud—despite the fact there is no evidence to support that claim—and therefore these changes must be made.

Clearly, this is not a tenable argument by those opposite. Thankfully, this early closing of the federal roll will not directly affect ACT elections. In the ACT our own Electoral Act provides for the close of the roll, and we have fixed term elections. Our roll close date is known well in advance. In fact, we know today that the roll will close for the next ACT election on 19 September 2008.

However, the state of the electoral roll for ACT elections is very significantly connected to the health of the national electoral roll. If many thousands of people miss out on enrolling for the 2007 federal election, they may also miss out on being correctly enrolled for the 2008 ACT election. While the ACT Electoral Commission will conduct an advertising campaign in 2008, this will not reach those people interstate that may have left the ACT but have remained on the ACT roll because they did not update their federal enrolment. A related issue of great concern is the changes that have been made to applications for electoral enrolment which were introduced on 16 April this year. For some people the process of enrolling has just got a whole lot harder.

The three-tiered system which I mentioned earlier applies to all eligible electors. Previously the process was simple. A witness verifying a person's signature and identity was required by all those who wished to enrol to vote. Now new measures are in force. You have to have a driver's licence. You must state the number when you apply to enrol. If you do not have a driver's licence you must show some other specified documentary proof of identity to a list of eligible witnesses. If you have no documentary proof, two people who have known you for more than a month must sign the roll. This enrolment model relies on people being able to produce up-to-date identity documents before a specified authority.

For many people this process has made the act of enrolling much more difficult than the previous scheme. There is also a discriminatory element here that disadvantages those significant numbers of people who do not have a driver's licence or other identity documents. It is likely that this enrolment model will place obstacles in the way of enrolment for several classes of people, obviously young people, people who move between places of residence frequently, Indigenous people, people who do not own property, people who do not own a vehicle and obviously people at a national level in remote areas.

Why should these people be denied the right to vote? It is almost as though those opposite want to go back to the days when, to vote, you had to own property; to be elected to parliament you had to be a property owner. It harks back to the old-fashioned, antiquated and autocratic views which conservative parties in Australia

have held for long periods of time. It is almost as though they want to hark back to those days in the future. You have to own property; you have to have property entitlement. Why should you have to have property entitlement? Why should you have to own a vehicle? All of these things are incredibly bad.

I commend Ms MacDonald on bringing this motion to the attention of the Assembly. I draw to the attention of those members opposite significant concerns raised with these proposals.

MR SMYTH (Brindabella) (5.45): Mr Speaker, yet again we have before us a motion from Ms MacDonald that really lacks intellectual substance. The whole case is predicated on the words “may”, “could”, “potential” and “likely”. This place has placed a great deal of store over a great deal of time in early intervention: get in early, get people to do things correctly, make sure you get it right, give people time. That is what the federal government have done. They have come up with a system. They have said, “Yes, we are going to tighten up the time frames at the end of the process, but we are going to be ahead of the game.”

The irony is that we are discussing this motion in Enrol to Vote Week. Yes, in the federally funded, federally advertised and federally rolled out Enrol to Vote Week, we are discussing a motion saying that it is going to be hard to vote. We had Mr Corbell saying, “Why should these people be denied the right to vote?” Nobody is being denied the right to vote. We are asking them to get on the roll through a different process, and processes change all the time. The stench of electoral corruption is often attached to the Labor Party. I think of Mike Kaiser and the report recently in Queensland and of the things Peter Beattie said after the 2000 election. Perhaps we should be tightening things up.

For those who can vote and are eligible, the process is not onerous. That you have to produce some ID as to who you are to get on the electoral roll does not seem to be a great hurdle. If you want to get a passport, it is much harder than that. If you want to get a Medicare card, it is much harder than that. All we are simply asking is that you show some ID so that we can get the roll right. That, Mr Speaker, is not an unreasonable process.

The great fear that is trotted out is that there is the potential to disenfranchise young people. I understand that members of this place will be going to schools—I think I am lined up to go to a school in Brindabella—to encourage young people to vote. So there we are doing our civic duty as MLAs. Federal members, no doubt, will be out there in their schools with the forms and saying, “Sign up now so that we can put you on the roll so that when you become 18 you will be activated.” We are getting out in front of the game, and what do we get from the Labor Party? Again, we get the climate of fear and talk about the importance of a strong electoral system. We have still got a strong electoral system.

As to the direct impact these changes will have on the ACT electoral roll, I waited for a case to be made by Mr Corbell. As he said, we have a fixed date, we know what that fixed date is next year and people have now got until 19 September to enrol. What is the difficulty with that, Mr Corbell? I am sure you will be out there spruiking hard and encouraging people to get on the electoral roll because you agree with the process of

voting. This is just absolute fluff and it is the sort of thing we come to expect from Ms MacDonald.

Ms MacDonald's motion says that the Howard government's enrolment changes are unnecessary and are likely to weaken the Australian electoral system. Mr Speaker, do you feel weakened? Do you see democracy in the country shaking? Like very few others in this world, we have had strong and continuous democracy in this country. These reforms will not damage that. They have the potential to strengthen that. Yes, you are right: other countries look at our electoral system. That is because we reform it and we keep ahead of the game to keep corruption out, and that is what these reforms will do.

We had Ms MacDonald speaking about the potential of negative impacts. The word "potential" was used a lot. There is a lot of fear and fluff out there; fear and loathing in Canberra, not in Las Vegas, Mr Speaker. The whole point is that they are unhappy with the changes. The changes went through a parliament, a democratically elected parliament, and were approved by that parliament. This is simply an endorsement of the electoral process. You might not like that, you might not like what they do, but let's not get up here and make this sort of noise.

The amendments to the Commonwealth Electoral Act are sensible. People now have to provide identity when they enrol or when they update their enrolment. You need to provide identity in some cases, if you are young or young-looking, to get into a pub. It is more onerous to get into a pub or a nightclub than it used to be to get on the electoral roll. I think that we should value the right to be on the electoral roll, that we should safeguard it, that we should make it so, and that we should encourage people to get onto to the roll and encourage them to get onto it early.

Mr Corbell: Are there any significant problems with the roll? The parliamentary committee found no significant evidence.

MR SMYTH: I am surprised at the Attorney-General. Perhaps he should read the act. I thought people had an obligation to be on the roll. In fact, there might even be a penalty for not being on the roll. If you have changed your address within a certain time, you are meant to change it on the electoral roll. There may be a penalty for not doing that. That is probably a breach of the act. But we are not talking about that. No, we do not want to talk about that. We do not want to talk about the existing act and we do not want to talk about people's noncompliance with it. We have got a bee in our bonnet because it may, it might, it could, it has the potential to or it is likely to disenfranchise somebody. That is the argument: it may, could, might, has the potential or is likely. It is as though the Labor Party have just opened up a thesaurus and said, "How do we object to this? We come up with all the words that could lead to something. We are not sure what, but we will say it anyway."

People now have to provide identity when they enrol. That is not unreasonable. That is to prevent electoral fraud such as we saw in Queensland in 2000. Indeed, Premier Peter Beattie wanted to introduce similar amendments in Queensland, until the federal government introduced them federally. Members opposite are against those. They will work in Queensland, but they will not work for the country. Think about the Peter Beattie Labor Party approach, with memories of Mike Kaiser and the

electoral roll in Queensland. You can hear the objections from those who are afraid of exposure.

If you want to cast a provisional vote, you will now have to provide proof of identity. Why is that unfair? I have heard no logical argument about how that will disenfranchise someone. How is that unfair? The period allowed for the closure of the roll has been changed. Periods of allowance change all the time. That will allow the electoral commission more time to prepare itself for the election, given that there are already penalties in the act for not being enrolled or not having changed your address. I have not heard a concrete argument from those opposite that says that it will do anything at all concretely to undermine democracy, and I will not, because this is just standard fear-mongering.

Mr Corbell: Seventy-nine thousand electors. A quarter of a million electors updated their details.

MR SMYTH: Mr Corbell talks about 79,000 new voters. They are out there. They are in the schools this week, Mr Corbell. We have just had a brochure put in letterboxes by the ACT government and it is really funny. It speaks of a new curriculum framework for ACT schools and essential learning achievements. What is No 21? What should students learn in the new curriculum framework for ACT schools under the essential learning achievements? No 21 states, "Understands and values what it means to be a citizen within a democracy."

If they understand and value what it means to be a citizen in a democracy, surely those kids would have gone out and enrolled anyway. They would have done it. I could not wait to enrol. I know my kids could not wait to enrol. I know lots of people who could not. But we have addressed that fear, an unfounded fear. We cite the numbers. We throw the numbers around here. We are very easy on the numbers.

For the first time, we have a federal government which is out there actively encouraging and helping people to enrol to vote. It is out there actively helping and encouraging them, getting in early, early intervention, making sure that people get on the roll, making sure that people understand their obligation, telling people how they can participate, challenging, asking people to get it right and get it right now. But no, that is not good enough. They get out the lexicon and go back to the old words "may", "could", "potential" and "likely." If you have not got an argument, if you cannot actually speak to the issue, you go for the fear. Voting is a central process in our democratic system of government and it should be kept free of fraud. It must be kept free of fraud, and that is what the federal government is doing.

There have been some changes. Electoral advertising has to be authorised in line with all other types of advertising. I am not sure how you can object to that. How can you object to having all forms of advertising treated equally? We have heard from the Chief Minister so many times about equity, equality and how we want things to be equal. One of the things that the act as it is now does is to make sure that electoral advertising has to be authorised in line with all other types of advertising. Are we against that part as well? Are we going to object to electronic advertising being treated in a different way? Are we? No, they are mute on that side. Ms MacDonald raised the question of the threshold being lifted to \$10,000. For somebody in a party

who votes in this place on poker machines with a direct conflict of interest as a recipient of cash at every election, and enormous amounts of cash—

Mr Corbell: Mr Speaker, I take a point of order. That is an imputation against Ms MacDonald and it should be withdrawn.

MR SMYTH: In what way is it an imputation to say that the Labor Party benefits from poker machines?

Mr Corbell: He is suggesting that Ms MacDonald—

MR SMYTH: Oh, you don't benefit from poker machines!

Mr Corbell: No, the imputation is that donations received by the Australian Labor Party—

MR SMYTH: Paul Osborne had the integrity to stand aside. He understood the conflict of interest.

Mr Corbell: The point of order, Mr Speaker, is that that is an imputation against the member's behaviour.

MR SMYTH: How?

Mr Corbell: That the member votes a certain way because she, and all other members of the Labor Party, receive, indirectly, support from the Canberra Labor Club, which has money from poker machines. Mr Speaker, it is an imputation. It is a quite improper imputation and the member should be asked to withdraw the imputation.

MR SMYTH: Speaking to the point of order, Mr Speaker: on numerous occasions—

Mr Corbell: You do not have the call, Mr Smyth; I do. Sit down.

MR SMYTH: Neither do you. You are not in charge of the Assembly, Mr Corbell.

MR SPEAKER: Mr Corbell has the call.

Mr Corbell: I have the call. Sit down, Mr Smyth.

MR SMYTH: Oh, Mr Corbell! What will you do? I am scared.

Mr Corbell: I have the call.

MR SPEAKER: Order! Mr Smyth, give Mr Corbell a go. This is not a debate, by the way.

Mr Corbell: Mr Speaker, I am drawing your attention, despite Mr Smyth's interjections, to the fact that it is an improper imputation. Such improper imputations are disorderly and he should be asked to withdraw for the pathetic, snivelling and childish comment that it was.

MR SMYTH: Mr Speaker, I simply wish to point out that Mr Osborne made this point very clear and refused to vote on matters that involved poker machines.

MR SPEAKER: No, you did not. I heard you clearly, Mr Smyth. You said that there was a clear conflict of interest. Those are matters under standing order 156 which can only be resolved by the Assembly, so I would ask you withdraw that.

MR SMYTH: Mr Speaker, I withdraw.

DR FOSKEY (Molonglo) (5.57): In the two minutes that are left to me, I will point out some things that perhaps will add to the debate, rather than repeating points. Given that a lot of work was put into this speech, I do want to put some things on the record.

It really saddens me that the amendments that Ms MacDonald refers to are going to affect mostly those people who are already unfamiliar with the processes. It almost seems as though they have been deliberately targeted—new Australians, young people, rural Australians. These changes will make it harder than ever for them to contribute. If the government genuinely values their vote, it would make the process easier, more flexible and more straightforward. Voting is not a privilege, it is a right, and it should be treated as such. I could be cynical enough as to say that you could see these changes as making voting voluntary by default, but I do not suppose we could do that patently and obviously, could we?

It is ironic that we are discussing this motion today, as yesterday, as members will remember, in the adjournment debate I delivered a speech reminding them of the 40-year anniversary of a referendum that opened up Australian democracy by giving the right to Aboriginal people to vote, yet here we are today discussing amendments to the Commonwealth Electoral Act that will only alienate and disaffect exactly those people whose voting is at the moment not easily done. That is being cynical. How can Mr Smyth stand there and say that this is about reducing fraud? I am surprised that he, with his small “I” liberal connections, is an apologist for the federal government and is actually trying to explain that this is a good thing. It is a backward step for democracy in Australia.

At 6.00 pm, in accordance with standing order 34, the debate was interrupted and the resumption of the debate made an order of the day for the next sitting. The motion for the adjournment of the Assembly was put.

Adjournment Reconciliation Week

MR GENTLEMAN (Brindabella) (6.00): Today, I would like to talk about Reconciliation Week. Reconciliation Week coincides with two significant dates that pave the way for reconciliation, the first being the 1967 referendum and the second being the watershed Mabo decision in 1992, which overturned the legal fiction of terra nullius and recognised the native title rights of Aboriginal and Torres Strait Islander people.

Despite these events, we still do not have any formal recognition of Aboriginal and Torres Strait Islander people as the first Australians, nor any official apology for the injustices inflicted on our indigenous people since colonisation. Reconciliation has both symbolic and practical implications which would better address issues of indigenous disadvantage in health, education, housing, employment and civic participation.

The acknowledgment of past wrongs is integral to moving forward as a nation. Every Australian state has said sorry. However, in the absence of an official apology from the federal government, how are we going to truly rebuild relationships with our indigenous people and have policies in place that adequately address their needs?

The Howard government is more than happy to identify with the ANZACs and past sporting heroes such as the PM's beloved Don Bradman, but he does not feel that he should apologise for the decisions of previous public servants that administered Australia's very misguided policies towards indigenous Australians, particularly the stolen generation. The PM argues that, since he was not personally involved, why should he apologise for such acts?

In the adjournment debate last night we had Dr Foskey discussing the 1967 referendum, and she has mentioned it again tonight. While that was a significant step towards reconciliation in that it removed two sections of the constitution which discriminated against Aboriginals, I would like to talk about another significant event we are reminded of during Reconciliation Week; that is, the 10th anniversary of the *Bringing them home* report.

The *Bringing them home* inquiry was established in order to raise the general public's awareness of the official policies that resulted in the forcible removal of indigenous children. This recognition was seen as integral if any progress was going to be made in addressing the needs of victims and their families. However, sadly, of the 54 recommendations made in the report, 35 have been ignored. The recommendations need to be implemented if we are to have any hope of ameliorating the issues our indigenous people face.

A recent World Health Organisation report into indigenous health argued that, until the government publicly acknowledged the role of Aboriginal people's stress, alienation, discrimination and lack of control, progress would not be made. The same report also concluded that Aboriginal people are the unhealthiest indigenous people of all the developed nations and are almost 100 years behind other Australians.

The federal government boasted in its recent budget that it had increased funding for indigenous Australians. However, these funds are usually one-off programs that are not sustainable. Also, to put it in perspective, how little the federal government is concerned about indigenous issues is illustrated by the fact that the federal government has committed just over \$135 million over four years for Aboriginal health, while committing \$123 million to the ludicrous citizenship test which was introduced today in the federal parliament. If we are to adequately address the problems that indigenous communities face, a lot more money needs to be committed and the recommendations implemented.

Furthermore, I would like to criticise the comments made in today's *Canberra Times* about Lowitja O'Donoghue by a former Minister for Aboriginal Affairs, Peter Howson. Peter Howson argued that she had no basis for her claim to have been stolen since it was her father who gave permission for her to be taken away from her mother. In fact, there was no such choice. A detailed interview with Lowitja O'Donoghue in 1993 in the SBS's *Australian Biography* series revealed that her mother had heavily resisted attempts by authorities to take her and her two elder sisters away.

She knew little of her father, only that he was an Irishman and a station manager at Granite Downs in the north-west of South Australia. Her father also had a wife and family in Adelaide. It would be little wonder that he wanted to shirk his responsibility for Lowitja and her sisters. However, there is no evidence that he had any role in it and it was the United Aborigines Mission which persuaded her mother that it would be best for her children to be brought up at the mission's home for children at Quorn.

Mr Speaker, it is ridiculous to suggest that indigenous people were not adversely affected by the removal from their people and their traditional land and stripped of their languages and culture. On the 10th anniversary of *Bringing them home*—(Time expired.)

John Flynn memorial School changes—transitional payments

MRS DUNNE (Ginninderra) (6.05): There has been a lot of talk about brass and bronze memorials to various people around the place in the last couple of weeks. We had the bronze memorial commemoration to Al Grassby and then in our electorate this week we saw the disappearance of the brass plaque commemorating John Flynn—Flynn of the Inland—from outside Flynn primary school.

This brass plaque and the plinth on which it was mounted, which was etched with the word "Flynn", was the work of the National Memorials Committee and was put up under the auspices of the NCDC in 1980 to commemorate the 100th birthday of John Flynn. It says, amongst other things, "This plaque was erected on this centenary to commemorate the work of John Flynn"—in the formation of the flying doctor service—"after whom this suburb, Flynn, was named and this school—Flynn primary school—was named."

In the course of the last week or so, the brass plaque has gone missing. The brass plaque was removed without any notification to any of the residents. People walking past noticed it to be missing. At successive times, the—

Mr Corbell: Imagine if we had not removed it. If we had not removed it, you would have criticised us for not protecting it. It is just absurd.

MR SPEAKER: Order! Mrs Dunne has the floor.

MRS DUNNE: The plinth has been infilled, and on various occasions it has had a number of coats of paint applied to it, the latest one being white. None of this was

done in consultation with the National Memorials Committee, under whose auspices it was put up. It would have been a courtesy to anybody, but especially to the National Memorials Committee, which was not consulted on the removal of this plaque.

If they were just taking away the plaque for safekeeping, why would they want to infill the plinth on which it stands and obliterate the name “Flynn” from the plinth? Surely that is not a matter of restoration. If it is really about preserving brass plaques so that they are not vandalised, why do we not take down all the brass plaques—like the one at the Florey shops that commemorates the 100th birthday of Howard Florey—in case somebody walks past and vandalises them one night?

This is an act of complete neglect and complete disregard for the people of Flynn by this Stanhope government.

Mr Corbell: The Florey shops are not closed, Mrs Dunne. I do not know if you noticed, but the school is closed now.

MR SPEAKER: Order, Mr Corbell!

MRS DUNNE: Mr Speaker, you can see how sensitive they are, because Mr Corbell—

Mr Corbell: No, it is just such a stupid argument.

MR SPEAKER: Order! Mr Corbell! Cease interjecting.

MRS DUNNE: —seeks to interject to talk me down, as he wants to do on any occasion. I want to know, and the people of Flynn want to know, where the plaque is and why the minister for education claims to have the plaque when the responsibility for the building rests not with the department of education but with the property group in territory and municipal services. I and my constituents want to at least see it so that we can be assured that it still exists and that somebody has not lost it in the first instance.

We also want to see that plaque restored immediately. There was no consultation on the removal of the plaque. It shows complete lack of respect for the person who is commemorated there—a complete lack of respect for the memory of and testament to the Royal Flying Doctor Service and a complete lack of respect for my constituents in Flynn, who are having their suburb name obliterated so that we can wipe out the Stanhope government’s history of closing their school, it would seem.

I turn to another matter relating to Flynn parents. Mr Pratt asked a question in relation to transitional payments today. There were Flynn parents who sent their children to the Charnwood-Dunlop school this year after Flynn closed down who could not obtain the form to apply for transitional payments from the school—the school that they were going to. The Charnwood-Dunlop school could not provide that form. It was up to other parents in the Flynn parent group to pass on the form to parents who had moved their children to the Charnwood-Dunlop school. It took literally months for some of those parents to receive their \$750. That issue was raised only after all parents had received it. At the request of parents it was not raised beforehand because

they feared not receiving the money at all. It was an unconscionable delay. It was not helped by the school authorities, who would not provide these parents with the simple forms that were required.

The people of Flynn are starting to say to me, and I am sure they are saying it to you, Mr Speaker, “What is it about this government? Are they picking on us? We cannot get at the money that we are entitled to. They take away simple memorials that we worked hard for and we have nothing to show for it—no school, no community.”

Albert Hall

DR FOSKEY (Molonglo) (6.10): With some other members here, I attended a public meeting that was held at Albert Hall last week. Tonight, I thought I would put on the record a number of resolutions that were adopted by that meeting. The first of those was—

Mrs Dunne: Mr Speaker, I have a point of order. This is on the program for debate today. Is this anticipating debate which may arise next Wednesday?

MR SPEAKER: It will not be, because it is not on the notice paper after today and it is not programmed for debate today.

Mrs Dunne: It is on today’s program and it is on the notice paper. I am just wondering whether this anticipates debate.

DR FOSKEY: It is unlikely to come up before August. That is quite a long way away and I believe it is covered by the standing orders.

MR SPEAKER: It will not come up today. The administration and procedure committee will determine when it will come up. It would not be likely to come up for some time unless it was programmed into next week, and I am not sure whether it will be. I cannot anticipate that.

Mrs Dunne: Okay.

DR FOSKEY: I have to wonder if members want it to come up at all.

MR SPEAKER: I think it is reasonable for the member to raise it.

DR FOSKEY: Okay. The resolutions were as follows:

- (1) That relevant Federal and ACT Government ministers set up a joint body with equal community representation to report/advise on planning and management to ensure a sustainable future for the Albert Hall Heritage Precinct and guarantee sufficient community use of the Precinct for civic and cultural purposes.
- (2) That the NCA withdraw DA 53 and commence fresh planning and consultation processes for Albert Hall Precinct pending establishment of a new joint body.

- (3) That this meeting empower the organising group to set up a committee to promote the implementation of these resolutions.
- (4) That this meeting request the ACT Minister for Planning to convey two messages to the Government:
 - a. this meeting's disappointment that the Government did not send a representative competent to comment on the tender process; and
 - b. a request that the Government abort the current tender process and not re-open tenders until the planning future for the Albert Hall Precinct had been clarified.
- (5) That the plan resulting from Resolution 1 honour the principles spelt out by Walter Burley Griffin for the planning of the National Capital.
- (6) That this meeting considers any plan for the Precinct ensure that Albert Hall remains a public asset under public management.
- (7) That the meeting express disappointment that the Minister for Territories is not present and has not been present at any of the Albert Hall precinct meetings.

There have been two problems with the processes to date. One is that the NCA and the ACT government appear to be acting independently of each other; the other is that there has been and is likely to be no real partnership with interested members of our community. It is quite wrong to underestimate the significance of this building and the importance of establishing an open process to decide its future. The public reaction first to the NCA's proposed variation of the National Capital Plan and then to the ACT government's management strategy makes that clear.

I note that the ACT government is writing to the Commonwealth asking that the Albert Hall be put on the national heritage list. If that is successful, it is reasonable to think that it would influence both the opportunities and the responsibilities of its managers. It would also, I imagine, be likely to attract federal funding at different times.

I understand that the ACT government might have thought that it was handling the problem effectively but, events having overtaken the process, I think we can see that it is not. To embark on a tender process in order to engage a business as manager of the hall before the NCA has finalised any variation to the National Capital Plan and before the matter of heritage listing is finalised can do nothing but create problems. This is further complicated by the proposal to make the winning tenderer pay for capital works. Members of the Assembly would be aware of the problems that emerge when private operators make capital investments in community assets. The Phillip pool is a recent example of this. Private investment in the site saw the establishment of an ice-skating rink and decisions on the future management of the facility by its owner—(*Time expired.*)

Debate interrupted.

Papers

MR BARR (Molonglo—Minister for Education and Training, Minister for Planning, Minister for Tourism, Sport and Recreation, Minister for Industrial Relations) (6.15): Mr Speaker, during question time I undertook to table, by the end of sittings today, policies in relation to countering bullying, harassment and violence in ACT public schools. I table the following documents:

Policies in ACT schools, prepared by the Department of Education and Training—

- Appropriate use of mobile telephones.
- Countering bullying, harassment and violence in ACT public schools.
- Countering racism in ACT public schools.
- Countering sexual harassment in ACT public schools.
- Providing safe schools P-12.

Adjournment

Debate resumed.

John Flynn memorial

MR CORBELL (Molonglo—Attorney-General, Minister for Police and Emergency Services) (6.15): I want to briefly comment on the issues around the plaque at Flynn primary school. It strikes me as a somewhat curious debate, Mr Speaker, because—

Mrs Dunne: So you've got it?

MR CORBELL: No, I do not. I simply want to make the observation that I can imagine the outrage from those opposite if the memorial had been vandalised. What if someone had decided that it needed to be painted over or cleaned up? Imagine Mr Pratt there with his bottle of hydrochloric acid and his rubber gloves. He might have completely obliterated the thing in an attempt to remove what he felt was graffiti. He would have been there with his rubber gloves and bottle of hydrochloric—

Mr Pratt: The only rubber gloves you will ever see, mate, will be on the wrong end of you know where.

MR CORBELL: I do not want to ever come near you when you have got rubber gloves on, Mr Pratt.

MR SPEAKER: Order! Relevance.

MR CORBELL: It is entirely relevant. The issue, of course, is that the Liberal opposition would have been the first to jump on the wagon and ask why the ACT government did not take steps to protect this memorial. That is what the government has done. The Florey shops seem to be a somewhat strange analogy, because the Florey shops are actually open. People are using them and going past every day.

There is this issue about casual surveillance, Mr Speaker. The school is closed. It is entirely reasonable that the government simply makes sure that significant items in former school sites—whether they are inside or outside those sites—are properly protected until decisions can be made about how they can be used in the long term.

It is in everyone's interests that the plaque and memorial to John Flynn are maintained in the long term and are again on public display so that we can commemorate in an ongoing way the achievements of a significant Australian. It is not unreasonable to take steps, in the short term, to ensure that valuable items are protected from vandalism on what are currently vacant school sites. That is exactly what we have done. The hypocrisy from those opposite would have been even clearer if we had not taken steps to address this matter.

Industrial relations Water—recycling

MR MULCAHY (Molonglo) (6.19): I want to talk on a couple of items tonight in the time available. First, I want to revisit and remind members of a topic that is near and dear to you, Mr Speaker, and me, and that is industrial relations. In this climate where there is enormous debate about industrial relations at a federal level, we should not forget the fact that the ACT intervened in a High Court challenge brought by the states against the WorkChoices legislation in a matter that was heard between 4 and 11 May 2006. It is now a matter of public record that that action was unsuccessful.

The ruling served to underline that the territory was pursuing a wrong priority. Putting aside the merits of the WorkChoices legislation, it could be strongly argued, based on the High Court's ruling, that it should not have been contested in the first place. The ACT, under the self-government act, does not have the same powers as the states to set industrial relations law. Therefore, even if the states had been successful in their action, the federal government could have ensured that the WorkChoices legislation remained in operation within the ACT. The ACT's participation in the case was unnecessary, superfluous and clearly designed to grandstand on the issue of industrial relations rather than achieve any tangible gain for the people of Canberra.

And what was the cost? Mr Stanhope keeps asking where the Liberals will save money. Here is yet another example. We heard many cited earlier today. On 19 April, in reply to a question without notice, taken on notice, the Chief Minister and then Attorney-General stated that the anticipated final cost to the ACT was \$95,000 and that, to that point, prior to the case having been heard, already \$33,512.75 had been spent. Costs were awarded to the federal government, so the ACT may well have had to contribute a share of this amount. A High Court decision—

Mr Corbell: They have not pursued them.

MR MULCAHY: Mr Corbell, the Attorney-General, assures us that they have not had to contribute any more. But even if they have outlaid whatever that final figure was, it certainly was money that could be better employed in pursuing the needs of the ACT community.

The High Court's decision was greeted very favourably by, amongst others, the business community. Heather Ridout, chief executive of the Australian Industry Group, said:

For national companies operating across state borders this will be a very important decision because they will have a consistent approach to their workplace regulation ... across borders, so it does provide that clarity ...

Peter Anderson, from the Australian Chamber of Commerce and Industry, noted:

For our economy it means that the Commonwealth Parliament has sufficient constitutional powers not just to create a national industrial relations system but also to ensure that there is management of our national economy where law and regulation is needed.

It is worth reminding ourselves of that rather futile exercise in buying into that case.

Turning to my second item, in the remaining time I just want to place on record the value I experienced by visiting Singapore last week with the Actew Corporation, and I appreciated the opportunity extended by the Chief Minister on this occasion, despite the fact that we spend most of our lives firing rockets back and forth across this place and in the media.

The visit was informative. It strengthened my level of confidence in the systems in place in Singapore in terms of water treatment. We inspected a range of recycling plants as well as a major desalination plant. We saw facilities which had high standards in terms of public health and were constructed on a reasonably sound economic basis. Admittedly, they have vastly lower labour costs there. Mr Gentleman will be sorry to hear about that, but they would be obviously significant variables in this environment. I was impressed by their commitment to high standards of health, but they have been happy to embrace recycled water. They will be increasing their total supply of water from recycled sources up to 10 per cent within the next several years. Their primary use for recycled water is still for computer wafer production requirements. That requires water of an even more pure standard than that used for drinking purposes.

During the visit I was appreciative of having the assistance of someone with specialist qualifications in waste water—Ms Amanda Wenhlowkyj, who is a resident of Singapore but formerly worked for the EPA in Victoria—at no cost to the ACT taxpayer. I appreciated the agreement of Actew Corporation for her to be part of the delegation. She is preparing detailed notes for me to examine more thoroughly on the basis of all the meetings we held. It was productive and worth while and I was pleased with the opportunity to be part of it.

ACTION bus service

MR PRATT (Brindabella) (6.24): I rise tonight to talk about my concern re the safety of our bus interchanges, the safety of our buses and safety for ACTION staff and bus drivers in general. Mr Speaker, I want to bring to your attention that to my knowledge, as reported to me by members who work in the area, at least three bus drivers have

been injured in recent weeks in assaults. There have been six major incidents—violent incidents—at Woden interchange alone. In response to a question on notice, I got an indication that there have been at least four ACTION staff injured this year, 2007, although that does not quite sit with other information that I have.

Disturbingly, too, I notice that, commensurate with this increasing violence in bus interchanges, there is constant concern by members of the public and ACTION staff that they do not see a police presence in the interchanges. They wish to see more of a police presence. They also wish to see a more targeted, perhaps undercover, operation, to see if people can be apprehended who are religiously and regularly hanging around interchanges begging for money, which then leads to intimidation, which then leads to theft when these things do not occur.

Let me mention a couple of answers I got in response to a question on notice about this particular area. I asked:

How many assaults on passengers and/or ACTION staff have been reported in 2007 to date ...

It is interesting to see that in the answer four staff are identified, but nobody has any detail on or data for the number of passengers. I find it disturbing that ACTION cannot tell us, and does not know, the number of passengers who may have been hurt in reportable incidents.

Another question was:

How many assault and violent offenders were arrested, detained and subsequently charged for offences at each of the interchanges in (a) 2004, (b) 2005 and (c) 2006 ...

The answer was:

This information is not provided to, or kept, by ACTION.

I find this rather peculiar. Why have the police not provided that information to ACTION? If ACTION supposedly collects, from the transport officers at each interchange, on a daily basis, the number of incidents and data about incidents which have occurred, why do they not know the outcome? Why do they not know the outcome of police action or court action? And so on.

If I had time, I would read a few more questions and give you a number of answers which indicate the same sort of pattern. I will leapfrog down to the last one:

What are the details of police call out assistance and routine patrol arrangements that currently exist between ACTION and ACT Policing for each interchange.

The answer states:

Police attend through the normal procedures of being notified ... Routine patrol arrangements are a matter for Police.

They do not know. The point I am getting at is this: if ACTION is the custodial authority for our interchanges and has a responsibility to ensure that they are safe, why is there not a coordinated program and coordinated security plan between ACTION and police? Are there in place policing and security plans for each of the interchanges that are well known to both police and ACTION staff? Clearly, no. ACTION are saying, "We do not know what the police are doing there." I find this not only peculiar, but absolutely irresponsible. There is clearly no interest by ACTION to coordinate with police to make interchanges safer places. There must be a consistent security plan or policing plan in these places. If there were, ACTION, the custodial authority, would have a better idea of what the circumstances and situations are in these interchanges.

Finally, I say this. The government—I think quite rightly—is seeking to increase patronage on our public transport system. We on our side of the chamber encourage that approach. We do not want to see obligatory movements of people out of cars into buses, but we do want to see the system made so attractive that people will think about leaving their cars at home and taking buses. How can you do that if these interchanges are not safe? There is a certain hypocrisy here, Mr Speaker. (*Time expired.*)

Question resolved in the affirmative.

The Assembly adjourned at 6.29 pm.